<table>
<thead>
<tr>
<th>Section</th>
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</tr>
</thead>
<tbody>
<tr>
<td>New Areas</td>
<td>3</td>
</tr>
<tr>
<td>New Countries</td>
<td>7</td>
</tr>
<tr>
<td>Learning from the Field</td>
<td>9</td>
</tr>
<tr>
<td>Work in Progress: Multi-Year Grants</td>
<td>11</td>
</tr>
</tbody>
</table>

**Post-Conflict Fund**
A Trust Fund for Assisting Conflict-Affected Countries

Development Grant Facility
The World Bank
August 2004
This report provides an overview of the Post-Conflict Fund (PCF) in FY04* including newly approved grants and other activities undertaken by the secretariat. The PCF was established in 1997 to support innovative work in uncertain and fragile conflict-affected societies which may often not be possible under regular World Bank projects. The PCF supports planning, piloting and analysis of ground-breaking activities through funding to governments and partner organizations in the forefront of this work including nongovernmental organizations, United Nations agencies, transitional authorities, governmental institutions and civil society groups. The emphasis is on speed and flexibility in activities promoting the transition from conflict to peace and economic growth without sacrificing quality. Since 1997 the PCF has received an accumulated amount of $57.5 million from the World Bank Development Grant Facility (DGF) and an additional $5.8 million from bilateral and multilateral donors.

This year the PCF secretariat and committee also took on administration of the $25 million Low Income Countries under Stress (LICUS) Trust Fund. Most of the eligible countries are conflict-affected so administration by the PCF secretariat under the guidance of the PCF committee has ensured consistency and complementarity in the World Bank’s approach to these vulnerable clients.

Mountains Program for Advancing Conflict Transformation (NMPACT) coordination mechanism. It focuses on community empowerment through building partnership between parties in conflict and local authorities. The grant consists of two components: (1) a pilot community empowerment fund; and (2) the establishment of a participatory monitoring and evaluation system. This project was approved in December 2003 for $1.5 million over FYs 04-06 and is being implemented by UNDP Khartoum and NMPACT.

Philippines

The Mindanao Reconstruction and Development Fund (MRDF)

This grant resulted from the Philippines Government’s request for World Bank assistance in the establishment of, and contribution to, a multi-donor trust fund for post-conflict reconstruction in Mindanao. The PCF’s financial contribution to the MRDF will provide start-up resources and catalyze other donor contributions. The grant will also cover:

Iraq

Micro Credit to Iraqi Widows

This grant assists young widows with children recently affected by conflict to restore their livelihoods. The project will improve the incomes of widows in the city of Diwaniyah by providing them with micro credit to start their own businesses or with training to develop or upgrade the skills needed to enter the local job market. This project could be extended elsewhere in Iraq as the need for such assistance is urgent and country-wide. The $50,000 grant is expected to be fully implemented within 6 months. The Iraqi Widows Organization is carrying out the project which has resulted in the first disbursement of in-country Bank assistance of its kind in the reconstruction program.

Sudan

The Nuba Mountains Community Empowerment Project (CEP)

The CEP finances community-led reconstruction efforts and support to the Nuba

New Areas
New Countries

During FY04 the PCF engaged in new areas and countries while maintaining its support to on-going operations in thirty-eight conflict-affected countries. Some examples of new activities funded by the PCF include:

Information on all past and current PCF grants can be found in the PCF Grant Database at: www.worldbank.org/PCF
the cost of establishing the MRDF, the design and implementation of several initial sub-projects, capacity building of key stakeholders and a communications program. A total of about $40-50 million is expected to be leveraged. This project was approved in December 2003 for $650,000 and is executed by the World Bank.

Guatemala

Peace and Development in Baja Verapaz Project

This project will promote and build dialogue between rural actors and the Government as a means of addressing peace and development in rural communities. It has three components: (i) to provide conflict prevention and resolution training for local village officials; (ii) to summarize and compile previous studies conducted in the region to determine the wealth of participatory development; and (iii) to support a two-day peace and development conference for all parties involved. The conference will provide an open forum to discuss the development agenda for Baja Verapaz and the relevance of the Peace Accords. This project was approved in February 2004 for $60,000 and is being implemented by the Archdiocese of Las Verapaces.

