



**IDA14**

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**Progress on Strengthening Collaboration With  
United Nations Partners in Post-Conflict Countries**

**International Development Association  
Operations Policy and Country Services  
Fragile States Unit**

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## ABBREVIATIONS AND ACRONYMS

|        |   |
|--------|---|
| ACTTF  | Accounting Department Trust Funds                     |
| AsDB   | Asian Development Bank                                |
| ARTF   | Afghanistan Reconstruction Trust Fund                 |
| BCPR   | Bureau for Crisis Prevention and Recovery             |
| CAR    | Central African Republic                              |
| CFP    | Concessional Financing and Global Partnerships        |
| CRN    | Country Re-engagement Note                            |
| DDR    | Disarmament Demobilization and Reintegration          |
| DFID   | Department for International Development              |
| DGF    | Development Grant Facility                            |
| DPKO   | Department of Peace Keeping Operations                |
| DRC    | Democratic Republic of Congo                          |
| ECOWAS | Economic Community of West African States             |
| GTZ    | German Agency for Technical Assistance                |
| IBRD   | International Bank for Reconstruction and Development |
| IDA    | International Development Association                 |
| IEG    | Independent Evaluation Group                          |
| IFC    | International Finance Corporation                     |
| IMF    | International Monetary Fund                           |
| ITF    | Iraq Trust Fund                                       |
| IRFFI  | International Reconstruction Fund Facility for Iraq   |
| LICUS  | Low-Income Countries Under Stress                     |
| MDG    | Millennium Development Goal                           |
| MDTF   | Multi-Donor Trust Fund                                |
| MDTF-N | Multi-Donor Trust Fund – North Sudan                  |
| MDTF-S | Multi-Donor Trust Fund – South Sudan                  |
| MIGA   | Multilateral Investment Guarantee Agency              |
| NEPAD  | New Partnership for Africa’s Development              |
| NGO    | Non-Governmental Organization                         |
| OECD   | Organization for Economic Cooperation and Development |
| OED    | Operations Evaluation Department                      |
| OP/BP  | Operational Policy/Bank Procedure                     |
| OPCS   | Operations Policy and Country Services                |
| PBC    | Peace Building Commission                             |
| PCF    | Post-Conflict Fund                                    |
| PCNA   | Post-Conflict Needs Assessment                        |
| PRSP   | Poverty Reduction Strategy Paper                      |
| SDV    | Social Development and Environment                    |
| SFR    | Strategy, Finance and Risk Management                 |
| TF     | Trust Fund  |
| TRM    | Transitional Results Matrix                           |
| UN     | United Nations  |
| UNDG   | United Nations Development Group                      |
| UNDGO  | United Nations Development Group Office               |
| UNDP   | United Nations Development Program                    |
| USG    | Under-Secretary General                               |
| WB     | World Bank  |

**PROGRESS ON STRENGTHENING COLLABORATION WITH UNITED NATIONS  
PARTNERS IN POST-CONFLICT COUNTRIES**

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## EXECUTIVE SUMMARY

1. This report responds to the IDA Deputies' request for a review of the status of Bank-UN collaboration in post-conflict countries<sup>1</sup>, and of ways to further strengthen collaboration, taking into account the relative competencies of the institutions. The paper examines the cooperation at both the country operations and global policy levels. It also discusses relative partnership strengths of the institutions, progress being made in the partnership, and challenges going forward.
2. Conflict prevention and post-conflict reconstruction are essential for making progress in the Bank's mission to promote economic growth and poverty reduction. Such efforts not only benefit conflict-affected states, but also benefit the stability and progress of neighboring countries and regions. Thus the World Bank expanded its role in post-conflict assistance with the upsurge in civil conflict during the 1980s and 1990s. The Bank continued to expand its role with the launching of its Low-Income Countries Under Stress (LICUS) framework in 2002, which made provisions for addressing the needs of post-conflict countries as well as other fragile states at risk of falling into conflict. Thirty-four countries are currently classified by the Bank as fragile.
3. The Bank's framework for providing assistance to conflict-affected countries requires that its assistance be part of a concerted and coordinated donor effort. Lessons from independent evaluations of Bank experience show that the Bank has successful partnerships with the United Nations Development Program (UNDP) and United Nations Development Group Office (UNDGO) at the policy level, in addition to collaboration with the UN Department of Peacekeeping Operations (DPKO) on a joint staff training program, and a joint state-building work program with UNDP.
4. The partnership between the Bank and the UN has benefited from synergy generated by harnessing the strengths of each institution. It builds on the comparative advantage of UN agencies in emergency assistance, security, electoral political processes and other political governance reforms. UN-led analysis of country security situations has been critical for making progress in peace-building and for understanding the overall scope for executing projects and yielding results. UN specialized agencies have been leading or participating in capacity building and they are executing projects in key sectors, such as health, education and agriculture. Meanwhile, the Bank supports the partnership through its strengths in contributing to macroeconomic stability, economic governance and public finance management, delivering physical infrastructure for economic reconstruction, mobilizing resources, conducting diagnostic studies, and administering multi-donor funds.
5. However, while it is important for the Bank, UN secretariat departments and UN funds and programs to define their respective roles and comparative advantages, country-level experience also argues for flexibility in cooperation. Flexibility in determining roles would make it possible to make the best use of country knowledge and relationships in each specific situation.

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<sup>1</sup> This paper covers progress in Bank-UN cooperation on a wide range of fragile and conflict-affected states, and thus looks beyond the group of countries that are eligible for exceptional post-conflict allocations from IDA.

6. In order to support post-conflict countries through a partnership that builds on the strengths of the two institutions, various operational instruments are being deployed jointly at the country level. A substantial part of country-level collaboration between the Bank and the UN has taken place through joint implementation of common instruments, programs and platforms, such as post-conflict needs assessments (PCNAs), transition matrices and partnership strategies. PCNAs have provided national and international actors an entry point for conceptualizing, negotiating, and financing a shared plan for reconstruction and development in post-conflict settings, for example in Afghanistan, the Democratic Republic of Congo, Haiti, Liberia, and Sierra Leone. Transition matrices have provided a common information base and platform for donor support and monitoring of countries' programs for recovery, outlining the joint responsibilities of government and donors. Country cases include Central African Republic, Haiti, Liberia and Sudan. Joint Partnership Strategies have provided a common approach for coordinating resources and country assistance programs in the Democratic Republic of Congo, Somalia and Togo.

