

Environment, Fragility and Conflict in the World Bank

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Environment, Natural Resources, and Blue
Economy Global Practice

The World Bank

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International Bank for Reconstruction and
Development (IBRD)

Evolution of the World Bank Group Role in Fragile and Conflict States

Focus on post-conflict reconstruction

- Initial loans following WWII
- Support to Bosnia & Herzegovina (1996-2003)
- Afghanistan Reconstruction Trust Fund est. in 2002

Shifting the focus on development actors' role to address fragility and conflict

- First classification of fragile situations (2006)
- 2011 WDR on Conflict, Security and Development

Pivoting to prevention, active conflict & spillovers

- IDA18 focus on FCV (prevention, refugees, private sector)
- 2018 IBRD and IFC Capital Increase package focus on FCV in MICs
- WDR on Governance & Law (2017)
- UN-WBG Pathways for Peace (2018)

Development of the first WBG Strategy for FCV

- Strong alignment with IDA19 FCV Special Theme



2002

Afghanistan Reconstruction Trust Fund Established

2006

First classification of fragile situations

2011

WDR on Conflict, Security and Development

2017

Launch of IDA18

2018

UN-WBG joint report, Pathways for Peace

2019

Launch of WBG FCV Strategy

FIGURE 1. SHARE OF POOR LIVING IN FCS

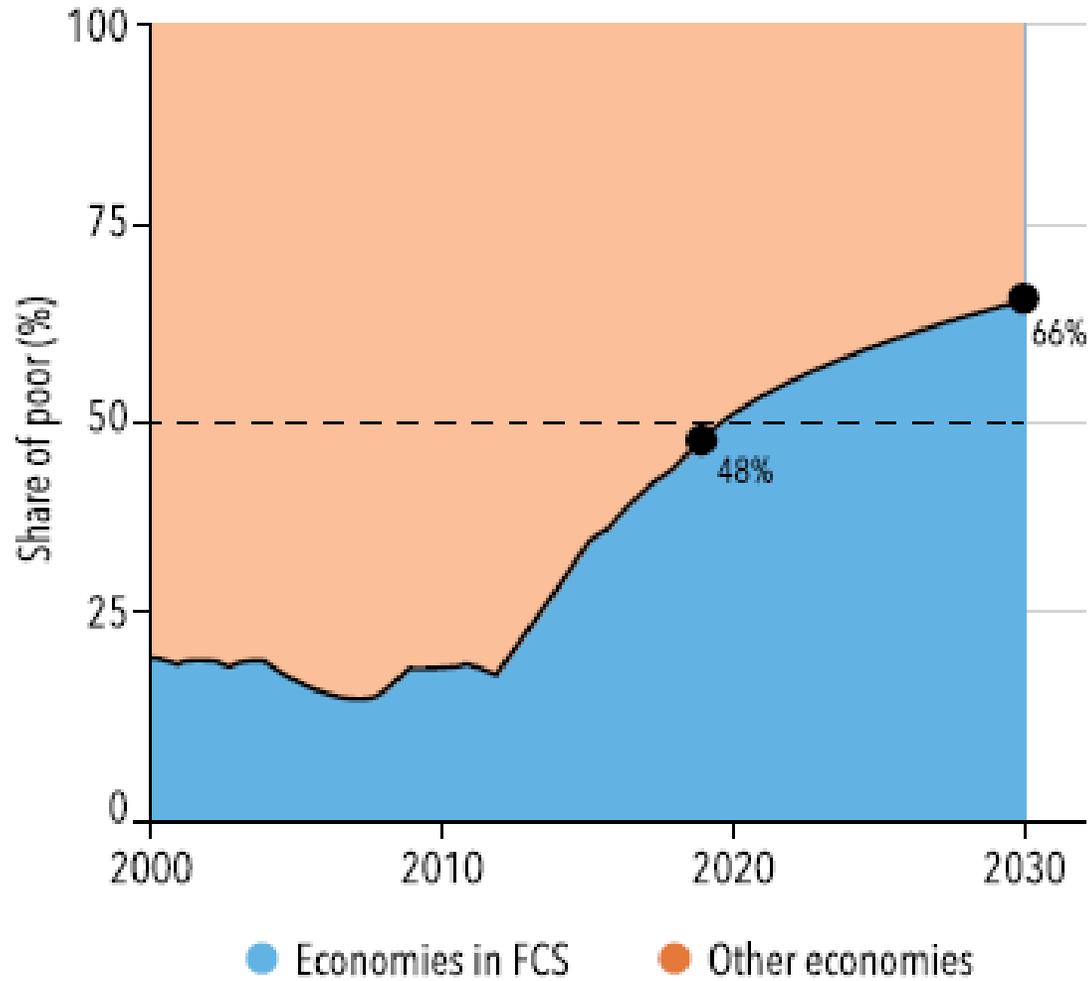
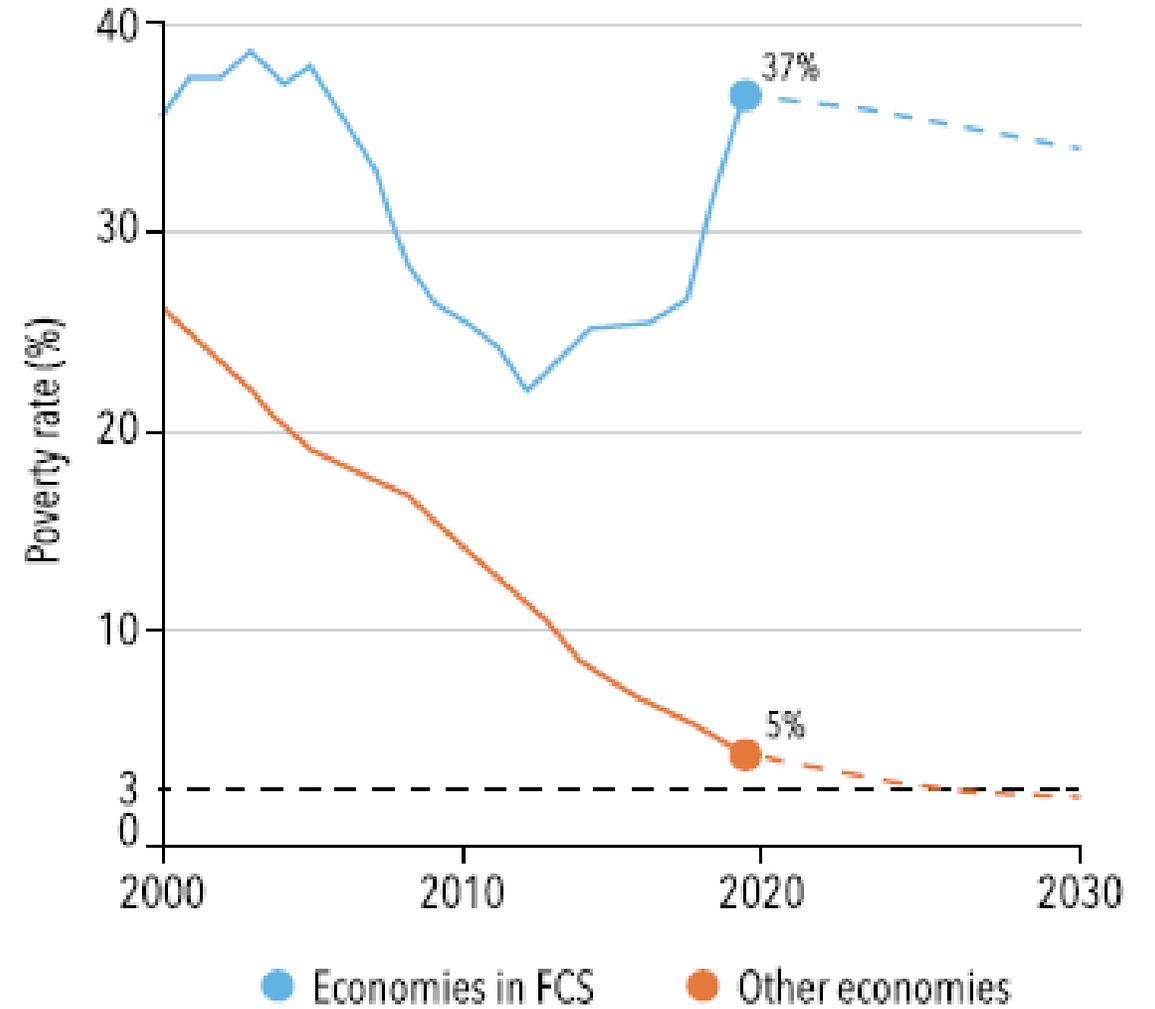
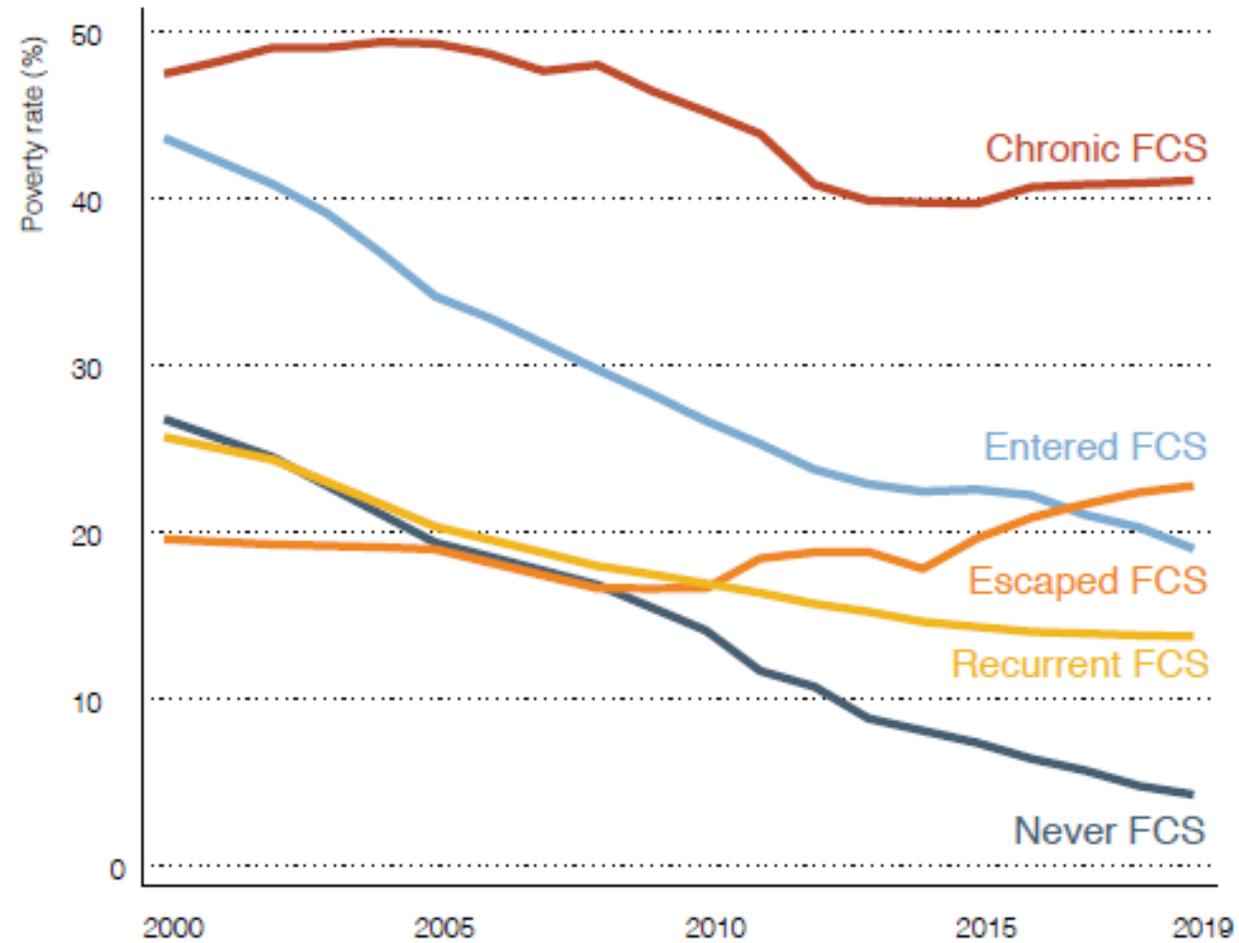