Central Asia

Regional Perception Survey of Conflict Prevention and Cooperation

The grant is designed to increase cooperation and integration in Central Asia, as well as to mitigate conflict in the region by funding a regional survey on attitudes toward conflict prevention and cooperation. It will create a baseline for future monitoring of public perceptions of efforts to foster integration and cooperation within and between the five Central Asian countries of Kazakhstan, Kyrgyz Republic, Tajikistan, Turkmenistan and Uzbekistan. One of the key issues to be surveyed is how various stakeholders perceive the break-up of the Soviet Union and the opportunities, costs and benefits of regional cooperation that may arise. The results will provide input to the World Bank’s policy and country assistance strategies (CAS) and the UNDP’s Human Development Report in Central Asia. This $99,700 grant is financed under the Swiss contribution to the PCF and implemented by Counterpart International.

Côte d’Ivoire

Community Reintegration Pilot Project

After a politically turbulent few years, Côte d’Ivoire sunk into civil war following an uprising by part of the army in September 2002. The conflict was of low intensity but still managed to divide the country into two. In September 2003, the PCF approved this pilot project that aims to develop and test effective models of community-based reintegration and reconciliation in the region of Bouaké (center-north part of the country). It funds community sub-projects and initiatives to promote social cohesion as well as studies to gain a better understanding of displacement and social vulnerability created by the conflict. The $538,690 grant is being implemented by CARE USA.
<table>
<thead>
<tr>
<th>Country</th>
<th>Implementing Agency</th>
<th>Grant Title</th>
<th>Amount USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>Harvard Program in Refugee Trauma</td>
<td>Mental Health Recovery of Post-Conflict Societies</td>
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</tr>
<tr>
<td>Congo-Brazzaville</td>
<td>FAO</td>
<td>Emergency Support for the Integration of Unemployed Youth into the Agricultural Sector in the Republic of Congo</td>
<td>500,000</td>
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<tr>
<td>Timor Leste</td>
<td>Ministry of Planning &amp; Finance</td>
<td>Policy Preparation for Military Veterans</td>
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<td>Congo-Brazzaville</td>
<td>UNDP</td>
<td>Community Action for Reintegration and Recovery of Youth and Women</td>
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<td>Timor Leste</td>
<td>Ministry of Education, Culture, Youth, and Sports</td>
<td>Leadership Capacity Building for Economic Development (LED)</td>
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</tr>
<tr>
<td>Comoros</td>
<td>UNDP-Comoros</td>
<td>Social and Economic Reinsertion of Anjounese ex-Militia</td>
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<td>Côte d'Ivoire</td>
<td>UNICEF</td>
<td>Reintegration of Children Associated with the Armed Groups and Forces</td>
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<tr>
<td>Côte d'Ivoire</td>
<td>CARE-USA</td>
<td>Community Reintegration Pilot Project</td>
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<td>Guatemala</td>
<td>Archdiocese of Las Verapaces</td>
<td>Peace and Development in Baja Verapaz Project</td>
<td>60,000</td>
</tr>
<tr>
<td>Côte d'Ivoire</td>
<td>Ministry of Finance/CNDDR (Commission Nationale pour le DDR)</td>
<td>Support to establishing National Program for Disarmament, Demobilization and Reintegration (DDR) Program</td>
<td>100,000</td>
</tr>
<tr>
<td>Sudan</td>
<td>UNDP</td>
<td>Nuba Mountains Community Empowerment Project</td>
<td>1,505,160</td>
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<tr>
<td>Mindanao/Philippines</td>
<td>World Bank-executed</td>
<td>Mindanao Reconstruction and Development Fund (MRDF)</td>
<td>650,000</td>
</tr>
<tr>
<td>Sierra Leone</td>
<td>National Committee for DDR</td>
<td>Independent Evaluation of DDR Program</td>
<td>75,000</td>
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<tr>
<td>Comoros</td>
<td>UNDP-Comoros</td>
<td>Transitional Support to Comoros Economic Management</td>
<td>250,000</td>
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<tr>
<td>Burundi</td>
<td>Fondation pour l'Unité, la Paix et la Démocratie</td>
<td>Support to the Reintegration of Returning Refugees and Displaced People</td>
<td>100,000</td>
</tr>
<tr>
<td>Iraq</td>
<td>Iraqi Widows Organization</td>
<td>Micro Credit to Iraqi Widows</td>
<td>50,000</td>
</tr>
<tr>
<td>Central Asia</td>
<td>Counterpart International</td>
<td>Regional Attitudinal Study of Conflict Prevention and Cooperation in Central Asia</td>
<td>99,700</td>
</tr>
</tbody>
</table>

Since FY04, the PCF is responsible for administering the LICUS Trust Fund.