7. Bank-UN partnership has made much progress at the global policy level as well. Examples include partnerships with the United Nations Development Program (UNDP) and United Nations Development Group Office (UNDGO) at the policy level, collaboration with the UN Department of Peacekeeping Operations (UN DPKO) on a joint staff training program, and a joint state-building work program with UNDP. The deepening of the partnership has helped to enhance the profile of conflict-affected and fragile state issues in international development policy dialogue; enabled the evolution of common platforms and instruments for coordinated donor assistance; created an enabling environment for country-level collaboration; and contributed to reducing lags in preparation and readiness to engage.

8. ***Challenges Going Forward:*** Challenges remain, however. Perhaps the biggest challenge, and the most significant potential for added value, relates to deepening joint work at the country level: to match actual implementation on the ground with agreements in principle at the international policy level. Specific issues relate to: (i) managing the transition from humanitarian/relief situations to recovery, reconstruction and development; (ii) developing standardized institutional procedures for fiduciary risk management and accountability for project execution; (iii) promoting greater selectivity and project prioritization in light of capacity limitations in the early phases of post-conflict recovery; and (iv) implementing common, rather than parallel, sector programs. The Bank is in the process of launching a program with the UNDG to support more effective planning to close the gap between relief and development in Sudan and the DRC, and is negotiating an agreement with the UN on an overarching framework that addresses procurement and fiduciary issues not already covered in the March 2006 Bank-UN Financial Management Framework Agreement. Revisions to the joint Bank-UN guidance on post-conflict needs assessments are expected to focus attention on greater selectivity and common sector programs in the fragile, low capacity post-conflict period.

9. As the partnership continues to deepen, the emphasis will be on identifying opportunities for joint operational initiatives at the country level, while simultaneously working at headquarters to increase understanding of Bank and UN strategy and approaches, and remove procedural obstacles in procurement, legal and financial management processes that sometimes slow down collaborative efforts.

# PROGRESS ON STRENGTHENING COLLABORATION WITH UNITED NATIONS PARTNERS IN POST-CONFLICT COUNTRIES

## I. INTRODUCTION

1. During IDA14 Replenishment deliberations, IDA Deputies “observed that it would be useful for the Bank and the UN to discuss how to further strengthen collaboration based on their respective competences in post-conflict countries, especially in the early phases of recovery, with the aim of reaching conclusions that will facilitate speedy and effective cooperation at the country level.” Furthermore, “they welcomed the fact that the Bank would evaluate carefully the report of the UN High Level Panel on Threats, Challenges and Change and its reform proposals pertaining to conflict prevention and reconstruction, and that it looks forward to deepening collaboration on global policy and country-level operational partnerships to address the critical peace, security and development nexus.”<sup>1</sup>

2. The Deputies also requested an update on the status of collaboration with the UN. This report responds to this request. Section II provides background information on post-conflict assistance and Bank-UN partnership. Section III examines country level operational partnerships and then outlines policy and institutional collaboration which helps strengthen the basis for joint country-level work in the future. Section IV focuses on global policy cooperation. Special attention is paid to new opportunities for partnership, such as cooperation in the establishment and early activities of the Peace-building Commission, which was established as a result of the recommendations of the UN High Level Panel. Section V presents conclusions, including an overview of partnership strengths, areas of progress and challenges going forward.

3. This paper covers progress in Bank-UN cooperation on a wide range of fragile and conflict-affected states, and thus looks beyond the group of countries that are eligible for exceptional post-conflict allocations from IDA (See Appendix A).

## II. BACKGROUND

4. The World Bank’s role in post-conflict assistance expanded with the upsurge in civil conflict during the 1980s and 1990s and the complex development challenges of these conflict situations.<sup>2</sup> Thirty-four countries and areas are currently considered conflict-affected.<sup>3</sup> In light of the complex development challenges of conflict-affected countries, the guidelines of the Bank’s post-conflict assistance framework require that Bank involvement be part of a concerted

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<sup>1</sup> IDA (2005): *Additions to IDA Resources: Fourteen Replenishment – Working Together to Achieve the Millennium Development Goals*.

<sup>2</sup> See, for example: The World Bank (1998): *Post-Conflict Reconstruction: The Role of the World Bank*. World Bank (2006): *World Bank Support to Low-Income Countries Under Stress. An IEG Review*.

<sup>3</sup> World Bank (2006): *Semi-Annual Monitoring Report on Conflict-Affected Countries. December 2005-May 2006*.

and coordinated donor effort to assist the country to emerge from conflict and make progress towards recovery and development.

5. The Bank has reviewed its post-conflict assistance programs periodically to distill lessons from its experience and strengthen its efforts. Such reviews have highlighted the Bank's strengths in supporting macroeconomic stabilization, rebuilding physical infrastructure, mobilizing resources and coordinating aid. Lessons from these reviews have led to greater attention being paid to: the rebuilding of human and social capital, becoming engaged earlier in the post-conflict recovery process, improving donor readiness to engage these countries, and limiting aid fragmentation. There have also been strong efforts to develop new financial mechanisms (for example, IDA pre-arrears clearance grants) to facilitate early re-engagement, and to put greater emphasis on analytical work to deepen understanding of conflict situations and inform the design of sensitive policies that avoid inflaming conflict problems.

6. ***Bank-UN Partnership and Coordination:*** The Bank re-affirmed its commitment to post-conflict assistance and to fragile states<sup>4</sup> at risk of falling into conflict by launching the LICUS<sup>5</sup> Initiative in 2002. The initiative made provisions for addressing the needs of post-conflict countries as well as the needs of other fragile states. The evolving framework re-emphasized collaboration with UN agencies and other donors. It stressed flexibility in tailoring Bank assistance to country conditions. It provided resources, and defined institutional space and instruments to support this group of countries and, where applicable, to ease their re-engagement with the Bank and the rest of the international development community. It underlined analytical work and capacity building in countries that are not ready for financial assistance, where replenishment of The Bank's knowledge base would aid readiness to engage when prospects for peace improve.

7. The Bank has moved to clarify its own role in post-conflict and other fragile states, most recently through the January 2006 report *Good Practice in Country Assistance Strategies in Fragile States*. The Bank aims to focus on its core economic and development strengths, including increasing capacity to provide assistance in strengthening economic governance and public resource management systems, delivering economic and social services, and supporting private sector recovery. The Bank looks to other donor agencies, such as the UN system, to lead on security, electoral politics and other political governance issues.<sup>6</sup> At the request of our development partners, the Bank stands ready to enter into multi-donor partnerships to support these areas in a supplementary role through expertise on public resource management, economic governance and infrastructure development. The Bank is also currently undertaking an independent evaluation of multi-donor trust funds (MDTFs), including an assessment of the comparative strengths of the Bank and UN system to administer MDTFs in different contexts.

