

Conflict and Development:

- Conflict Today
- Policy Framework
- A Role for the Bank
- The CPR Unit
- The Post-Conflict Fund

Conflicts Today



Policy Framework

1995: Operational Policy “**Emergency Recovery Assistance**”

1997: “Framework for World Bank involvement in Post-Conflict Reconstruction”

1997: Operational Guidelines for Financing Landmine Clearance

1998: OED “The World Bank’s Experience with Post-Conflict Reconstruction”

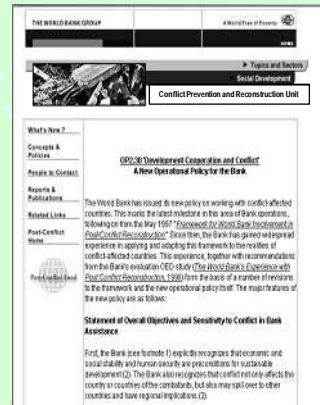
2001: Operational Policy 2.30 “**Development Cooperation and Conflict**”

“ Central to conflict prevention and peace-building must be strategies for promoting social cohesion and inclusion, ensuring that all have opportunities for gainful employment, that societies avoid wide income inequalities that can threaten social stability and that poor people have access to education, health care, and basic services such as clean water, sanitation and power.”

James D. Wolfensohn
President, The World Bank

OP 2.30 “Development Cooperation and Conflict” A New Operational Policy for the Bank

- Recognition that **economic and social stability** are preconditions for sustainable development
- Recognition that **violent conflict** affects the **Bank’s core mission** of poverty reduction
- **Different Bank engagement** in countries that are
 - vulnerable to conflict
 - in conflict
 - in transition from conflict



A Role for the Bank

- **Jump-start the economy** through investment in key productive sectors; create conditions for resumption of trade, savings and investment; promote macroeconomic stability and restoration of legal and regulatory frameworks
- Reestablish the framework of **governance** by strengthening government institutions and enabling organizations of civil society to work effectively
- Repair important **physical infrastructure**
- Rebuild and maintain **key social infrastructure** – financing education and health
- Target **assistance to those affected by war** through reintegration of displaced population, demobilization and reintegration of ex-combatants, revitalization and of local communities, and support for most vulnerable groups (women, children)
- Support **land mine** action programs, where relevant
- **Normalize financial borrowing arrangements** through a work-out of arrears, debt rescheduling

Instruments of Bank Assistance to Conflict-Affected Countries

- **Watching Briefs:** usually during the conflict when no active portfolio is possible to keep track of developments and build a knowledge base useful for future Bank's interventions
- **Transitional Support Strategy:** detailed assessment of the conditions in a country and planning of the next steps
- **Early Reconstruction Activities:** small scale activities in response to urgent country needs; also pilot activities enhancing learning for the design of later larger-scale programs
- **Post-Conflict Reconstruction:** as conditions permit, a large-scale reconstruction program
- **Conflict Analysis:** socio-economic analysis, aiming to understand and reduce causes and consequences of violent conflict

The Conflict Prevention and Reconstruction Unit

- **Conflict Prevention and Reconstruction Unit (SDV):**
 - Support to country teams
 - a **focal point for partnership** with other organizations involved in post-conflict reconstruction
 - **specific expertise** (mine action, demobilization, population reintegration) to the Bank's operational staff
 - accelerating the **institutional learning** process and disseminating information on post-conflict reconstruction issues
- **Country teams:** Overall responsibility for conflict prevention and reconstruction work

The Post-Conflict Fund (PCF)

an instrument within the Bank Development Grant Facility financing assistance to conflict-affected countries through grants

- Allows for **speedy and flexible funding** of innovative work that cannot be financed under the regular Bank instruments
- Supports **planning, piloting, and analysis of reconstruction activities** by government and partner organizations
- **Catalyst** of bilateral contributions to the countries and a preparatory mechanism for the regular Bank lending
- Over 1998-02 accumulated \$53 million, of which:
 - \$49.7 million approved in some **108 grants to 36 countries**
 - \$31.3 million disbursed
- Received some **\$5 million of contributions from bilateral donors**

The Post-Conflict Fund (PCF)

Areas of Implementation of PCF-Supported Projects

- **IDP/Refugee/Community reintegration**, such as the “**Burundi Community Rehabilitation**” project, the **Self-Reliance Fund** for the internally displaced in Georgia, and the “**Reintegration of Vulnerable Street Children**” project in Kinshasa, DRC
- **Social sector support**, such as the “**Afghan Female Teachers In-Service Training**” project in Peshawar, Pakistan, the program for the **empowerment of women** in Tajikistan, and the “**War Widows and Welfare**” project in Indonesia
- **Private sector work**, such as the “**Knitting Together Nations**” project in Bosnia
- **Conflict prevention** through **inter-ethnic dialog** and consensus building, such as the **conflict prevention program** in Burundi and the **World Links project** in Rwanda

The Conflict Prevention and Reconstruction Unit (SDV)

For more information,

please consult our website:

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