<table>
<thead>
<tr>
<th>Country</th>
<th>Implementing Agency</th>
<th>Grant Title</th>
<th>Amount USD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Liberia</td>
<td>Mercy Corps</td>
<td>Community Empowerment Project</td>
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<td>Capacity Building support to the Comorian Transition Process</td>
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<td>Liberia</td>
<td>Ministry of Finance</td>
<td>Support for Economic Management &amp; Development Strategy</td>
<td>1,035,000</td>
</tr>
<tr>
<td>Liberia</td>
<td>World Bank-executed</td>
<td>Public Financial Management Reform</td>
<td>465,000</td>
</tr>
</tbody>
</table>

* Includes new grants and additional allocations to the existing grants actually approved in FY04 (July 2003–June 2004). The list does not include FY04 allocations approved in earlier years.
** Includes new grants approved in FY04 (July 2003–June 2004).
Below is a summary of activities and products—PCF Occasional Notes, Independent Evaluations, Mid-Term Reviews and Special Reports—intended to capture operational experience and best practices from PCF-financed projects and to improve the techniques and tools that enable us to learn from those projects.

**Reviews of PCF Portfolios in Timor Leste, Afghanistan and the Democratic Republic of Congo**

The *Post-Conflict Fund in Timor Leste: Portfolio Performance and Review of Experience, June 2004*, was undertaken by a representative of the World Bank’s Development Grant Facility (DGF), the main source of World Bank funding for the PCF. The review found that the PCF played a decisive role at “key juncture in Timor reconstruction” by providing quick funding and allowing the World Bank to engage rapidly in the country. PCF grants offered a “roadmap” for key and strategic interventions responding to long-standing needs as well as unforeseen issues.

Activities financed by the PCF ranged from needs assessment, capacity building for leadership, demobilization, veterans issues and opportunities for youth. The review also found that even if PCF grants catalyzed some co-financing, they didn’t mobilize the expected level of resources for longer-term reconstruction, implying the need for more resources through an expanded PCF or more flexible use of IDA.

The *Reviews of PCF Portfolios in Afghanistan and the Democratic Republic of Congo* drew similar findings to those emerging from the Timor review. In these countries, PCF grants were instrumental in addressing pressing needs and strategic issues and in allowing timely World Bank engagement.

The *Somalia Socio-Economic Survey, Watching Brief Report No. 1, 2003*, financed through a PCF grant to UNDP, is the outcome of a nationwide, multi-sector household survey and provides statistics on demographic and housing characteristics, access to basic services, household income and employment, modes of communication and women’s
participation in family decision making among many other things. This household survey is the first of its kind in Somalia for over two decades. The Somalia Reproductive Health Survey Report (Draft) 2002-2003, Watching Brief Report No. 2, 2004, financed by UNFPA with additional support from a PCF grant to UNDP, is the product of a household survey on reproductive health with special reference to vulnerable population of Somalia. The data relates to female reproductive health aspects including fertility, mother and child health care, female genital mutilation and female knowledge of HIV/AIDS among other things.

From Displacement to Empowerment: Working with those Directly Affected by the Armed Conflict in Mindanao, Philippines External Evaluation, October 2003, assesses implementation of the Mindanao Social Assessment and the pilot project on community-level development financed by a PCF grant. This evaluation discusses in detail the opportunities and lessons learned from working with displaced and conflict-affected populations in Mindanao.

Evaluation Report of Two Rehabilitation Programs in Kisangani, Democratic Republic of Congo, March 2004, assesses the advantages and pitfalls of two different approaches in undertaking rehabilitation activities in Kisangani and its surrounding areas: one adopted a community-level labor intensive approach, the other targeted the private sector.

Collaboration between PCF and CARE International, March/July 2004. The PCF Secretariat also piloted the Real Time Evaluation (RTE) methodology in a PCF grant in Côte d'Ivoire in a partnership with CARE International, in an attempt to test the benefits of RTE for a development project in a conflict-affected country.

The PCF Secretariat also participated in the supervision mission of Georgia Self Reliance Fund (GSRF) for Internally Displaced Persons ($1,186,554 including $850,000 of contributions from Switzerland, UNHCR and UNDP). The GSRF’s objective was to pilot concepts for improving the living conditions of internally displaced persons (IDPs) in Georgia by enhancing their self-reliance, integration and community cohesion, through supporting income generation and community development. The GSRF financed a number of micro-grants approved by GSRF Steering Committee which included representatives of Government and donor agencies. The micro-grants have had a tremendous positive impact on displaced and local populations and made a big change in people's living conditions, psychological and physical state, as well as in their ability to become economically independent and self-reliable. However, GSFR has been less successful as a pilot which would pave the way for a larger broad-based initiative addressing the IDPs problem in a comprehensive manner, as it is not likely to be scaled up in the absence of political consensus on resolution of the IDPs issues.