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<sup>4</sup> The term "fragile states" was adopted by the Bank in January 2006 to describe countries with two main characteristics: (i) weak institutions and governance; and (ii) risk of conflict. The Bank's work in fragile states includes countries in early post-conflict and political recovery and later post-conflict reconstruction and reform, as well as countries facing deteriorating governance or prolonged crisis.

<sup>5</sup> LICUS: Low Income Countries Under Stress.

<sup>6</sup> The lead agency within the UN system on political governance and security issues is still somewhat uncertain, with an evolving system of collaboration between DPKO, DPA and UNDP.

8. While it is important for the Bank, UN secretariat departments and UN funds and programs to define their respective roles and comparative advantage, country-level experience also argues for flexibility in cooperation. Country-level roles will depend on country knowledge, relationships and organizational capacities available at specific periods. In some fragile situations the UN may have built particularly strong relationships with counterparts and partners, and will be well-placed to lead coordination efforts; in others the Bank may have the capacity and relationships in place to play this role effectively; and in other situations (such as in Timor Leste after the recent crisis) the Bank and the UN may determine that the country will be best served if they jointly support the Government in its international coordination efforts. The same is true for areas of sector work, such as civil service reform, community driven development or support to demobilization. Flexibility in determining roles would make it possible to make the best use of country knowledge and relationships in each specific situation.

9. In the latest (September 2006) evaluation of performance under the LICUS initiative, the Bank's Independent Evaluation Group (IEG) noted that the Bank has successful partnerships with the United Nations Development Program (UNDP) and United Nations Development Group Office (UNDGO) at the policy level, in addition to collaboration with the UN Department of Peacekeeping Operations (DPKO) on a joint staff training program and a joint state-building work program with UNDP (Section IV). The IEG review noted the synergy to post-conflict assistance afforded by other bilateral and multilateral partnerships. Overall, IEG rated the Bank's implementation experience in donor collaboration at the international policy level to be "substantial," but noted that results at the country level are mixed. It rated country implementation as medium-low. The management response highlighted specific examples of successful joint work at a country level and reiterated a commitment to improved collaboration. Sections III and IV detail the Bank's efforts to achieve the desired improvements at both the country and global policy levels.

### **III. COUNTRY-LEVEL OPERATIONAL PARTNERSHIPS**

10. Operational partnerships enable the Bank and UN partners to complement each other in light of their respective institutional mandates and strengths. These partnerships are also inherently challenging because of differences in organizational culture, decision-making structures and financing mechanisms. While lessons from experience at the country level highlight challenges, there are several encouraging examples of progress. It is the country-specific initiatives that offer the promise of visible results that improve the lives of people living in post-conflict and fragile states, while global policy cooperation (Section IV) helps to create an enabling environment across the two institutions.

11. *Country-Level Collaboration in Post-Conflict Settings:* Various instruments and programs especially post-conflict needs assessments (PCNAs), country re-engagement notes and partnership strategies, and transition matrices and joint activities in disarmament, demobilization and reintegration (DDR) have enabled a collaborative approach to post-conflict assistance and stronger aid coordination. A substantial part of country-level collaboration between the Bank and the UN has taken place through joint work on PCNAs. These PCNAs are used by national and international actors as an entry point for conceptualizing, negotiating, and financing a shared plan for reconstruction and development in post-conflict settings. In the last two years alone, joint PCNA exercises were conducted in Haiti, Iraq, Liberia and Sudan (after the North-South

peace agreement); in late 2006, assessments are under way in Somalia and Darfur (following the peace agreement covering this area of western Sudan). Earlier PCNAs include those of Afghanistan, the Democratic Republic of Congo (DRC) and Sierra Leone. Recent instances of Bank-UN collaboration on PCNAs and other joint activities in Afghanistan and DRC are described in Boxes 1a and 1b. Lessons emerging from joint PCNAs and from undertaking joint execution of programs are reflected in Box 2.

#### **Box 1a Afghanistan: Collaboration and Division of Labor in the Field**

In Afghanistan, there have been cases of collaboration as well as division of labor between the Bank and the UN on the basis of institutional mandates and comparative advantage. The findings of the Afghanistan post-conflict needs assessment, undertaken jointly by the Bank, UNDP and the Asian Development Bank (AsDB), informed the formulation of an initial humanitarian assistance program, led by the UN, to deal with the immediate post-conflict challenges. The Afghanistan authorities moved quickly to take over the program and turned it into a government-led effort for reconstruction and development in close interaction with donors. The Afghanistan Reconstruction Trust Fund (ARTF) was established in May 2002 to serve as a mechanism for coordinating external financial assistance for the country's reconstruction and development effort. Total pledged contributions from 24 bilateral donors to the ARTF at the end of March 2006 amounted to over US\$1.3 billion. ARTF resources finance priority investments and recurrent costs in line with the government's budget and national reconstruction and development strategy.

The Bank has fiduciary responsibility for administering the ARTF in coordination with a Management Committee of multilateral agencies, including AsDB and the UNDP. In addition, by the end of March 2006, the Bank provided financial assistance through IDA commitments of US\$1043 million of which 62 percent has been disbursed. Other Bank group institutions, such as MIGA and the IFC, are involved in private small business investments. MIGA is administering the Afghanistan Investment Guarantee Facility jointly funded by the AsDB, IDA and bilateral donors. The Bank also leads in analytical work to assist the government in designing informed interventions. For example, a recent Bank report, *Managing Public Finances for Development*, highlighted issues of aid effectiveness and the centrality of the budget as a policy instrument for building an effective state. In other areas, the Bank is working closely with UNDP on public administration reform and capacity building, which the UNDP is likely to lead.

The UN plays a major role in political governance and security, which are top government priorities for state-building and socio-economic recovery. Government expenditures on security, law and order accounted for close to 40 percent of total spending in FY05. The ARTF developed a mechanism to channel funds to the Law and Order Trust Fund managed by the UNDP to support a nascent police force, though the Bank does not directly support security activities which are outside its mandate. The UN-managed security process is a vital part of the daily functioning of the Bank's office in Kabul and is also vital for enabling staff visits to projects in the field. UN agencies have also been key implementing partners to the Government under IDA-funded programs. The United Nations Office for Project Services has an implementing role in the National Emergency Employment Program supported in part through a US\$39 million IDA financing. The Food and Agriculture Organization is providing management of the US\$40 million Emergency Irrigation Rehabilitation Program and the UN Habitat is a key partner in the design of the Kabul Urban Reconstruction Program (supported through a US\$25 million IDA credit).

