As we take on an ambitious agenda to help both low- and middle-income countries tackle the challenges of fragility, conflict, and violence, trust funds provide fast, flexible resources to meet diverse needs, enabling us to act early and manage risks to build a more stable and resilient world.”

—Franck Bousquet
Senior Director, Fragility, Conflict, and Violence Group

FCV are some of the most pressing challenges to the SDGs and threaten efforts to end extreme poverty and promote shared prosperity worldwide. More than two billion people now live in countries where development outcomes are affected by FCV, and by 2030, almost 50 percent of the global poor will live in fragile contexts. For further information, please visit http://bit.ly/FCVOverview1
GDP by 2 percent each year. Climate change, rising inequality, changing demographics, new technologies, illicit financial flows, terrorism, and other global events further contribute to a more complex fragility landscape.

The WBG is taking a broad approach to FCV by addressing the sources of instability and building resilience, with a focus on five priority areas: (i) forced displacement and development; (ii) knowledge, analytics, and data; (iii) strategy and financial solutions; (iv) operations and crisis response; and (v) partnerships for peace.

This approach emphasizes prevention and early action, addresses gender disparities, and fosters humanitarian-development-peace partnerships. IDA provides the financing needed to rebuild states recovering from conflict; makes states resilient to threats from conflict, disease, and humanitarian emergencies; and develops infrastructure to enable people to resume peaceful and constructive lives. The record $75 billion commitment under the IDA18 replenishment marks a strategic shift, making reducing the risk of fragility and conflict a top development priority. This will enable the World Bank to double resources for countries affected by FCV to more than $14 billion. New financing mechanisms include $2 billion to support refugees and host communities and $2.5 billion to spur private enterprise, as well as support for countries to mitigate the risk of falling into fragility. Trust funds are a vital means of complementary support to this work, to fill gaps when required, test innovations, and strengthen partnerships. They also enable the World Bank to provide assistance in FCV situations, when its own ability to lend is limited.

I. Forced displacement and development

Forced displacement is concentrated in a few developing countries, and the same 10 conflicts account for many of the forcibly displaced since 1991. There are an estimated 65 million refugees and internally displaced persons worldwide, with 95 percent living in developing countries and more than half displaced for more than four years. The WBG is scaling up its response to the forced displacement crisis through increased financing for operational activities, data and analytics, and greater collaborations with humanitarian, development, and peacebuilding partners.

State and Peacebuilding Fund

CONTRIBUTORS

The State and Peacebuilding Fund (SPF), a MDTF, finances innovative approaches to state and peacebuilding in regions affected by FCV. Established in 2008, the trust fund
offers tremendous flexibility in terms of where it can operate, including territories and non-member states such as the West Bank and Gaza. It can also mobilize financing quickly to support a full spectrum of country services, including cutting-edge data and analytics, technical assistance, advisory services, and pilot innovations to lay the groundwork for larger investments.

The SPF is scaling up the sustainable livelihoods project targeting displaced and vulnerable communities in Eastern Sudan to support the 3.2 million internally displaced persons and 300,000 refugees currently hosted in the country. Such displacement conditions have led to staggering poverty rates, unemployment, and a lack of basic services. The first phase of the project, initiated in 2013, provided livelihoods support in the form of livestock and agriculture extension services to 900 vulnerable households in six officially recognized internally displaced persons and host communities, increasing their monthly income by 60 percent, on average. The second phase will work in close collaboration with local stakeholders, including state authorities and local NGOs, displaced persons, and vulnerable host communities to strengthen their capacities to plan and implement improved livelihood and natural resource management practices.

Based on lessons learned from the previous phase, the new phase is targeting an additional 10 internally displaced persons and host communities, specifically those communities with substantive socioeconomic and environmental needs. The initiative allows the community to lead their development processes and provides them with necessary skills and tools to design sustainable and climate-resilient livelihood opportunities.

The drastic upsurge in population numbers in Jordan resulting from the hundreds of thousands of Syrian refugees arriving in the country since the Syrian crisis began in 2011 has put enormous pressure on the country’s scarce resources and underfunded public services, demanding a longer term approach to the crisis. Fewer than 100,000 of the 630,000 Syrians who have entered Jordan as registered refugees live in camps; the rest live amid local communities in Jordanian towns and cities. With financial support from the SPF, the WBG launched its Emergency Services and Social Resilience Program in FY14 to provide basic services to municipalities and host communities, benefiting over two million beneficiaries, of whom at least 45 percent are women and 250,000 are Syrian refugees—almost half of the registered Syrian refugee population in Jordan. During the first two years of the project, municipalities mainly invested in upgrading basic infrastructure, such as roads, sidewalks, water drainage systems, and box culverts. This was a top priority given that the volume of garbage and solid waste had doubled, a hazard to both health and the environment. Over time, municipalities have directed more of their investments toward projects chosen by their communities to build public confidence in local government, reduce community tensions, and strengthen resilience.