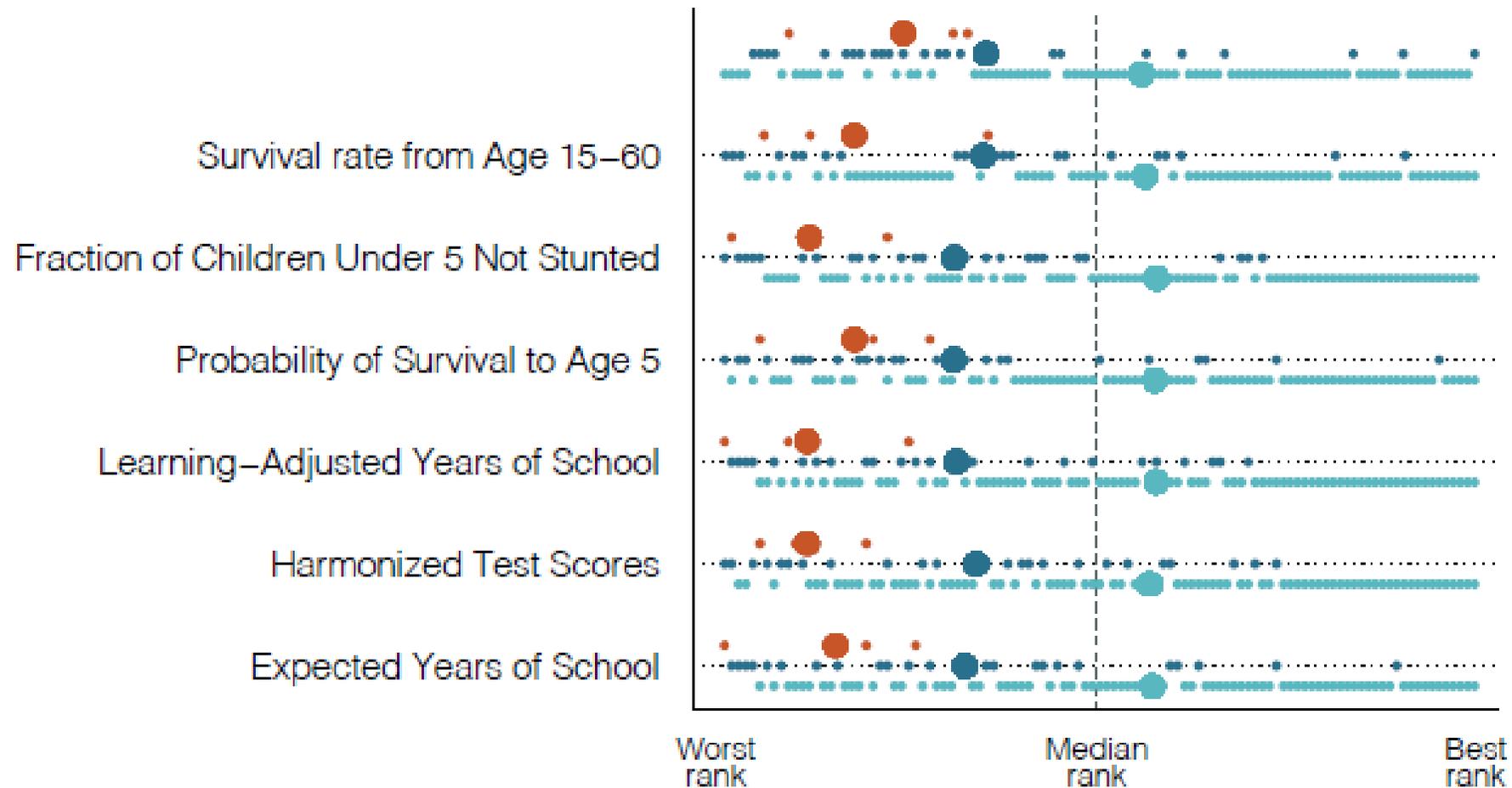
FIGURE 2. POVERTY RATES IN FCS COUNTRIES