Macroeconomic management is stable and economic growth has rebounded though the opium economy remains strong and problematic. Services have improved, especially in education and road transport. However, inadequate capacity remains a major constraint. The security situation is volatile and lack of accessibility of some areas of the country impedes the reach and impact of development assistance efforts.

References: World Bank (2006): *Interim Strategy Note for the Islamic Republic of Afghanistan -- FY07-FY08*  
World Bank (2006): *Post Conflict Security Sector and Public Finance Management: Lessons from Afghanistan*.  
World Bank (2006): *World Bank Support for Low-Income Countries Under Stress. An IEG Review*.  
World Bank (2004): *Aid Delivery in Conflict-Affected Countries: The Role of the World Bank*.  
World Bank (2002): *Afghanistan: Transitional Support Strategy*.

**Box 1b The Democratic Republic of Congo: Collaboration in the Field**

Since it re-engaged in the Democratic Republic of Congo (DRC) in 2001, the Bank has developed a close working relationship with the United Nations – especially the UN Observation Mission in Congo (French acronym: MONUC) and UN development agencies.

At the program level, the Bank is seen by the UN Special Representative of the Secretary General (SRSG) as a solid and effective partner in the international effort to steer the country away from conflict. In particular, the Bank, in close coordination with the UN, has provided substantial resources at key moments of the political reconciliation and transition process, which have proven useful to generate “peace dividends” and help stabilize the situation. In July 2001, the Bank provided a US\$50 million IDA grant to support a variety of activities around Kinshasa – which was viewed as an important signal of support to the peace and reform efforts of the new authorities. In January 2003, the Bank led a joint mission with the UN and other key multilaterals to the territories controlled by rebel groups, to identify an emergency program that could be put in place if the reunification process was successful. In September 2003, three months after the reunification, the Bank financed a \$214 million IDA project to support recovery in former rebel territories. In parallel, at a succession of donor meetings between 2002 and 2005, the Bank worked closely with the UN to mobilize resources for DRC – and informally supported the UN’s own fund-raising efforts for key activities falling outside the Bank’s mandate but critical for peace (e.g., elections). Overall, the close cooperation between the political and development arms of the international effort to bring back peace and economic growth to DRC has proven both critical and successful – and all parties, including the UN and the Government, have saluted this effort.

The Bank has also worked closely with UNDP to help the Government develop a “minimum partnership program for recovery and transition” (French acronym: PMPTR), which is equivalent to a PCNA but with full Government ownership. The PMPTR was successfully presented at a June 2004 donor meeting held in Kinshasa and constituted the basis for pledges at the December 2004 Consultative Group meeting. It has informed the consultations and drafting of the PRSP (which was completed in July 2006).

The UN and the Bank have had a more difficult relationship as regards the launch and implementation of a \$200 million demobilization and reintegration project. This project is financed half through a \$100 million IDA grant approved in May 2004, and half through the proceeds of a Multi-Donor Trust Fund administered by the Bank (within the broader framework of the Multi-country Demobilization and Reintegration Program, MDRP). Implementation started slowly in an area which the UN saw as critical for the success of its peacekeeping effort, which caused a series of difficulties at the inception of the program. Since then, however, the relationship has improved significantly, and several UN agencies, including UNDP and WFP, are playing a key role in the implementation of the program. The Bank is also currently working on a joint partnership strategy with UNDP, UN peacekeeping mission, EC and DfID.

References: *World Bank (2001): DRC – Transitional Support Strategy; World Bank (2003): DRC – Transitional Support Strategy; Government of DRC (2004): Programme Minimum de Partenariat pour la Transition et la Relance.*

## Box 2. Learning Lessons Jointly with the UN on Post-Conflict Needs Assessments

The Bank's joint efforts with the UN in conducting PCNAs have generated valuable lessons that both institutions are using to improve responsiveness in these critical situations:

- Clarity on expectations, roles and responsibilities – both at the institutional and individual levels – is critical to extracting the best possible value out of Bank and UN involvement in a PCNA; assessments where roles have not been clearly agreed and where expectations were not explicitly negotiated suffered from delays and caused disappointments.
- Understanding that each institution has a distinct organizational culture, with its own “language”, does not prevent development of a common PCNA vocabulary that can help bridge institutional differences and allow a common approach to critical issues like national ownership and involvement.
- Both Bank and UN teams from recent PCNAs point to the importance of the PCNA serving not as a purely analytical “platform of knowledge”, but as an action-oriented recovery plan that explicitly reflects the challenges of prioritization and the constraints on capacity in the country, and also explicitly plans for implementation of priority actions in the Transitional Results Matrix (TRM).

Paragraph 25 of this report describes the ongoing joint Bank-UN PCNA Review process, which is capturing these joint lessons.

12. As the two cases illustrate, Bank-UN partnerships in post-conflict countries have enabled this group of countries to benefit from coordinated donor assistance programs. While progress is being made, for example, in giving these countries a high profile in aid and policy dialogue, in reducing lags in readiness to engage, and in understanding factors underlying conflict situations, challenges remain as discussed later in this section.

13. ***Joint Strategies and Programs:*** The Bank is also increasingly developing country strategies with UN and other partners, and collaborating with them on project implementation. In 2004, piloting of the low-income country under stress (LICUS) approach to engagement in fragile states was launched through joint country strategies in Togo and Somalia.<sup>7</sup> In each case, the Country Re-engagement Note (CRN) was crafted collaboratively with the UNDP to provide a joint strategy for Bank and UNDP engagement and a framework for strengthening donor assistance during the transition period. Each CRN proposed entry points of action to support priorities relevant to each specific situation, and provided a platform for coordination of resources and implementation modalities that offered synergy between the Bank's knowledge-intensive efforts and the UNDP's operational capacity. As the LICUS initiative progressed, Bank-UN collaboration at the country level continued in two specific dimensions: through joint work on country strategies and through specific operational initiatives in-country. In the DRC, the Bank and several key bilateral donors are collaborating with the UN mission and UNDP to design a joint country assistance framework. Despite a poor earlier donor coordination experience, Cambodia has made progress recently; the 2005 Country Assistance Strategy is the

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<sup>7</sup> These early operational partnerships offered valuable space for testing the Bank's institutional capacity for collaboration. A review of the portfolio of activities under the joint CRN in Somalia documented substantial progress in some areas, including community health, HIV/AIDS, and socioeconomic data monitoring and analysis, while in other areas, including livestock, interventions had not yet been able to yield visible results. The Bank and UNDP country teams worked together to generate specific lessons applicable for other Bank-UN teams seeking to collaborate: maintain a strategic vision, adopt a thorough consultative process, ensure a clear delineation of roles, be patient in establishing pioneering mechanisms for cooperation, and re-assess and review the approach periodically. These lessons have been shared with other Bank teams seeking to launch collaborative efforts with UN partners.