“The SPF has been critical in advancing the FCV agenda in the WBG. With the scaling up of the WBG’s support to fragile states, the SPF will be even more important as an incubator of new and innovative approaches to address fragility and conflict.”

—Donor Representative

Over two million people in Jordan, 45 percent of whom are women and 250,000 are Syrian refugees, have benefited from basic infrastructure and community development since FY14.
Poverty and Social Impact Analysis

CONTRIBUTORS

GERMANY NETHERLANDS NORWAY SWITZERLAND UNITED KINGDOM

The Poverty and Social Impact Analysis (PSIA) MDTF aims to mainstream the use of PSIA in WBG operations and strengthen client countries’ capacity to effectively use PSIA to inform national stakeholders, consider alternative policies, and identify appropriate reforms and other mitigating measures, thus promoting evidence-based and inclusive policies. This was well demonstrated in the detailed distributional impact assessment carried out in Turkey to help the government ascertain the socioeconomic impact of Syrian refugees on host communities, paying special attention to the poor and vulnerable. Turkey is currently hosting around 2.2 million Syrian refugees, placing an enormous burden on the host populations and on the delivery of basic services. The PSIA methodology combines both quantitative and qualitative research tools to capture information relating to welfare, labor, education, and municipal services of the displaced population. The findings from the impact analysis fill major information gaps on internally displaced persons and will inform the respective government’s policies and strategies to effectively deal with the refugee surge.

In Malawi, PSIA’s work on the education policy options and support to disadvantaged children in FY14 led to the refinement of secondary school bursaries and a cash transfer program for disadvantaged students. This was achieved through continuous collaboration between the Ministry of Education and the World Bank team to identify the program design and modalities. Moreover, through consultations, the government authorities gained better knowledge of NGOs and initiatives that support disadvantaged students. The PSIA activities also impacted the broader dialogue on national strategies in the education sector and helped inform the government-owned national level cash transfer program. It also helped design the World Bank’s $256 million IDA Project to Improve Education Quality in Malawi aimed at increasing access and equity and enhancing the quality of teaching and the learning environment.

Analytical work conducted in FY14 helped refine secondary school bursaries, informed a cash transfer program for disadvantaged students, and helped design a $256 million IDA project to Improve Education Quality in Malawi.

39 While the current World Bank “Harmonized List of Fragile Situations” does not include Malawi as a fragile country, PSIA funded the Malawi grant in FY14 when it still was on this list. For further information, please visit http://bit.ly/FragilityConflict
Multi-Donor Trust Fund for Transitional Demobilization and Reintegration Program

CONTRIBUTORS

The MDTF for Transitional Demobilization and Reintegration Program (TDRP) aims to support the return of ex-combatants to civilian life and promote peace and security in the Africa region. Over six million people are displaced in the region, either within their national borders or as refugees in neighboring countries. Chronic poverty and livelihood erosion has left many vulnerable to disease, human rights violations, and high-risk occupations. Between FY13–FY17, the TDRP helped improve the lives of more than 200,000 people in conflict-affected situations. The program specializes in post-conflict reconciliation and socioeconomic reintegration efforts through disarmament, demobilization, and reintegration programs that it helps design, customize, and adapt to post-conflict situations, including in the Democratic Republic of Congo and the Central African Republic. It focuses on complementing the reintegration of ex-combatants with community rehabilitation and community-driven development projects to ensure the stabilization of post-conflict countries and regions as well as sustainable outcomes aimed at creating livelihood opportunities for vulnerable groups, particularly the disabled, women, youth, and children. The TDRP also facilitates dialogue and disseminates knowledge on post-conflict and stabilization issues through empirical research, workshops and conferences, studies, and pilot projects, and it has a particular focus on capacity building of the African Union, in close collaboration with the United Nations. The trust fund follows in the footsteps of the larger regional disarmament, demobilization, and reintegration effort in the Great Lakes region, the Multi-Country Demobilization and Reintegration Program, also supported through a MDTF. Operating from 2002–2009, the program was the largest program of its kind in the world, supporting the demobilization of 280,000 ex-combatants and the reintegration of 230,000 ex-combatants. The program made a significant contribution to the improved security situation in the Great Lakes region overall.