Poverty Trends by FCS Category (Historical Analysis, 2000-2019)



Economies in FCS Are Lagging Behind in All Aspects of Human Capital



- Average of economies in high-intensity conflict
- Average of other economies in FCS
- Average of economies not in FCS

- Economy in high-intensity conflict
- Other economy in FCS
- Economy not in FCS

Source: World Bank (2017)
 Note: The figure exclude high-income countries.

Four Pillars of FCV Engagement



Preventing violent conflict and interpersonal violence



Tackling risks and grievances early on, and strengthening sources of resilience, before tensions turn into crises



Remaining engaged during conflicts & crisis situations



Building resilience, protecting essential institutions, and delivering critical services like health or education



Helping countries transition out of fragility



Strengthening the capacity and legitimacy of core institutions, renewing the social contract, and supporting private sector development



Mitigating the spillovers of FCV



Addressing spillovers such as forced displacement, as well as shocks resulting from climate and environmental challenges

What does this mean in practice?

Pillars of FCV Engagement and Environment & Natural Resources Management (ENRM)

Key Pillars of Engagement



Preventing violent conflict and interpersonal violence



Remaining engaged during conflicts & crisis situations



Helping countries transition out of fragility



Mitigating the spillovers of FCV

Examples of ENRM interactions



Sustainable Land & Forest Management



NRM-financed conflict

Economic Disruption

NRM-based peacebuilding

Environmental clean-up

Demand for NR Assets for Reconstruction



Environmental Pressures: Refugees and Host Communities



70% of our World Bank ENRM interventions in FCS are in perpetually fragile countries, where we work on boosting rural livelihoods while preserving, or improving, the natural resource asset base

(Shea Butter project in Mali)

10% of our World Bank ENRM interventions in FCS are in active conflict countries, where we are most often working in multisectoral projects to improve environmental services and conditions for refugees and host communities (Ketermaya Refugee Camp outside Beirut)





20% of our ENRM interventions in FCS are in post-conflict active conflict countries, where we are restoring natural resource-based livelihoods to stabilize the economy, and/or assisting with environmental clean-up

(Cacao farming in La Paz, Columbia)

Why ENRM work in FCV countries is difficult: decision making horizons are shorter, natural resource asset bases are often spent and drawn down





Lessons from ENRM implementation in FCS environments:

- Design flexibly, as course corrections happen
- Plan simply, in terms of number of components and activities
- Build capacity through “learning by doing”, not training