product of close coordination among donors, which include the Asian Development Bank (AsDB), DFID and the UN development system.<sup>8</sup>

- In addition to joint strategies discussed above, transition matrices have been used satisfactorily as tools for donor coordination; they are essential for taking advantage of short windows of opportunity in the early phase of peace building.<sup>9</sup> They provide a common information base and platform for supporting the county program for recovery. Transition matrices (Box 5) embrace the joint responsibilities of Government and donors and they serve as a tool for monitoring program implementation (Haiti, Liberia and Sudan).
- Disarmament, demobilization and reintegration (DDR) programs have helped to jump-start collaborative peace-building arrangements. While the disarming is carried out by UN peace keeping forces, in coordination with bilateral donors and regional bodies, the Bank supports the process by aiding the transition of the ex-combatants into civilian life and reintegration into local communities. The multi-country demobilization and reintegration program in the African Great Lakes countries (Angola, Burundi, CAR, DRC, Republic of Congo, Rwanda and Uganda) launched in 2002 is a case in point. It is supported by the Bank, the UN and a group of bilateral donors.<sup>10</sup> The Bank is the single largest financier of demobilization programs in Africa and the multi-country approach has helped to address cross-border issues and has contributed to making a start at regional stability.
- The Bank is a frequent participant in peace negotiations, focusing on macroeconomic and development management issues, at the invitation of the concerned country authorities. The Bank's role complements the role of the UN agencies and bilateral donors in other aspects of the peace process in helping to understand the financial and fiscal aspects of the peace agreements, the economic implications of any arrangements for resource sharing among the warring factions and aid financing issues related to commitments for consolidating the peace process. In Africa alone, since 2000, the Bank has supported peace negotiations for Burundi, Cote d'Ivoire, Sierra Leone, Somalia, Sudan and Uganda.<sup>11</sup>

14. Furthermore, the Bank partners with the UN on specific operational initiatives at the country level, depending on gaps in assistance. Recent examples include:

- ***Collaborating on Customs Services in Afghanistan:*** The Emergency Customs Modernization and Trade Facilitation Project in Afghanistan, which started implementation in early 2004, is one illustration of the value of creative linkages. Afghanistan's customs revenue collection has been severely hampered by insecurity,

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<sup>8</sup> *Country Assistance Strategy for the Kingdom of Cambodia*, Report No. 32118-KH, World Bank, April 18, 2005.

<sup>9</sup> World Bank (2006): *Conflict and Development in Africa: A Proposed Regional Approach*.

<sup>10</sup> Belgium, Canada, Denmark, France, Germany, Italy, Netherlands, Sweden, the United Kingdom and European Commission.

<sup>11</sup> World Bank (2006): *Conflict and Development in Africa: Op cit*.

poor communications and infrastructure, and widespread smuggling and corruption, among other problems. The Customs Modernization Project provides emergency assistance through the financing of improvements in key transit infrastructure and communications and capacity building within the administration, particularly in border zones under warlord influence. To ensure effective implementation, the Bank works closely with the UN mission and the International Security Assistance Force, which supports border management and internal transit of goods in its larger security operation. Project implementation performance is rated moderate. Insecurity remains a serious challenge.

- ***Meeting Challenges in Service Delivery in Liberia:*** Similarly, in Liberia the challenge of linking operational improvements in service delivery to enhanced security on the ground was of joint concern to the Bank and the UN. Early efforts to re-start primary education were constrained by the de facto requirement for teachers to travel to Monrovia each month to be paid, making consistent classroom time almost impossible. During 2004-05, linking Bank-supported efforts in the Government to restore basic financial management functions with the DPKO mission to resolve security issues allowed payments for teachers to be taken out to district centers (with accompanying security patrols), and thus helped teachers to return to their classrooms. The Bank has also collaborated with the DPKO mission and UNDP by providing materials which, combined with the engineering capacity of the peace-keeping mission, enabled efficient emergency road and bridge repair. See Box 3.

**Box 3. A Joint International Response to Deteriorating Governance in a Post-Conflict Country**

In September 2005, the National Transitional Government of Liberia and Liberia's international partners – the African Union, Economic Community of West African States (ECOWAS), European Commission/European Union, International Monetary Fund, United Nations, World Bank, Ghana, Nigeria, and United States – signed a Governance and Economic Management Assistance Programme (GEMAP) for Liberia. The Security Council welcomed GEMAP in Resolution 1626 of September 19, 2005.

GEMAP is based on a shared diagnosis of Liberia's problems and an analysis of options for actions based on development assistance experiences in other, mainly African, countries. GEMAP targets revenue collection, expenditure controls, and government procurement and concession practices. Its key features are the provision of international experts with co-signature authority and management contracts in selected ministries and state-owned enterprises; transparent oversight mechanisms; and linkage to the peace implementation process and to UN Security Council sanctions.

The main lessons from the elaboration and negotiation of GEMAP are:

- Robust economic interventions take place in a highly political context that must be well understood, and therefore the engagement of headquarters and capitals is valuable.
- A united international approach is crucial: the significance of empirical data as a basis for diagnosis and in building support for joint action should be considered.
- Careful analysis of motivations of key national actors is needed in the crafting of incentives.
- An inclusive stance with stakeholders highlights the role of civil society both in building national constituencies of support as well as in securing regional and international backing.
- Communication strategies are necessary and should emphasize robust measures as a step toward enabling restoration of sovereign authority, not a constraint to such restoration.
- The timing of a robust intervention is important in a post-conflict transition process. A basic level of security and its oversight by international peacekeepers is a prerequisite.
- The initiation and planning of a robust intervention should address implementation design and management so as to enable timely launch and early effectiveness.

GEMAP offers a successful example of country-level collaboration produced through the Bank and UN partners working creatively together, which even in the early phase of implementation yielded visible improvements such as the 110% increase in revenue collections generated in the first 30 days of 2006 (measured against the same period in 2005). Since the inauguration of the strongly reform-minded government led by President Ellen Johnson-Sirleaf, GEMAP has provided a framework for deepening a focus on critical capacity-building that supports the revitalization of Liberia's key economic institutions.