200,000 conflict-affected people in the Democratic Republic of Congo and the Central African Republic were helped to improve their lives, livelihoods, and security situation between FY13–FY17.
II. Knowledge, analytics, and data

The WBG has made a concerted effort to gain a deeper understanding of FCV risks to adopt effective engagement strategies and build a solid evidence base to inform policies and programming.

Global Program on Forced Displacement

The Global Program on Forced Displacement (GPFD) trust fund aims to provide intellectual leadership to help define development approaches to forced displacement, build partnerships with key stakeholders to help mainstream such approaches, and best incorporate the forced displacement agenda within the WBG to inform strategy and operational decision making. The GPFD worked in close partnership with the United Nations High Commissioner for Refugees (UNHCR), to develop the report *Forcibly Displaced: Toward a Development Approach Supporting Refugees, the Internally Displaced, and Their Hosts* to better understand the challenges of forced displacement and encourage new thinking from a development perspective.\(^40\) The report depicts the reality of forced displacement as a developing world crisis with implications for sustainable growth and suggests ways refugees can rebuild their lives with dignity. It also examines how to help host communities manage the sudden arrival of large numbers of displaced populations, and the pressure to expand services, create jobs, and address long-standing development issues. The report also underscores the importance of humanitarian and development communities working together in a complementary manner to support countries throughout the crisis—from strengthening resilience and preparedness at the onset to creating lasting, long-term solutions.

The GPFD provided inputs to the establishment of the $2 billion IDA18 sub-window for refugees and host communities established in FY17 with inputs from this trust fund.\(^40\) To download a copy of the report, please visit [http://bit.ly/ForciblyDisplaced](http://bit.ly/ForciblyDisplaced)

\(^40\) To download a copy of the report, please visit [http://bit.ly/ForciblyDisplaced](http://bit.ly/ForciblyDisplaced)
country for the sub-window and developed Forced Displacement Strategy Notes, which consisted of a comprehensive diagnosis on each country’s forced displacement situation, its development objective, recommended WBG engagements, key areas of policy dialogue, and risks.

The GPFD also produced the policy research working paper *How Many Years Have Refugees Been in Exile?*[^41] Using data from UNHCR, the paper proposes a new approach to estimate the mean and median durations of exile, and their variations over time. The analysis found that people who were refugees at the end of 2015 have been in exile for an average duration of 10.3 years and a median duration of four years, with the average duration varying between 10 and 15 years since the late 1990s. The number of people who are in protracted situations (lasting longer than five years) has been steady at five to seven million since the mid-1990s, and is currently at 6.6 million. For those people, the average duration of exile is 21.2 years. This understanding is critical to informing FCV work going forward.

### State and Peacebuilding Fund

**CONTRIBUTORS**

With support from the State and Peacebuilding Fund (SPF), the WBG, in close collaboration with the European Union and the United Nations, developed the Recovery and Peace Building Assessment framework to coordinate reengagement in countries or regions emerging from conflict or political crisis.[^42] The framework aligns international and local interventions for recovery by helping countries assess, plan, and prioritize long-term requirements under a common process, which is essential for sustainable peace. The Recovery and Peace Building Assessment emerged from the 2008 Joint Declaration on Post-Crisis Assessments and Recovery Planning, through which the WBG, European Union, and the United Nations committed to jointly support the assessment, planning, and mobilization of support for recovery, peacebuilding, reconstruction, and development in countries affected by crises. Between 2003–2016, 17 joint assessments were conducted.

[^41]: To download a copy of the paper, please visit [http://bit.ly/RefugeesInExile](http://bit.ly/RefugeesInExile)
[^42]: For further information on the State and Peacebuilding Fund, please refer to page 28.
The Central African Republic, one of the poorest and most fragile countries in the world, recently emerged from the most pressing civil crisis in its history. The Central African Republic now has a democratically elected president and parliament, and the country’s public finances are no longer in crisis. Still, there are around 900,000 internally displaced persons and refugees currently residing in the country. About 2.3 million people, constituting half of the country’s population, are in dire need of humanitarian assistance. Given the country’s extensive recovery needs, a Recovery and Peace Building Assessment was prepared jointly in 2016 by the Government of the Central African Republic, the World Bank, the United Nations, and the European Union. It identified urgent needs at $120 per capita, more than twice the actual aid provided in 2012 and included measures aimed at strengthening security, supporting political reconciliation and inclusion, and boosting economic recovery. The government adapted the Recovery and Peace Building Assessment as their national plan for recovery and peacebuilding, which was presented at the international donor conference for financing in Brussels in November 2016. “With our help and strong coordination with other partners, the Central African Republic can become a post-conflict reconstruction success story.”—Paul Noumba Um, the World Bank Country Director for the Central African Republic, Mali, Niger, Chad, and Guinea.