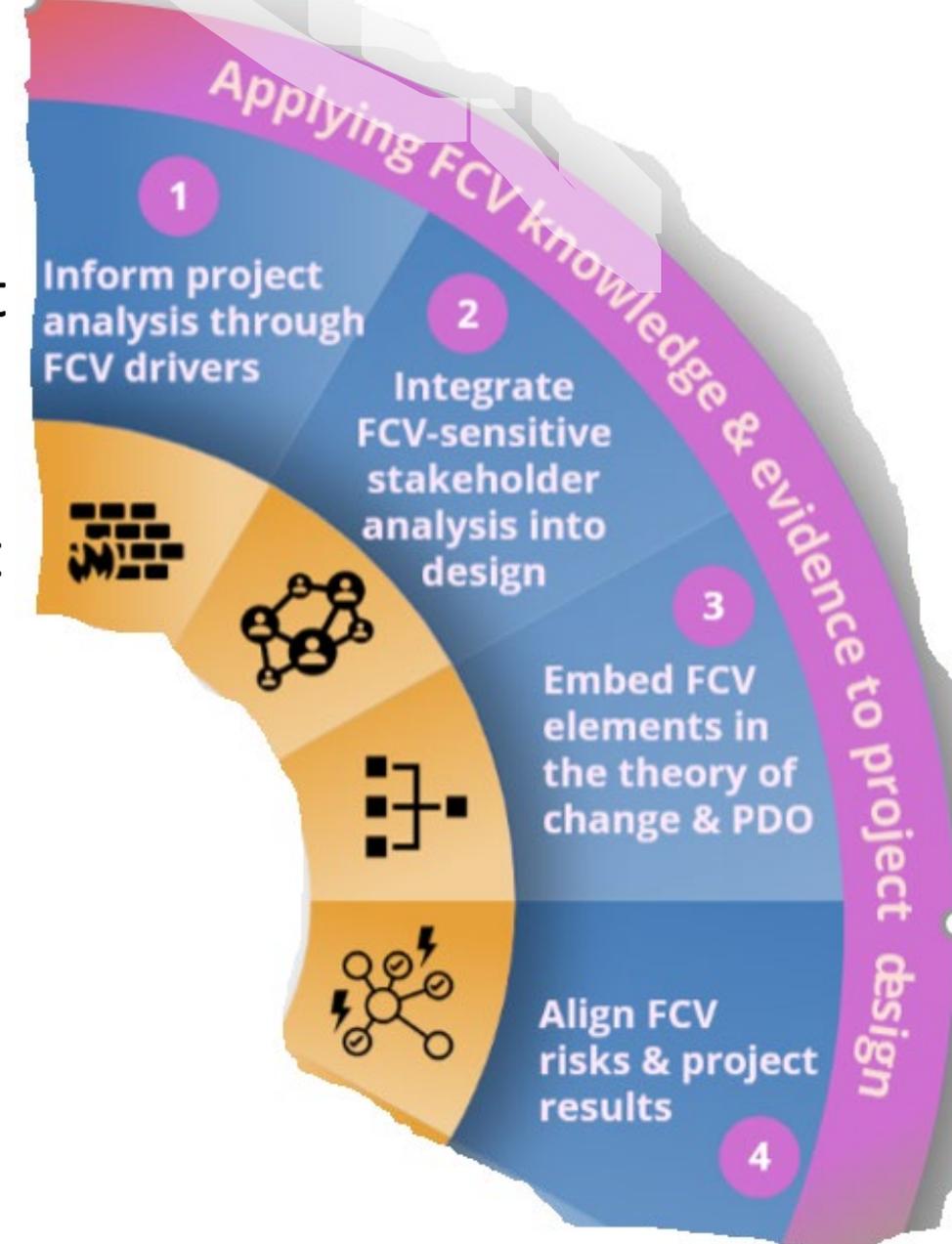


Applying FCV Knowledge & Evidence to Project Design

Examples of FCV elements in project development objectives (PDOs):

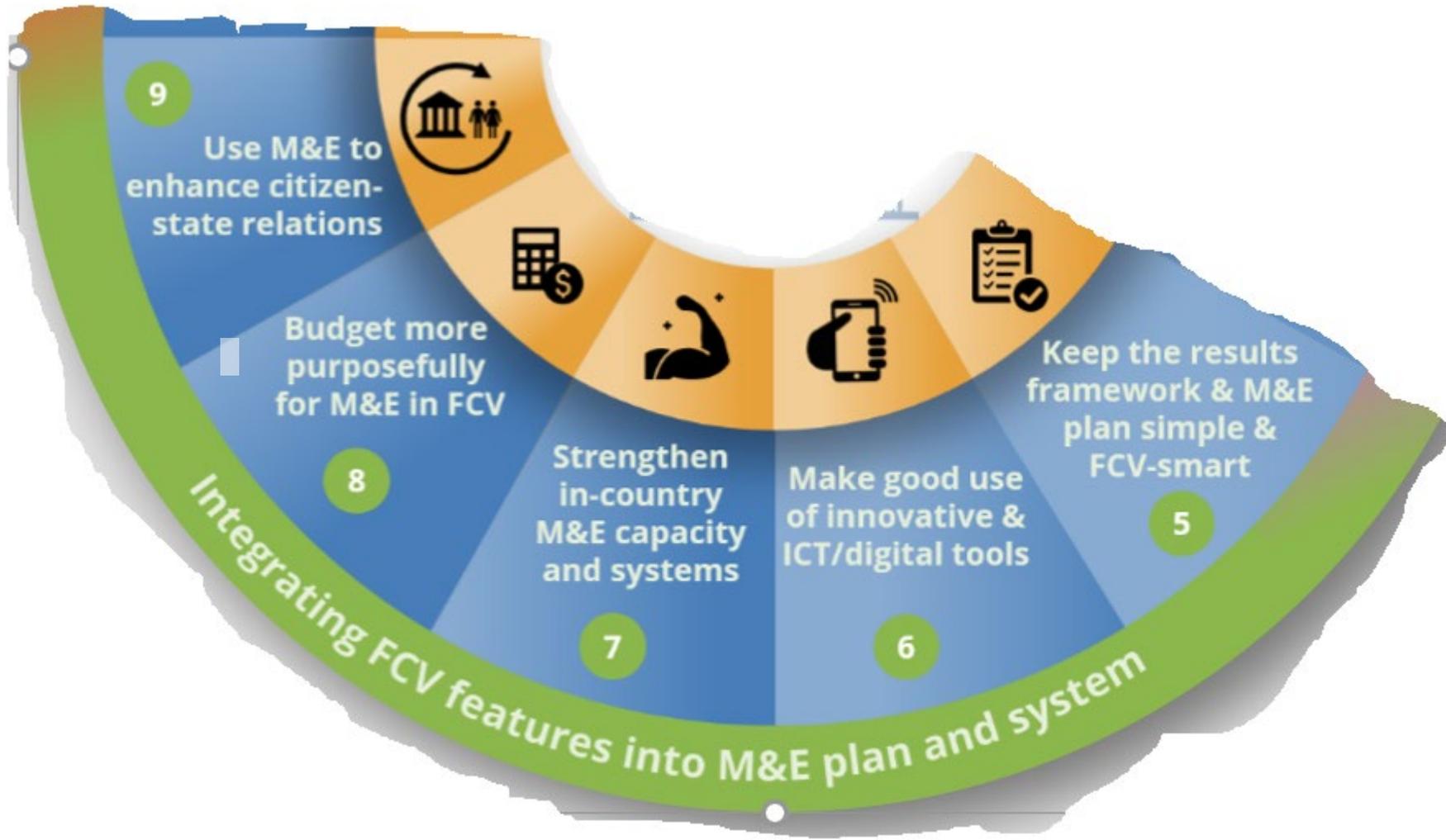
To strengthen sustainable landscape management practices and improve access to revenues for *greater resilience of rural communities*

