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EXECUTIVE SUMMARY

INTRODUCTION AND METHODOLOGY

This document is the final report, an output required under the contract dated 2 November 2006 for the Independent Evaluation of the Post Conflict Fund (PCF). The evaluation covers the period 27 December 2001 until 8 December 2006, during which 87 projects have been approved valued at USD47M, approximating to half all PCF grants by number and value.

The evaluation methodology included documentation review, interviews and focus group discussions (external). Field visits were made to assess projects in 3 countries (Kosovo, Macedonia and Sri Lanka). A further twenty projects (23%) were selected for detailed desk review. A survey questionnaire was issued to country team members to assist with assessing awareness of the PCF and perceptions of performance.

TERMS OF REFERENCE

The terms of reference required: an assessment of the achievement of the PCF objectives; of the outcomes and (where possible) impacts of a selection of sub-grants; and a review of the governance, management and administrative arrangement, together with an assessment of whether the PCF objectives and procedures are in conformity with the Bank’s mandate/articles and policy on conflict. A series of questions were included related to the PCF’s strategic relevance requiring, inter-alia, analysis of the extent the PCF is a key mechanism, influencing the Bank and the international agenda on conflict.

WHAT IS THE POST CONFLICT FUND

We trace the origins of the PCF in the mid 1990’s from increasing donor concern of the effects of conflict and the risk to the Bank’s development mandate. The articulation of the Bank’s position and role in conflict was developed carefully over several years and policy was based on an impressive paper that argued the need to integrate issues of conflict to the development paradigm. The resulting framework included the PCF, designed to support the Bank in watching briefs, transitional support strategies and early reconstruction activities, and the creation of a unit of conflict specialists, now the conflict prevention and reconstruction unit (CPRU).

Funded by the Development Grant Facility, a presentation of the PCF statistically includes the cap on funding of USD8M and a breakdown regionally of the 182 projects funded since the start of the PCF, valued at approximately USD88M.

PURPOSE

Before assessing the achievement against objectives, we first considered the PCF purpose and found the position ambiguous, with a series of subtly different statements of purpose contained in various reports, resolutions, evaluation and memorandum. Given that it is 10 years since its creation and that there have been a number of changes to the context in which it operates (including the creation of the LICUS trust fund and the IDA post conflict allocation), we recommend a reconsideration of the PCF purpose and the creation of a new strategy.

ACHIEVEMENT OF OBJECTIVES

The terms of reference required the assessment of the achievement of PCF objectives which in summary are:

- Timely and strategic responses allowing early and flexible engagement;
- Innovate, pilot new approaches, improve knowledge;
- Enhance partnerships and co-financing;
- Reduce impact of conflict and prevent recurrence.

Timeliness and Flexibility
We define this as the degree to which the PCF instrument assists with meeting the need for institutional responsiveness and flexibility, initially in terms of speed of grant processing. Here we identified examples of exceptional speed of processing and approval of sub-grants, measured in days rather than weeks. This finding was supported by discussions with task managers, from which it is clear that most Bank staff feel that the PCF is quick to disburse. The PCF secretariat was widely complimented for its support to proposals, reducing the issues raised by the committee during approval and the time needed to address these.

There is a wider measure of timeliness, including timeliness in implementation, which is more variable. Examples of significant delay were identified. Although causal analysis is problematic government approval (a particular constraint for the Bank), and problems faced by implementing agencies, were factors. These are largely beyond the control of the secretariat and the committee.

There is both procedural flexibility and operational flexibility. Procedurally there is latitude in the processes, which justifies the term flexible, (particularly the grant approval process). Operational flexibility is present, both in terms of what the PCF may fund and in the completeness of content of proposals. Here there is almost total flexibility, relying for control on the diligence and judgement of the secretariat and committee. This is appropriate for an instrument of this type and for the relatively low value grants.

We conclude therefore, that the Bank through the PCF is capable of moving quickly and with flexibility and on this basis we regard the objective of timeliness and flexibility as being met.