Box 6: Supporting the National Plan for Recovery and Peacebuilding in the Central African Republic

The Central African Republic adopted the Recovery and Peace Building Assessment prepared in 2016 as its national plan for recovery and peacebuilding, which is expected to help 2.3 million poor people, including 900,000 internally displaced persons.

III. Strategy and financial solutions

The WBG is developing innovative financing mechanisms that are tailored to different FCV contexts, including a more strategic use of trust funds to finance seed interventions in non-IDB eligible countries and those in arrears and leverage additional resources. Financial inclusion is a key pillar of the WBG’s FCV work to provide those affected by crises the foundational opportunity to build assets; mitigate shocks related to emergencies, illness, or injury; and make productive investments.
The World Bank Multi-Partner Fund (MPF) in Somalia, established in FY15, operates as a window to support the development goals of the Somali Compact with a strong focus on promoting effective and accountable government, economic growth, and economic infrastructure. The Government of Somalia is in non-accrual status with the WBG and is currently not eligible for IDA financing. However, in May 2017, the World Bank Board of Directors, recognizing the pressing humanitarian needs and lessons learned from the 2011 famine in Somalia, approved a $50 million emergency grant from the IDA Crisis Response Window, which provides financing to respond to and recover from severe crises. The grant is part of a broader regional drought response in Africa and Yemen.

However, the WBG’s longer term, development-focused engagement in the country is mainly channeled through the MPF. The trust fund works closely with many donors and provides an innovative platform for coordinated financing for sustainable reconstruction and development in the country. These activities are providing much-needed development assistance in Somalia.

With a portfolio focus on recipient-executed grants, the MPF is a vehicle for building core country systems to support Somali authorities to be the leaders of their own reconstruction and development, ensuring ownership and capacity strengthening for sustainability. MPF investments are identified and developed through a process of ongoing consultation and engagement with the government and donors and involve detailed planning and capacity building of individual institutions. Upstream, the MPF is supporting steps toward normalization of Somalia’s engagement with international financial institutions to access sustainable development financing. The program also supports sector and policy dialogue in areas such as oil and gas, ICT, financial sector reform, remittances, intergovernmental fiscal federalism, urban resilience, and financial governance, and has engaged the domestic private sector in the sustainable development and recovery process.

43 This Somali Compact is a partnership framework based on mutual accountability and risk management between the federal government, Parliament, regions, people of Somalia, and the international community. The framework was developed by the G7+ group in 2011 to support fragile countries transitioning toward stability. It ensures a clear focus on Somalia’s most vital political, social, and economic priorities including: building inclusive politics, security, justice, the country’s economic foundations, revenue collection, and the provision of services.
The Zimbabwe Reconstruction Fund

ZIMREF has four operating windows: (i) private sector productivity and competitiveness; (ii) governance, efficiency, and effectiveness of public expenditure; (iii) reduced vulnerability and enhanced livelihoods; and (iv) analytical, policy, and advisory work.

"ZIMREF has been able to achieve impressive collaboration between government departments in the state-owned enterprise component of the Capital Budgets program. In interviews conducted for the Annual Review, the government stated that the project has brought together government agencies that have never worked together before in such a manner, and that the World Bank deserved credit for this. This collaborative work between three ministries and the World Bank has also produced some impressive results, particularly on data collection."