15. ***UN Agency Implementation of Projects from Post-Conflict Fund and LICUS Implementation Trust Fund:*** At the country level, an important demonstration of the increasing collaboration between the Bank and UN partner agencies is the allocation of grant resources from the Bank's LICUS Implementation Trust Fund and Post-Conflict Fund. For fragile and conflict-affected states in arrears to the Bank, these grants represent a critical resource flow, and UN agencies are valuable partners in delivering results in challenging circumstances; paragraphs 16 through 18 provide more details on the scope of this resourcing, while paragraph 22 highlights the ongoing joint efforts by the UN and the Bank to identify changes that will expand the opportunities for UN agency implementation.

16. **LICUS Implementation Trust Fund:** The LICUS Implementation Trust Fund was established through a \$25 million transfer grant from IBRD surplus in March 2004<sup>12</sup> to support early reform and transition efforts in countries in non-accrual and, in certain circumstances, multi-donor efforts in active IDA LICUS. The LICUS TF has helped spearhead the Bank's initial re-engagement efforts and allowed the Bank to support key capacity-building activities and fund small projects to demonstrate visible development results during critical and fragile transition periods. Table 1 summarizes allocations from the LICUS TF to UN agencies, who are valuable partners for implementation of country projects in these fragile settings.

**Table 1. LICUS Trust Fund Grant Allocations to UNDP and other UN Agencies, 2004-2006**

|                                | Approved<br>(\$ million) | Disbursed<br>(\$ million) | % of No. of<br>Grants Approved | % of Total<br>\$ Approved |
|--------------------------------|--------------------------|---------------------------|--------------------------------|---------------------------|
| UNDP                           | 7.5                      | 4.5                       | 29%                            | 24%                       |
| Other UN Agencies <sup>1</sup> | 0.6                      | 0.5                       | 4%                             | 2%                        |
| Total                          | 8.1                      | 5.0                       | 33%                            | 26%                       |

<sup>1</sup> UNFPA and UNESCO. *Source:* PCF/LICUS Secretariat.

17. **Post-Conflict Fund:** The Post-Conflict Fund (PCF), financed in part by the Bank's Development Grant Facility (DGF), was set up in August 1997 to support countries in transition from conflict to sustainable peace and economic development. As with the LICUS Trust Fund, the PCF provides a valuable source of funding for fragile states in which many initiatives are implemented by UN partners. Grants range from \$25,000 to \$1 million, but can be exceeded for multi-year programs. The range of grant proposals considered, in line with the mandate provided by OP/BP 2.30, includes such activities as conflict analysis, capacity building, community development, youth-at-risk, psychosocial and mental health in post-conflict populations, support for women and other vulnerable groups, focused research on the causes of conflict, and support for the reintegration of internally displaced people and refugees.

18. **Use of PCF Grant Resources:** Grant approvals since the PCF's inception total \$84.2 million for 171 projects across 35 countries/territories, with disbursements of \$69.2 million. The Africa and Europe and Central Asia Regions have received the highest share of approved grants. Partners have included governments, transitional authorities, UN agencies, and NGOs. Table 2 summarizes allocations from the PCF to UN agencies for implementation of projects during the past two years.

**Table 2. Post-Conflict Fund (PCF) Grant Allocations to UNDP and other UN Agencies, 2004-2006**

|                                | Approved<br>(\$ million) | Disbursed<br>(\$ million) | % of No. of Grants<br>Approved | % of Total \$<br>Approved |
|--------------------------------|--------------------------|---------------------------|--------------------------------|---------------------------|
| UNDP                           | 2.3                      | 1.5                       | 2%                             | 6%                        |
| Other UN Agencies <sup>1</sup> | 5.4                      | 1.7                       | 4%                             | 3%                        |
| Total                          | 7.7                      | 3.2                       | 6%                             | 9%                        |

<sup>1</sup> FAO, UNICEF, UNMIK, MONUC, IOM, PAHO. *Source:* PCF/LICUS Secretariat.

<sup>12</sup> In January 2006, the Executive Directors for IDA and IBRD recommended, and the Board of Governors authorized, a transfer of \$25 million from Bank surplus to replenish the LICUS TF.

19. ***Performance Issues and Challenges:*** While progress is being made in deepening partnerships for post-conflict assistance at the country level, results are uneven.<sup>13</sup> Country circumstances vary and donor partnerships may be stronger in some countries than others. There may be lags in matching actual implementation at the country level with agreements in principle at the international policy level. Some of the challenges faced at the country level include the following:

- Differences in institutional procedures and in devising mutually acceptable alternatives often present operational challenges. For example, in cases of mobilizing and managing trust funds, and releasing the proceeds for project implementing agencies, differences in Bank and UN procedures for enforcing financial accountability have contributed to delays in completing grant agreements and project start activities. Steps are being taken to resolve these institutional differences; country-specific innovations include the use in the post-tsunami programs in Aceh of Partner Agency status to streamline access by UN agencies to the Bank-administered Multi-Donor Fund, while global efforts such as the joint review described in paragraph 22 will identify institutional and procedural changes that can address some of the most common delays.
- Improvement in project selectivity and prioritization would help to limit over-burdening of government capacity and enable better absorption of resources. In cases where the conflict has been devastating in terms of physical, social and institutional assets, holistic approaches to recovery often undermine selectivity and prioritization. Expectations from peace accords and political pressure for improved services among competing constituencies make selectivity difficult. Challenges to prioritization are reflected, for example, in a tendency to undertake multiplicity of capacity building activities which over-burden already over-stretched institutions and skilled personnel during early post-conflict situations. In Timor-Leste, recognition of the enduring fragility of governmental capacity has led to the creation of the multi-donor Public Finance Management Capacity Building Project, whose capacity development support will be deployed in coordination with inputs from the new UN mission.

20. Some of these differences are inherent in partnerships among different institutions. Deeper partnership in the field will help to resolve them. However, where necessary, headquarter support would create a climate for quicker resolution.

#### **IV. GLOBAL POLICY COOPERATION**

21. During 2005 donors gave high-level attention to the international aid architecture in fragile states, with progress made toward the creation of the new Peace-Building Commission at the UN World Summit. The Bank began participating actively in support of the Peacebuilding Commission as soon as it was established in June 2006, providing background materials for and participating in the first set of country-specific briefings in late July 2006, which focused on Burundi and Sierra Leone. The Organization for Economic Co-operation and Development

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<sup>13</sup> World Bank (2006): *World Bank Support to Low-Income Countries Under Stress*. op cit.

(OECD) Fragile States Group includes work on diplomatic, peacekeeping, and development policy coherence, which the Bank is supporting. The Bank is also continuing the work initiated with the UN DPKO, UNDGO, UNDP and the Office for the Coordination of Humanitarian Affairs on mechanisms to improve the coordination of post-conflict recovery processes. Progress on these initiatives is described further in the paragraphs below.