Knowledge from PCF Grants

In FY04, PCF grants produced a variety of independent evaluations, mid-term reviews and other relevant documents extracting knowledge from on-going or past projects. These documents are a valuable source to practitioners inside and outside the World Bank offering best practices and lessons learned often in new areas of involvement for the conflict and development agenda. The following are the evaluation reports completed in this fiscal year.


In addition, several independent evaluations and mid-term reviews of PCF grants in Burundi, Timor Leste, Somalia, Northern Albania and Kosovo, and Colombia are to be completed in the months ahead.

PCF Grants Evaluations and other related documents are available at our website’s Learning from the Field section.
Some PCF grants under implementation are presented below showing the diversity of approaches and activities implemented by our partners.

**Northern Albania & Kosovo**

Supporting Conflict Prevention and Social Cohesion through Early Childhood Development

More than a dozen community-based centers have opened and more than 25 educators have been trained since this grant was launched in 2002. The Early Childhood Care and Development (ECCD) initiative is an integrated approach which recognizes that infants and toddlers have mutually reinforcing needs of safety, food, education, health, and of a caring environment. The objective of this grant is to improve access of deprived children to ECCD activities in Northern Albania and rural Kosovo and to support social cohesion and conflict prevention through community dynamics generated by ECCD activities. The $550,000 grant, executed by UNICEF, is funding community centers for children irrespective of ethnic, gender or ability differences. Now, in its third year, the grant continues to encourage a more effective response from community leaders, NGOs and government authorities. The grant also enhances the role of women as mediators and representatives of non-violent conflict resolution. The project is expected to be completed by December 2005.

**Haiti**

Community Driven Development Pilot Project

Despite political and economic instability in Haiti, the Community Driven Development (CDD) Pilot Project has provided innovative approaches to some of the country’s rural areas. In effort to prevent further deterioration of socio-economic conditions, this CDD pilot, implemented by the Pan American Development Foundation, has created a channel for methods and techniques designed to improve the well-being and incomes of the
rural poor. From providing better access to basic social and economic infrastructure to identifying and prioritizing their collective needs, this grant provides the tools necessary for establishing a better livelihood in their community. Launched in 2003, the grant supports local governance and encourages citizens to be part of the decision-making process. The $1,025,000 grant is expected to be completed by 2005.

**Colombia**

Protection of Patrimonial Assets of Colombia’s Internally Displaced Population

Forced displacement, mainly as a result of the armed conflict, has had a major social and economic impact in Colombia. Displacement has disrupted production, income and employment, forcing migration to urban centers and contributing to poverty. This grant, approved for $809,658 is implemented by the government’s Red de Solidaridad Social and a number of partner agencies. It provides seed capital for the development of methodologies and procedures to protect patrimonial assets belonging to displaced population or those at risk of being displaced. These approaches will be piloted in five different areas of the country where high risk of displacement exists. The areas will be selected to reflect the different systems of land tenure and Colombia’s cultural diversity. The grant is also developing participatory methodologies and tools to recover information on abandoned land and assets of the displaced. Running until June 2005 the project will provide both an early warning mechanism and follow-up measures to protect the displaced whose security and assets are under threat.
This section shows the distribution of approvals by the regions and fiscal years and summarizes the overall PCF grant approvals during FY 98–05* and donor contributions.

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*Includes approvals for future fiscal years.
### PCF Approvals by Fiscal Year*

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<tr>
<th>Year</th>
<th>FY98</th>
<th>FY99</th>
<th>FY00</th>
<th>FY01</th>
<th>FY02</th>
<th>FY03</th>
<th>FY04 **</th>
<th>FY05</th>
<th>FY06 ***</th>
<th>Total</th>
</tr>
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<td>7,937,183</td>
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<td>11,816,970</td>
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<td>605,160</td>
<td>66,711,253</td>
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<td>21</td>
<td>28</td>
<td>16</td>
<td>16</td>
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<td>136</td>
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</table>

* As of August 2004.
** Number of grants represents newly approved grants only.
*** No new grants were approved for FY06; the amount shown represents annual installments approved in earlier years.