—Annual Donor Review, ZIMREF, 2017

Some of the key deliverables achieved thus far include assisting the government with the preparation of bills and acts to update key laws and regulations in the aforementioned areas, building the government’s financial and public administration capacity, improving governance and oversight mechanisms, and bridging key knowledge and information gaps. Specific achievements include: (i) supporting the government to update the 1951 Companies Act and the Bill on Credit Registry, along with 12 other laws related to business regulations; (ii) technical assistance for the enactment of the new Public Procurement and Disposal of Public Assets Bill and approval of a Public Sector Corporate Governance Bill; (iii) costing of the National Health Strategy 2016–2020 and preparation of the 2014 and 2015 National Health Accounts; (iv) completion of the 2016 Enterprise Survey on micro, small, and medium enterprises; (v) finalization of line ministry program-based budgets into the Integrated Financial Management System for six line ministries; (vi) technical assistance for the development of a database on financial and operational performance and corporate governance of state-owned enterprises; (vii) support in the completion of audit reports for 20 district authorities under the Office of the Auditor General’s expanded mandate; and (viii) capacity building for public servants in a broad range of investment climate and public expenditure management issues.
In the town of Guruve, 150 kilometers north of Harare, lies a residential area called Tsatse. Around 300 households live in this area without access to clean drinking water. To address this challenge, ZIMREF contributed $10 million to the Zimbabwe National Water Project to improve access to clean drinking water and strengthen planning and regulation in the water and sanitation sector, focusing on the poorest households residing in newly erected communities, as well as schools, clinics, and other public institutions in urgent need of clean drinking water. The project aims to restore and rehabilitate existing water infrastructure, including a water treatment plant, and construct a new water reservoir, improving the monitoring of water quality, and extending the water connection network to over 2,500 households (31,000 people) by 2019, in communities like Tsatse. Similar work is also taking place in other towns such as Zimunya and Lupane. Apart from making improvements to water and sanitation, the Zimbabwe National Water Authority will receive technical assistance from the World Bank for the development of the National Water Resources Master Plan, the establishment of a Water Services Regulator, and to strengthen institutional capacities of local authorities through training.

Box 7: Improving Clean Water Supply Services in Poor Communities in Zimbabwe

31,000 people from 2,500 households in Zimbabwe will benefit from new piped household water connections in 2019.
IV. Operations and crisis response

Delivering sustainable development solutions to countries affected by FCV is both a corporate priority and a global responsibility for the WBG. Moreover, making smart, efficient, and effective investments in FCV situations is a prerequisite for achieving the SDGs. To ensure more effective FCV engagement, the WBG is committed to promoting FCV-sensitive approaches to its work and ensuring operational and financial rapid response to protracted and recurring crises.

Ebola Recovery and Reconstruction Trust Fund

The Ebola Recovery and Reconstruction Trust Fund (ERRTF) was launched in 2014 to support the economic and social recovery in the most affected countries in West Africa by the Ebola virus disease, including Guinea, Liberia, and Sierra Leone. The overall impact of the Ebola virus disease crisis continues to impede the economic development of the three countries. ERRTF is made up of three strategic pillars: the social recovery pillar, the economic pillar, and the health systems pillar. Under the first, ERRTF finances back-to-school programs, psychosocial support for children, social protection, and jobs programs. The second pillar supports emergency agriculture projects, the construction of rural roads in hard to reach areas where the Ebola virus disease was rampant, small and medium enterprises, and mobile payment systems to emergency health workers. The third pillar supports government efforts in the three countries to rebuild and improve the health delivery systems that were less than adequate to effectively deal with an epidemic such as Ebola.

To date, activities supported by the trust fund have directly benefited 400,000 people, especially in Ebola-affected areas and poor households. The ERRTF provided washing stations, thermometers, deworming, and other materials to encourage more than 4 million children to go back to school. The ERRTF also helped improve garbage collection for over 15,000 households who previously burned their garbage on the streets. In addition, the trust fund helped construct 16 new bridges and rehabilitated more than 200 kilometers of road. In the private sector, about 250 small and medium enterprises have been established and 120 women entrepreneurs trained. More than 240,000 farmers, 46 percent of whom are women, received seeds and fertilizers to help avoid a food crisis in the aftermath of the heavy rain season in the spring of 2015. These achievements do not include the rebuilding and improvements in health delivery systems in all three countries that are still under implementation.

One of the projects supported by the ERRTF is the $3 million Liberia Rural Road Emergency Maintenance Project to improve access to Ebola response infrastructure by improving targeted roads linked to Ebola treatment units, community care centers, and
forward logistics bases in Lofa County to prevent and prepare against re-emergence of the virus. Improved roads enable the connection and integration of more rural areas to the capital and promote access to health facilities; reduce the risks of further fragility that tend to affect more remote and disconnected areas; and bring a broader socio-economic impact.

Thus far, more than 500 meters of poor road links were upgraded to make them functional again. Six steel bridges, with a total length of 147 kilometers, were also installed to improve access to nearby towns and villages.