Strategic

Whilst this latitude is appropriate for a fund of this type it does mean that the PCF is less strategic. Overall the fund has responded to demand, rather than shaped demand or advocated approaches. At the country level the country teams have used the fund both to respond to demand/need and, more strategically, to conduct analysis and support plans for transition from conflict. We discuss the implications of a more strategic use of the fund, both in terms of its use at the country level and how it might shift from an entirely demand led instrument to one that shapes demand and advocates approaches. We also recommend a greater use of conflict specialist, incentivising the country teams to draw on this expertise.

Innovate and Improve Knowledge

Although there is not a precise definition of what constitutes innovation, we nevertheless judge that two thirds of the projects reviewed had an element of innovation; either experimental or new to the Bank or a combination of approach and context that justified a categorisation as innovative. The secretariat has encouraged experiment and piloting of new approaches to better improve knowledge and understanding of conflict. The content of the portfolio of projects contains some valuable lessons.

To capitalise on the understanding the portfolio provides, since the last evaluation the secretariat have made a considerable effort to improve management of information, including putting in place a knowledge management strategy. An effort has been made to share knowledge, through missions, studies, use of the website etc. The KM strategy is solid, with KM responsibilities concentrated in the secretariat, where the emphasis has been on capturing explicit knowledge, documenting lessons learnt and dissemination. However, the knowledge management strategy of the secretariat has been handicapped during the period by a period of reduced staff levels in the secretariat.

In line with an updated PCF strategy (also recommended), we recommend a new KM strategy that would determine what knowledge sharing is most useful as well as determining the secretariat’s role in a wider knowledge network, i.e. engagement with conflict networks or “communities”, whilst recognising the limitations that KM may have in terms of its contribution to mainstreaming conflict awareness and understanding within the Bank.

Partnership and Co-financing

At the sub-grant level there is a significant component of co-financing for PCF projects with positive partnership, particularly for projects that involved multiple partners who either contributed to cost
sharing or implementation. Co-financing showed an average burden-share of 62%. Of particular relevance were projects where the Bank sought to increase coordination.

At the global level partnership has also been furthered by the PCF. We observed partnership dialogue, and noted anecdotal evidence of partnership with both bilaterals and UN agencies (e.g. UNICEF and UNDP, both of which welcome Bank partnership). However, we would not characterize, as the TORs suggest, the PCF as the main interlocutor on conflict within the Bank (if indeed there is a focal point) and we were unable to quantify the contribution of the PCF to partnership at the global level. Although this latter point is not quantifiable the PCF has nevertheless, contributed to the objective of “enhancing partnerships and co-financing with agencies working on conflict related issues”.

OUTCOMES AND IMPACTS (AND ACHIEVEMENTS)

In terms of outcome we reviewed 28% of the projects in the period under evaluation, assessing the outcomes of 85% as highly satisfactory (fully met purpose/objectives) or satisfactory (substantially met intended purpose and partially achieved objectives). We also reviewed positively a range of project achievements, such as contributing to Bank engagement, use of comparative advantage, preparing ground and bridging gaps and effectiveness in difficult environments. This is a creditable outcome level in the context of an instrument such as the PCF, which encompasses levels of innovation and risk.

We judge though, that despite this high level of outcomes and achievement, improvements in project design should be sought, in particular to clarity of purpose, risk analysis, indicators, and the consistent use of project management terminology and the logical framework matrix.

In terms of impact we are unable to make substantive comment. Impact assessment is not within the scope of these TORs and, beyond evaluation at project completion, no M&E follow-up action is carried out as part of the PCF procedures. At the sub-grant level many projects are small, one-off interventions with limited prospects for impact and sustainability, certainly beyond outcome. The size of the grants also makes impact above project level (e.g. at goal or sector level) unlikely or unlikely to be measurable. This is not to say that there is no impact (there being a difference between a possible impact and a measurable or attributable impact) and we identify projects throughout this report where the impact exceeded expectations or was significant, as well as noting grants that brought about unintended benefits.

At the regional/country level we also argue that the sub-grants are too small in number and value to have a measurable and/or attributable impact on conflict. Country teams may be more aware of impact, particularly where a PCF grant has provided analytical input to an ISN or CAS or other level of country understanding but the survey result on this question was mixed. However, one grant was used as a catalyst to establish a multi-donor trust fund. This was an example of the Bank using its comparative advantage to maximise the benefit and where impact potential is significant, possibly rising to a regional/country level impact on conflict.