22. ***Experience with Multi-Donor Trust Funds:*** Recognizing the increasingly significant role played by multi-door trust funds (MDTFs) as channels for resources in post-conflict settings, the UN and the World Bank embarked on a pair of coordinated reviews to learn from emerging experience with these MDTFs, with distinct but complementary terms of reference and a collaborative process including validation workshops. The UN review, managed by UNDGO, included a comprehensive desk review and four in-depth case studies, to provide recommendations on how the UN system can increase its role(s) and strengthen its contribution(s) to trust funds. In December 2005, based on terms of reference that complement the UNDGO review, the Bank launched a collaborative effort with the Government of Norway to analyze experience with the use of MDTFs from the perspective of a range of stakeholders, including recipient countries, donor governments, and implementing partners (including civil society). Findings from interviews, field missions, and country case studies will be summarized in the final report, and a conference will be held in December 2006 when stakeholders will help finalize the study and craft a follow-up action plan. Together, these two reviews will not only inform internal change in the two institutions, through revision of procedures and new guidance and training materials, but will also generate recommendations on when it is appropriate to rely on the MDTF mechanisms, how they can be best adapted to deliver results in transition countries, and how donors to MDTFs can best support these.

23. ***Support to the newly-created Peacebuilding Commission (PBC) and Peacebuilding Support Office (PBSO):*** As a new venue for cooperation, the PBC has among its objectives maintaining long-term support for countries emerging from conflict, even after the spotlight of the international community has moved to other crises. This is absolutely critical; evidence from the fragile situations in Afghanistan, Sudan, and Timor-Leste shows that progress toward stability and prosperity is a long road, with many setbacks along the way. World Bank participation in the PBC has great potential to create closer collaboration with the UN system and other international actors. The Bank participated in the launch meeting of the PBC and in initial discussions on Burundi and Sierra Leone, including joint work with the PBSO on the briefing of commission members. A joint Bank-UN study on post-conflict risks was presented at the PBC's launch of the Peace-Building Fund on October 11<sup>th</sup> 2006. The PBC offers potential to develop, with countries emerging from conflict, a new international compact that can mobilize the resources these countries need, whether diplomatic, security, or economic, in return for responsible leadership and commitment to good governance (see Box 4).

#### **Box 4. Bank Dialogue during Establishment of the PBC**

The Bank had a series of informal discussions with the Office of the Secretary General during the establishment of the PBC, including preparatory workshops, briefings, and informal sessions with country teams. The discussions during this period signaled the following key messages:

- Support for the PBC's key objective of achieving increased coherence among political, security, and development initiatives in support of peacebuilding and the UN's convening role.
- Strategies should be country-driven. Governments must determine the approach to recovery, as they did in Afghanistan.
- Commitment to collaborating in developing joint recovery plans covering political, security, economic and social issues.
- The PBC could play a catalytic role in rallying national and international actors around a peacebuilding "compact" for some of the most fragile post-conflict countries – to strengthen mutual accountability between national and international actors, fill gaps and bring coherence to international efforts.
- Caution that the PBC fit into existing processes on the ground to avoid over-burdening overstretched post-conflict governments and donor representatives in the field.

24. ***Joint review of Experience with Post-Conflict Needs Assessments:*** The common approach to supporting Post-Conflict Needs Assessments (PCNAs) and national recovery plans developed by the Bank and UN has been refined over the last five years through joint UN-Bank efforts, including the assessment and costing of needs, nationally owned validation and prioritization, and identification of key actions in an accompanying Transitional Results Matrix (see Box 5). In December 2005, UN representatives and Bank staff gathered for a series of PCNA Roundtables to review experience in the past three years. The final Roundtable proposed a joint program of work to improve the way that PCNAs are carried out. To deliver on this joint commitment, Bank and UN staff launched a PCNA Review to consolidate lessons learned from the experience to date and determine what steps need to be taken to strengthen PCNAs as mechanisms for recovery planning and peacebuilding. The PCNA review will be completed by end-2006, and joint implementation of recommendations, including revision to joint guidance and launch of joint training, is envisioned in early 2007.

#### **Box 5. Transitional Results Matrix – A Tool for Joint Recovery Planning**

The results-based approach of the Transitional Results Matrix (TRM) was developed by national counterparts, the United Nations Development Group (including extensive work by the UNDP), and the World Bank, with the participation of other international financial institutions and bilateral donors. TRMs help apply the poverty reduction strategy principles of a unified, country-driven plan to fragile settings.

TRMs are based on five principles, derived from the Rome Declaration and its harmonization agenda but adapted to the circumstances of fragile states in transition. Matrices need to be simple; selective; integrated across political, security, economic, and social aspects of recovery; nationally owned; and have sufficient donor buy-in. They promote the use of outcome indicators and monitorable targets, including intermediate indicators to track progress of recovery programs. They function as a management tool for strategic planning and implementation monitoring and an umbrella for donor coordination. In this way, the framework can become a compact of joint responsibilities between country authorities and the donor community. By enhancing transparency across the board, TRMs can create strong incentives to achieve more visible results in post-conflict reconstruction and provide a basis for participation and domestic scrutiny by civil society.

A Joint Operational Guidance Note was issued by the Bank and UNDO in January 2005, and joint training sessions have been conducted during the launch of PCNAs throughout 2005 and 2006.

25. ***Bank-UNDP Specialized Joint Program for Needs Assessment:*** The operational costs of the post-conflict needs assessments described earlier are significant, and have historically been supported through a combination of UN and World Bank contributions plus funding from donors. These resources are usually mobilized in an ad hoc fashion to support the costs associated with field assessments, coordination, workshops and consultations, and involvement of local experts and national counterparts. Recognizing the problems posed by this reactive ad hoc approach, both in time lost and synergies unexploited, the World Bank and the UN agreed in late 2005 to use the existing platform of templates from the UN Joint Program structure to negotiate a specialized template of program, budget, and legal documents that can be easily and quickly customized for a specific country context, to define the proposed needs assessment and channel donor funding for quick launch. The Fragile States Unit in OPCS led the team from the Bank; from the UN side, the UNDGO coordinated UN agency representatives. Final clearance was given on the package of template documents in early October 2006.