![Before After](image)

*The ERRTF built six steel bridges to improve access for local villagers in Liberia.*

The ERRTF helped implement the Community-Based Psychosocial Support to the Ebola virus disease outbreak project in Liberia. The project builds long-term psychosocial health and resilience of individuals affected by the crisis, including operationalization of the Comfort for Kids approach to encourage healing and resilience among children and youth in the aftermath of the crisis through therapeutic learning interventions and associated capacity building and training. The *Comfort for Kids* workbook activities were rolled out to more than 10,000 targeted children. These interventions helped enhance the psychosocial well-being of children (training provided to approximately 600 parents and caregivers, 800 teachers, 300 health and social workers, and 216 community leaders), improve adult behavior and attitudes toward Ebola virus disease-affected children, decrease depression and posttraumatic stress disorder, and increase community willingness to support Ebola virus disease-affected children. Eight hundred children diagnosed with posttraumatic stress disorder were referred to hospitals.

---

44 *The Comfort for Kids* therapeutic learning intervention uses core resource books, facilitator guides, children’s workbooks, and simple pamphlets that promote messages built around a set of common themes to encourage healing and resilience.
The Palestinian Partnership for Infrastructure Development Multi-Donor Trust Fund (PID MDTF) aims to improve the coverage, quality, and sustainability of infrastructure in the West Bank and Gaza through financial and technical assistance to the Palestinian Authority for infrastructure development, capacity building, and institutional development in the water, urban development, and energy sectors. The PID MDTF operates in a high-risk environment. As a fragile and conflict-affected area, the West Bank and Gaza is subject to frequent outbreaks of violence and political instability, and the situation can deteriorate quickly.

The PID MDTF supported the construction and restoration of water supply facilities in Gaza.

The PID MDTF supports the core principles of sustainability, partnership, client-driven ownership, harmonization, and knowledge building. It helps improve aid efficiency by reducing administration costs through consolidation under a single fund using the WBG’s standardized set of financial and project management tools and procedures. In the aftermath of the conflict in Gaza, July–August 2014, the PID MDTF demonstrated it was an important instrument capable of providing rapid emergency funding to
ensure basic infrastructure and services provision through cofinancing Gaza emergency operations in the water, energy, and urban sectors. Total Gaza emergency reconstruction funds channeled through the PID MDTF amounted to $32 million. As a result, nearly two million people to date received access to improved water sources and one million people benefited from restored water supply and wastewater services through the repair and restoration of damaged infrastructure, including water reservoirs, piped networks, and sewage pumping stations between FY15–FY17. Additionally, restored municipal services, including the rehabilitation of roads, solid waste management, and water/wastewater facilities, and the repair of public facilities including municipal buildings, libraries, community centers, and public parks were provided to more than one million people.

“The PID MDTF is a major achievement in terms of improved aid coordination and harmonization, through donor fund pooling and streamlining of bilateral aid administration through a common framework of fiduciary management, reporting, and evaluation. Most importantly, PID MDTF projects have benefited the Palestinian people in the West Bank and Gaza who have already experienced positive welfare outcomes from improved service delivery.”

—Independent Mid-Term Evaluation Report, Arab World for Research and Development, PID MDTF, 2017

One of the municipal service projects supported by the PID MDTF is the Southern West Bank Solid Waste Management Project. The project improved solid waste disposal services for the communities and businesses in the Bethlehem and Hebron governorates, providing 750,000 residents access to more efficient, and environmentally and socially sound waste management systems. In addition to improving services through the provision of a sanitary landfill facility and related infrastructure and the closure of 19 wild dumpsites, the project supported the municipalities and joint services providers of the governorates to progress toward financial sustainability, allowing them to fully finance their operational costs.

The PID MDTF contributed $57.7 million cofinancing to the $120 million Second Municipal Development Project, whose development objective is to improve municipal management practices for better municipal transparency and service delivery. The project directly benefited 3.3 million citizens across the West Bank and Gaza. The project supports municipalities to improve the financial sustainability and accountability of municipal services, establish service quality standards, promote learning and innovation for municipal development (e.g., e-municipality, renewable energy pilots, and local economic development activities), and provide capacity development for municipalities. Direct outputs include approximately 2.5 million citizens benefiting from roads established and rehabilitated, 94 percent of municipalities applying social accountability measures, and 22 municipalities piloting one of the supported innovative ideas (renewable energy, e-municipality, and local economic development).
V. Partnerships for peace

With the increased recognition that humanitarian, development, and peacebuilding efforts are complementary and need to reinforce each other to respond to FCV challenges, the WBG strives to strengthen its partnership with the United Nations, the European Union, and multilateral development banks, while expanding its partnership base to local and international NGOs and non-state actors, especially in areas with limited government capacity and insecure environments.