In terms of the achievement of PCF objectives (which includes the objective of reduced “impact of conflict and prevention of recurrence”), our view is that at the global/macro-level, as well as the difficulty of trying to measure and attribute reduced conflict, the PCF is far too small to have any measurable impact on conflict or conflict prevention.

In view of this we consider the strategic dimension of the PCF and discuss whether the reduction of conflict should be an objective of a sub-grant or, indeed, the PCF – in a hierarchy of PCF objectives we argue that it should be at the level of “goal”.

GOVERNANCE, MANAGEMENT AND ADMINISTRATION

The governance, management and administrative arrangements are satisfactory in terms of transparency, accountability and efficiency and the program is in conformance with Bank policies.

The committee is a suitable governance arrangement, helping to ensure quality and address risks through the sub-grant approval process. Despite understaffing during the period being evaluated and a lack of an administrator for 19 months, the secretariat has administered the fund diligently and with
timeliness, with their support to the country teams being appreciated. We make recommendations that, in line with a revised PCF strategy, terms of reference and grant eligibility criteria should be developed for the committee’s guidance.

RECOMMENDATIONS FROM THE 2002 EVALUATION

We include a point by point examination of the degree to which the recommendations of the previous external evaluation have been met. All the recommendations have been considered carefully and most have been implemented in whole or in part, with a commendable level of effort having been expended.

CONCLUSIONS AND RECOMMENDATIONS

The PCF is highly relevant to the Bank’s efforts in conflict affected countries, offering country teams an option of speed of action and a greater degree of flexibility not available from other Bank instruments. However, we found the overall PCF purpose ambiguous and the demand-led nature and almost total flexibility with which funds can be applied, limiting its impact as an instrument. There have been several developments in the Bank’s conflict framework since the last evaluation, including the introduction of the LICUS trust fund and the IDA Post-Conflict Allocation grants and it would be an appropriate time to consider a new strategy and business plan. We suggest that this business plan should consider:

- a PCF purpose statement (mission) constructed around the PCF being a tool to enable Bank engagement at the various levels of country status in accordance with DAC principles;
- a more strategic use at country level (such as recently attempted for Sri Lanka);
- an adjustment to the demand led stance with the secretariat adopting more advocacy and shaping of demand (based on themes and lessons) in accordance with a revised PCF purpose;
- a revised knowledge management strategy in line with a new overall strategy, which includes creating or working with a network to share knowledge;
- a more formal role for conflict specialists to work with country teams to develop proposals including provision of budget from the PCF to incentivise the use of conflict specialist input to design;
- in line with the above, sub-grant eligibility criteria being developed together with revised terms of reference for the committee;
- adjustments to the PCF processes to improve design and monitoring and evaluation;
- future independent evaluations focusing more on the use of the PCF instrument by country teams in their engagement with conflict issues, rather than on the assessment of individual grants.

Crown Agents
15 September 2007
1. **INTRODUCTION**

1.1. **THIS DOCUMENT**

1.1.1. This document is the final report, an output required by the terms of reference (TORs) under the contract dated 2 November 2006 for the Independent Evaluation of the Post Conflict Fund (PCF).

1.1.2. This follows the issue of a first draft report which presented substantial findings of the evaluation for submission to the PCF secretariat and the PCF committee providing an opportunity for debriefing and feedback before the completion of this final report.

1.2. **CONTENT AND STRUCTURE**

1.2.1. The TORs are enclosed at appendix A for ease of reference. The report is structured closely around broad headings that relate to the four specific objectives of the TORs:

- Achievement of PCF objectives;
- Outcomes and impacts (for a selection of grants);
- Knowledge management;
- Governance, management and administrative arrangements.

1.2.2. Inevitably the topics overlap the headings and we have tried to treat an issue substantially in one place and draw links with other sections of the report.

1.2.3. Before these four headings we include a section that sets the context for the remainder of the report by describing the PCF and its origins and providing some statistical analysis of the fund’s activity during the period being evaluated. This is followed by a section discussing the purpose of the PCF.