To improve livelihoods of *vulnerable communities* and management of natural resources in selected rural areas, with a *focus on IDP and host communities*.



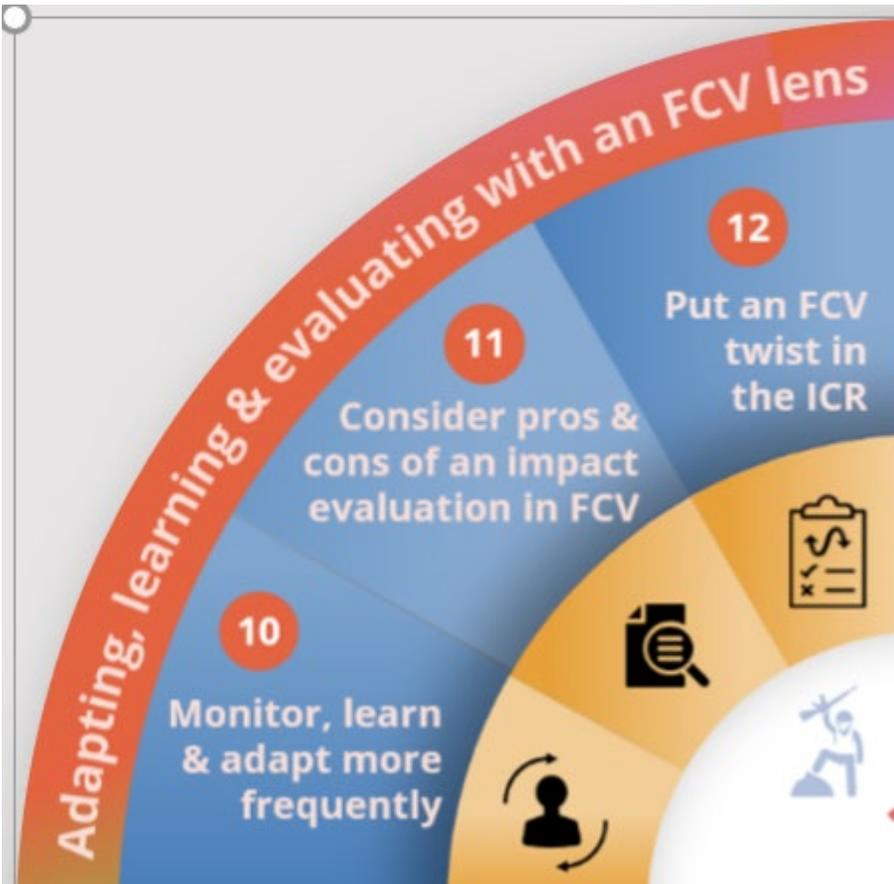
Integrating FCV Features into M&E Plans and Systems

Budgeting for M&E needs to include funding for data collection, human resources, training, and impact evaluations



Incorporation of participatory monitoring tools into the project M&E system – for beneficiaries and local CSOs, and tied into communication functions

Adapting Learning & Evaluating with an FCV Lens



Linkages and contributions made by the operation to address drivers of risk reduction and resilience need to be captured as part of the Implementation Completion Report (ICR)

The ICR should also assess improved **institutional** resilience and capacity