United Nations—World Bank Fragility and Conflict Partnership

The United Nations—World Bank Fragility and Conflict Partnership (FCP) trust fund aims to foster a closer relationship between the United Nations and the World Bank to promote a more effective and sustainable international response in fragile and conflict-affected situations. The trust fund helps fulfill a commitment by the United Nations secretary-general and World Bank president to break down institutional barriers and strengthen the links between political, security, development, and humanitarian efforts in FCV contexts by strengthening the strategic and operational collaboration between the two institutions to support joint initiatives or approaches, strengthen internal capacity, and promote knowledge sharing. It also provides flexible financing to advance United Nations—World Bank partnership in absence of other sources of financing, helps boost stakeholder ownership around important analytical or thematic work, targets support to offset the short-term transaction costs associated with partnership activities, and promotes effective and strategic application of comparative advantages.

In 2017, the FCP supported the implementation of the Humanitarian-Development-Peace initiative. The Humanitarian-Development-Peace initiative is one of the efforts to operationalize and catalyze collaboration across different actors, and signifies a broad-based partnership between the United Nations and the World Bank. The initiative builds on the growing recognition that humanitarian, development, and peacebuilding efforts are complementary and should reinforce each other, and that development institutions and longer term socioeconomic approaches are necessary to prevent conflict and reduce humanitarian needs. The initiative builds on a commitment by the United Nations and the World Bank at the World Humanitarian Summit, which is to roll out pilot projects operationalizing the humanitarian, development, peace nexus in at least five country situations. This initiative was endorsed at the United Nations—World Bank senior level meeting on September 9, 2016, and seven country pilots have been supported from the initiative (Cameroon, Central African Republic, Guinea-Bissau, Pakistan, Somalia, Sudan, and Yemen).
Following the eruption of armed conflict in eastern Ukraine in 2014, the FCP supported the design and implementation of the Recovery and Peace Building Assessment for Eastern Ukraine, including provision of technical assistance to the government, support for a national strategy process based on the Recovery and Peace Building Assessment, and development of a United Nations—World Bank Multi-Partner Trust Fund on Peacebuilding and Recovery. FCP also provided just-in-time analytic training and strategy development support that helped with the early establishment of the Ministry for Temporarily Occupied Territories and internally displaced persons mandated to lead and coordinate peacebuilding and recovery efforts. As a result, the government recently passed the Ministry for Temporarily Occupied Territories’ State Target Program for Peacebuilding and Recovery in Eastern Ukraine. The World Bank mobilized $3.2 million in financing from the State and Peacebuilding Fund to support the Ministry for Temporarily Occupied Territories capacity building and pilot projects, and the trust fund was launched with an initial $2 million in donor financing.

In Uganda, the FCP helped operationalize the findings of a UNHCR—World Bank report titled *Forced Displacement and Mixed Migration in the Horn of Africa.* This innovative framework complements Uganda’s Settlement Transformative Agenda by building the self-reliance and resilience of both refugee and host communities. Collaboration between UNHCR and the World Bank was pivotal to improve the understanding of the socioeconomic dimension of the refugee crises and avoid costly duplications. Moreover, the work is fully aligned with strategic objectives of the two organizations and benefits from strong local government engagement. The scale and scope of collaboration between the two organizations is gradually increasing, with the UNHCR leading the way on refugee and local population empowerment, and the World Bank taking the helm on new development approaches to refugee issues. Going forward, the piloting of joint projects, notably on education, will involve a significant amount of learning about ways to strengthen and deepen collaboration between the two organizations.

“The trust fund is a strong enabler of the United Nations—World Bank partnership in fragile and conflict-affected situations. Its grants provide financing to advance the partnership in contexts where other sources of financing either can’t or won’t. This financing tends to be flexible and timely, and promotes the strategic application of comparative advantages to help meet demand in specific FCV contexts. It can also “grease the wheels” where collaboration is difficult or costly.”