26. ***Joint Work Program with UNDP on State-Building:*** Overlapping the on-going work to refine PCNA and its implementation and to strengthen peace, further steps are being taken to deepen understanding of post-conflict state-building. In September 2005 the Bank and the UNDP, in collaboration with the Government of Norway, organized a workshop which brought together a small group of well-known reformers (former statesmen, foreign ministers, peace mediators, and others) to discuss their experiences with state-building. The workshop yielded important insights, including acknowledgment of the catalytic role of post-conflict leadership in early recovery; the need for pragmatism in crafting management and political bargains during transition processes; and the challenge of balancing the importance of capacity building and the pressure for speedy results. In recognition of the importance of this issue, UNDP and the World Bank developed an extended two-year collaborative work program to promote greater understanding of the importance linkages between building peace and promoting the effective delivery of core state functions. In 2006, a first phase of activities is under way, including a study of economic and institutional provisions in peace agreements, and country-level consultations on state-building, the first of which was undertaken in southern Sudan in February 2006. Beginning in early 2007, a second phase of activities will launch a series of thematic workshops on state-building and a regional conference, as well as other activities to be defined subsequently.

27. ***Collaborative Work Program with DPKO:*** Beginning in early 2005 the Bank entered into a collaborative work program with the UN Department of Peacekeeping Operations launched on the initiative of then-President Wolfensohn and Under-Secretary General Guehenno, who identified a number of areas to advance DPKO-Bank cooperation. Continuation of this work program was agreed in late 2005 by President Wolfowitz and Under-Secretary General Guehenno, and to date has included the following: series of exchange briefings to senior staff at both institutions (seven briefings have been conducted as of May 2006); opportunities for cross-training of staff and for guest instructors/presenters in training courses; a review of experiences across the two institutions with staff exchange; and convening an inter-agency discussion forum on the range of post-conflict planning processes. Joint research projects have included a mapping of relations in the field between Bank country offices and DPKO missions, and a study on the economic impact of peacekeeping operations. OPCS' Fragile States unit coordinates this work with country offices and the Africa Region conflict team.

28. ***Joint Review of Humanitarian-to-Development Transitions with OCHA, UNDGO, and UNDP-BCPR:*** The Bank is also in discussions with the UN Office of the Coordinator for Humanitarian Assistance (OCHA), UNDGO, and UNDP regarding a joint program of training similar to that undertaken with DPKO, a collaboration that would also involve a joint support process on relief-to-development transitions, focusing on Sudan and the Democratic Republic of Congo.

## V. CONCLUSION

29. Conflict prevention and post-conflict reconstruction are essential for making progress on economic growth and poverty reduction. When these efforts are successful, they carry important benefits for neighboring states as well. Thus, the Bank and UN effort to deepen their partnerships and strengthen collaboration with other donors to aid post-conflict countries is central to their development mission and to aid effectiveness. These partnerships have enabled the assemblage of various strengths to utilize aid more productively.

30. ***Partnerships and Comparative Advantage:*** The Bank has built its assistance on its strengths in contributing to macroeconomic stability, delivery of physical infrastructure for economic reconstruction and recovery, and donor coordination. Aid coordination has fostered, as well as benefited from, new activities and instruments, such as joint needs assessments, transition matrices, and joint partnership strategies. The Bank has co-led or participated in these activities and has helped to inform their design through diagnostic studies and conflict analysis. The Bank has used its strengths to support financing for post-conflict countries through providing exceptional IDA allocations, establishing special post-conflict and LICUS trust funds, and administering multi-donor trust funds. It has focused on assisting countries to rebuild institutions responsible for managing fiduciary risk and strengthening accountability for the use of public resources.

31. The partnership has built on the comparative advantage of UN agencies in emergency assistance, security, electoral political processes and other political governance reforms. UN-led analysis of country security situations has been critical for determining progress of peace building and for understanding the overall scope for executing projects and yielding results. UN specialized agencies are leading or participating in capacity building in key sectors, such as emergency health, education and irrigation. Bilateral and multi-lateral donors have collaborated in analytical work and diagnostic studies, supported peace-keeping, and contributed to country trust funds.

32. The global policy cooperation between the Bank and the UN has deepened significantly in recent years, and helps to provide an enabling environment for country-level efforts, through shared work on strategy and approaches and instruments. The partnerships have deepened understanding of fragile and conflict-affected states, their cross-border effects and the consequences for regional instability. As a result, the profile of conflict-affected and fragile state issues in international development policy dialogue has been enhanced. Common platforms and instruments for coordinated assistance are evolving. This has effects in reducing lags in donor preparation and readiness to engage.

33. ***Challenges Going Forward:*** Challenges remain, however. Perhaps the biggest challenge, and the most significant potential for added value, relates to deepening joint work at the country level: to match actual implementation on the ground with agreements in principle at the international policy level. Specific issues relate to: (i) managing the transition from humanitarian/relief situations to recovery, reconstruction and development; (ii) developing standardized institutional procedures for fiduciary risk management and accountability for project execution; (iii) promoting greater selectivity and project prioritization in light of capacity limitations in the early phases of post-conflict recovery; and (iv) implementing common, rather than parallel, sector programs. The Bank is in the process of launching a program with the UNDG to support more effective planning to close the gap between relief and development in Sudan and the DRC, and is negotiating an agreement with the UN on an overarching framework that addresses procurement and fiduciary issues not already covered in the March 2006 Bank-UN Financial Management Framework Agreement. Revisions to the joint Bank-UN guidance on post-conflict needs assessments are expected to focus attention on greater selectivity and common sector programs in the fragile, low capacity post-conflict period.

34. As the partnership continues to deepen, the emphasis will be on identifying opportunities for joint operational initiatives at the country level, while simultaneously working at headquarters to increase understanding of Bank and UN strategy and approaches, and remove procedural obstacles in procurement, legal and financial management processes that sometimes slow down collaborative efforts.

## Appendix A

### Countries Currently Eligible for IDA Post-Conflict Allocation

Afghanistan  
Angola  
Burundi  
Congo, DR  
Congo, Rep. of  
Cote d'Ivoire /a  
Eritrea  
Liberia /a  
Sudan /b  
Timor Leste

/a Pending arrears clearance

/b Pending Darfur peace settlement and subsequent arrears clearance

**Note:** As stipulated under IDA13, an eligible candidate for IDA post-conflict allocation is defined as (i) a country that has suffered a severe and long-lasting conflict which has led to the inactivity of the borrower for an extended period, or at least a substantial decline in the level of external assistance, including from IDA; (ii) a country that has experienced a short but highly intensive conflict leading to a disruption of IDA involvement; and (iii) a newly sovereign state that has emerged through the violent break-up of a former sovereign state. These countries are distinguished from perennial poor performers with some record of conflict. Reference: IDA (2002) *Additions to IDA Resources: Thirteenth Replenishment*.