### Donor Contributions to PCF, FY00–05

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<th>Donor</th>
<th>Beneficiary</th>
<th>FY00</th>
<th>FY01</th>
<th>FY02</th>
<th>FY03</th>
<th>FY04</th>
<th>FY05</th>
<th>Grand Total</th>
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</thead>
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<td>Kosovo</td>
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<td></td>
<td>647,935</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Netherlands</td>
<td>Kosovo</td>
<td></td>
<td>2,000,000</td>
<td></td>
<td></td>
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</tr>
<tr>
<td>Belgium</td>
<td>Great Lakes region</td>
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<td>1,117,531</td>
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<tr>
<td>Switzerland</td>
<td>Georgia</td>
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<tr>
<td>Switzerland</td>
<td>Global</td>
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<td></td>
<td>266,667</td>
<td>333,333</td>
<td>400,000</td>
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<tr>
<td>UNDP</td>
<td>Georgia</td>
<td>200,000</td>
<td>300,000</td>
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<td>UNHCR</td>
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<td>150,000</td>
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<td><strong>Total</strong></td>
<td></td>
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<td>4,323,408</td>
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<td>333,333</td>
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### Developing Country Governments
- Afghanistan Interim Authority/Afghan Assistance Coordination Authority
- Commission for Real Property Claims of Displaced Persons and Refugees, Bosnia & Herzegovina
- Commission for National Reconciliation, Tajikistan
- East Timor Transitional Administration
- Government of Albania
- Government of Burundi
- Government of Cambodia
- Government of Côte d’Ivoire
- Government of Democratic Republic of Congo
- Government of Eritrea
- Government of Indonesia
- Government of Liberia
- Government of Macedonia
- Government of Philippines
- Government of Republic of Congo
- Government of Republic of Georgia
- Government of Sierra Leone
- Government of South Africa
- Government of Timor Leste
- Peru-Ecuador: Binational Commission for the Development of the Frontier

### Universities and Think-Tanks
- Brookdale Institute
- Cambodia Development Resource Institute (CDRI)
- Harvard Program Refugee Trauma
- Kenya Institute of Public Policy Research and Analysis
- Notre Dame University
- NYU Center for International Cooperation
- Oxford University (Center for the Study of African Economies)
- Peace Research Institute of Norway (PRIØ)
- Princeton University
- Stanford University
- University of California at San Diego
- University of Dallas
- Yale University
- Woodrow Wilson Center

### Donor Development Agencies
- Brookdale Institute
- Cambodia Development Resource Institute (CDRI)
- Harvard Program Refugee Trauma
- Kenya Institute of Public Policy Research and Analysis
- Notre Dame University
- NYU Center for International Cooperation
- Oxford University (Center for the Study of African Economies)
- Peace Research Institute of Norway (PRIØ)
- Princeton University
- Stanford University
- University of California at San Diego
- University of Dallas
- Yale University
- Woodrow Wilson Center

### International Organizations
- Asian Development Bank
- International Committee of the Red Cross (ICRC)
- International Federation of Red Cross (IFRC)
- International Labor Organization (ILO)
- International Organization for Migration (IOM)
- Food and Agriculture Organization (FAO)
- Organization of American States (OAS)
- Pan-American Health Organization (PAHO)
- UNICEF
- UNFPA
- UNDP
- UNDPKO
- UNHCR
- UNMIK - UN Interim Administration in Kosovo
- UNOPS
- United Nations Mission in Congo (MONUC)
- UN Economic and Social Commission for Western Asia (ESCWA)
- World Links Organization

### NGOs, CSOs and Foundations
- ACTIONAID
- Action Contre La Faim
- Aceh NGO Forum, Indonesia
- Atlas Logistique
- Arias Foundation for Peace and Human Progress
- Arch Diocese of Las Verapaces, Guatemala
- Australian Volunteers International
- African Women Alliance for Mobilizing Action
- BHB Assist. Foundation (Soros Kosovo Foundation for Open Society)
- Bonn International Center for Conversion
- Catholic Relief Services (CRS)
- CARE
- Center for Conflict Resolution, South Africa
- Center for Liberal-Democratic Studies, FR Yugoslavia
- Centro de Estudios Internacionales, Nicaragua
- Collaborative for Development Action
- Comunità di Sant’Egidio, Italy
- Community and Family Services International (CFSI)
- Counterpart International
- Curriculum Corporation
- Economic Cooperation Foundation
- Friends of Bosnia
- Fondation pour l’Unité, la Paix et la Démocratie, Burundi
- Gisplan, Croatia
- Groupe de Recherches et d’Echanges Technologiques (GRET)
- Humanitarian Affairs Review Journal
- Indonesian National Commission on Violence Against Women
- Institut d’Economie Industrielle (IEI)
- Iraqi Widows Organization
- Knitting Together Nations, Sarajevo
- Media Action International
- Oxfam
- Panos Institute, Washington DC
- Pan American Development Foundation (PADF)
- Red de Solidaridad Social (RSS), Colombia
- Save the Children
- Self Reliance Fund, Republic of Georgia
- Swedish Committee for Afghanistan (SCA)
- Synergies Africa
- Transcultural Psychosocial Organisation