—Oscar Fernandez-Taranco, Assistant Secretary General, United Nations Peacebuilding Support Office, and Saroj Jha, Former Senior Director, World Bank Fragility, Conflict, and Violence Group

Afghanistan Reconstruction Trust Fund

CONTRIBUTORS

The Afghanistan Reconstruction Trust Fund (ARTF), is the largest single-country MDTF administered by the World Bank with total contributions of $10 billion, bringing together 34 different donors to support the Government of Afghanistan’s National Priority Programs. The ARTF finances nearly 40 percent of the civilian budget and half of all development expenditures in Afghanistan.

The trust fund is the main vehicle of choice for pooled funding and provides the largest source of on-budget financing for Afghanistan’s development to deliver important results in education, health, urban and rural development, infrastructure, agriculture, and governance. All ARTF funds are channeled through government systems with ministries and government agencies responsible for implementing all projects. The trust fund modality offers funding predictability for the Government of Afghanistan within a robust fiduciary and monitoring framework and provides a platform for coordination and policy dialogue with the government on key reforms. As of December 2016, the ARTF benefited approximately 9.3 million people, including three million women, by providing access to schools and health clinics in thousands of villages across the country.46

Under the $408 million Second Education Quality improvement program supported by ARTF starting in FY09, 1,600 schools were constructed and 100,000 teachers trained, enabling an estimated nine million students, 40 percent of whom were girls, to enroll in schools. Social mobilization conducted in over 15,000 communities resulted

---

46 The results featured are cumulative since trust fund inception in FY02.
in the formation of school management committees (Shuras) and the preparation of 13,000 school improvement plans nationwide. An additional 11,000 female students received scholarships and graduated from teacher training colleges.47

The $654 million System Enhancement for Health Action in Transition program, starting in FY14, supported the provision of basic health services and essential hospital services in 34 provinces and the Kabul urban area. The ARTF provided $517 million for this program, which is jointly supported by the Government of Afghanistan with $30 million, an IDA Grant of $100 million, and the Health Results Innovation Trust Fund of $7 million. Data from the health management information system indicates an increase in the utilization of key maternal and child health services. The number of deliveries attended by skilled health personnel doubled from 429,000 in FY14 to 861,000 in FY17. The health utilization rate increased from 1.6 to 1.9 consultations per person per year in the same time period.

A $312 million grant financed by the ARTF is funding the Afghanistan Rural Access Project, which is also cofinanced with an additional IDA grant of $125 million. Between FY13–FY17, the project helped construct nearly 2,000 kilometers of rural roads and more than 3,000 meters of bridges, helping people gain access to schools, clinics, jobs, and other livelihood sources across the 34 provinces. The project has also helped carry out routine maintenance of 3,300 kilometers of tertiary roads and periodic maintenance of 500 kilometers of tertiary roads, while routine maintenance of 1,000 kilometers of secondary roads and periodic maintenance of 600 kilometers of secondary roads was also undertaken.

The trust fund is also providing financial assistance to thousands of farmers in 31 provinces to adopt improved production practices and increase productivity of livestock and horticultural products to improve their livelihoods.

Between FY05–FY17, approximately 28.7 million people, nearly 50 percent of whom were women, benefited from the National Solidarity Program, the largest community-driven development project in the world to develop local democratically elected institutions, which helped identify, plan, and manage reconstruction efforts at the local level. From FY13–FY17, the program reached 15.9 million people (nearly 50 percent were women).

47 The results featured are cumulative since FY09.
The System Enhancement for Health Action in Transition Project supported by the ARTF is providing improved access to health services across the country, including the conflict-stricken province of Kandahar. Increased access to basic health services, including vaccinations, provided through the 46 health centers and 1,100 health posts in the province has resulted in the near eradication of polio—cases have dropped from 36 in 2011 to just one in 2016. Doctors are hopeful that continued vaccination and health service provisions will eventually lead to the complete eradication of polio from the province.

The health facilities have also helped solve additional family-related health problems as they offer a wide array of maternal and child health care services, as well as provide health education on nutrition, childcare, first aid, and prevention of diseases. According to one health care recipient, Bibi Khadija, “the clinic has solved many of my family’s health problems. As it is near our house, we come here whenever someone is sick in my family.”

The Shams Kakar district clinic on average receives 50 gynecology and obstetrics visitors on a daily basis. According to midwife Noori who works in the clinic, “We solve over 80 percent of women’s gynecological and obstetric issues in the clinic. This has allowed patients to develop trust in the clinic and its staff.”

Near eradication of polio achieved in the Kandhar Province in 2016 with only one reported polio case that year.