1.3. **METHODOLOGY**

**Scope and Phases**

1.3.1. The methodology is described more fully at appendix B. The scope of the TORs is comprehensive and, in certain areas, somewhat ambitious with some very open-ended questions related to strategy and the strategic impact of the PCF. We have attempted to provide answers, whilst remaining conscious throughout that the evaluation was to focus on the performance of the PCF projects and the PCF secretariat. We believe the TORs have been fully addressed, whilst maintaining this focus on performance.

1.3.2. The conduct of the evaluation was broken into three phases inception, implementation and reporting, with implementation in turn divided into field work and desk review.

**Methods**

1.3.3. Research methods used were:

- Document review;
- Interviews;
Focus group discussions;
- Project review (both desk study and field visit);
- Observation (limited opportunity); and,
- Survey.

Survey

1.3.4. A simple tick-box statistical survey with the target audience being the Bank’s country teams1, was determined as the only method to answer questions within the TORs related to awareness of the PCF and, specifically, to assess the extent to which the “PCF is recognized inside... the World Bank as a key mechanism to support conflict... work2”. The opportunity was taken to ask a wider set of questions related to management and performance and perceptions of:
- the country teams’ capacity to manage PCF work;
- outcomes/impacts of PCF projects; and,
- the performance of the secretariat.

1.3.5. A representation of the questionnaire is enclosed appendix D. Of the 1,582 staff members approached, 244 completed the questionnaire (a 15.5% response). The responses provide the statistical basis for some of the findings contained herein. The respondents are self selecting and largely are those with some experience of conflict and/or the PCF. Their efforts are very much appreciated.

External Organisations

1.3.6. Interview and focus group discussion provided the basis from which we gauged answers to further questions in the TORs related to external awareness and perceptions of the PCF and the effectiveness of partnerships, as well as the Bank’s wider engagement and relevance to the international agenda on conflict and development.

1.3.7. Those that provided a contribution are listed in a table in appendix I. Part of the reason for talking with the wider donor community was to discuss their approach to conflict and reconstruction, how they allocate their funding in this area and prospects for contributions of un-earmarked funding to the PCF.

Field Visits

1.3.8. Excluding watching brief projects the countries for field visits were determined using the following considerations:
- Currency of PCF activities;
- Number of projects approved in a country (both active and completed);
- Relative sizes of grants;
- Security and access to project areas.

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1 Specialists (sector managers and specialists), management units (country directors, country managers, country program coordinators, country officers), together with task managers with PCF experience.
2 Terms of reference: III. Scope of the Evaluation, Relevance
1.3.9. In the event field visits were made to Sri Lanka, Kosovo and Macedonia. Each field visit was preceded by a short document and literature review. In-country, our time was devoted entirely to interviews, primarily with implementing agency and Bank staff. Where time allowed, particularly in Sri Lanka, we also interviewed a cross section of stakeholders from government, the NGO sector and other donors with the specific aim of better understanding: (a) the context in which PCF activities were taking place; and (b) the relevance of PCF projects at the national level.

1.3.10. In all three countries we interviewed small sample groups or individuals from the wider intended beneficiary group, but time constraints did not allow us to conduct impact assessments. Interview notes were written up into a standard format based on our TORs; and for each project a summary was written using a format adapted from the CPRU. Other themes or key points that emerged during the visits were summarised in free format.

**Project Review (desk study)**

1.3.11. The study covered projects approved from 27 December 2001. Since that date, 87 projects had been approved by the committee. Twenty of these (25%) were selected (see appendix C). This was achieved by filtering a cross-section of grants covering region, theme, country status, recipient type, and grant size, including projects that were more overtly concerned with conflict prevention, as well as those where this was not immediately obvious. In addition, we attempted to capture projects that have been innovative, including pilot projects where the intention was to scale-up, those that helped Bank engage and those that helped influence downstream funding decisions.

1.3.12. For all of these projects, we have carried out an in-depth review of the project documentation. In particular, we focused on:

- Project design - problem analysis, clarity of purpose/objective[s], outcome indicators, and risk analysis;
- Innovation;
- Application process and project approval;
- Communication between TM and the secretariat and level of support;
- Supervision, monitoring and evaluation (including progress, completion and particularly, external evaluation reports) and sustainability/impact (to the extent possible);
- Generation of lessons.

1.3.13. During this process we have tried to think in terms of not only what the project set out to achieve but how it intended to achieve, which could determine its relevance to the conflict situation. In reaching conclusions overall on the review of these projects we have considered:

- Relevance to the overall PCF purpose/objective[s];
- Impact on conflict, conflict prevention and reconstruction;
- Timeliness, flexibility and efficiency;

---

Mobilization of additional resources – cofinancing, downstream Bank lending;
Partnerships fostered through grant implementation;
Dissemination of knowledge/lessons.

1.3.14. In addition to interviews with Bank staff directly and indirectly involved with the PCF including task managers, interviews were conducted (where possible) with task managers responsible for the sub-grants selected for detailed review.

2. WHAT IS THE POST CONFLICT FUND?

2.1. CONTEXT

2.1.1. In the last decade there has been an increasing realization of the impact of conflict on development. The international community has never been so active in countries emerging from war. Currently there are more than 72,000 UN peacekeeping troops in operation around the globe - more than ever before. In Africa alone the international community has taken an active role in many countries where conflict previously prohibited engagement – including Angola, Sierra Leone, Liberia, the Democratic Republic of Congo, Burundi, Ethiopia, Eritrea and Sudan. Much of the increase in global volumes of aid in recent years can be tracked to major post conflict rebuilding programmes, primarily in Afghanistan and Iraq.

2.1.2. For all that increased activity, engagement in post conflict countries, particularly in the early stages of recovery, remains difficult and a very different proposition to peace time development. Wars rarely end neatly and security considerations impose significant operational limits (see Afghanistan and Iraq). Post conflict state capacity is often weak, increasing risk and restricting the instruments that can be used safely.

2.1.3. Amidst this uncertainty the donor community response has been to make a high priority the better understanding of conflict and the role to be played. They have commissioned research and produced papers referring to the causes and effects of violence and insecurity, examined their policy positions, increased employment of conflict specialists and allocated additional funds for the purpose, with an increasing emphasis placed on conflict prevention.

2.1.4. For the Bank, between 1980 and 1998, lending to post conflict countries increased by 800 percent. More recent figures indicate that Bank assistance to post conflict countries amounts to some 25 percent of total lending.

2.2. ORIGIN OF THE PCF

2.2.1. The PCF has its origins from the mid 1990’s in this increasing donor concern of the effects of conflict. The Bank recognised the risk that conflict represented to its poverty focused mandate. The Bank’s position on conflict and the articulation of its role was developed carefully over several years. The operational policy statement OP 2.30 – Development Cooperation and Conflict (and BP 2.30), was:

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4 Post Conflict Reconstruction, Sanam Naraghi Anderlini and Judy El-Bushra, Hunt Alternatives Fund.
(i) based on the document Post Conflict Reconstruction: The Role of the World Bank (April 1998)\(^5\), which drew attention to how operation in countries emerging from conflict had become a significant proportion of the Bank’s portfolio and that conflict was undermining development and went on to argue the need to integrate the issues of conflict prevention into the overall development paradigm;

(ii) Endorsed by the Executive Directors as: A Framework for World Bank Involvement in Post Conflict Reconstruction (May 1997) – the “framework”.

2.2.2. As a critical part of the framework the Post Conflict Program (PCP) was in operation by late 1997, established under the new DGF\(^6\) with USD8M funding for FY98. The PCP was intended to enhance the Bank’s ability to support countries in conflict in the transition to sustainable peace and economic growth by financing only those activities relating to the Bank’s involvement through the early preparatory stages in post-conflict reconstruction as shown at Table 1. The country-specific post-conflict reconstruction investments were not intended to be covered under the PCP.

<table>
<thead>
<tr>
<th>Table 1 Preparatory stages in post-conflict reconstruction</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Stage</strong></td>
</tr>
<tr>
<td><strong>Stage One</strong></td>
</tr>
<tr>
<td>Watching Brief: During the conflict, when no active portfolio is possible</td>
</tr>
<tr>
<td>• keep track of developments</td>
</tr>
<tr>
<td>• build a knowledge base useful in preparing effective and timely Bank interventions once the conflict has moved toward resolution</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Stage Two</strong></td>
</tr>
<tr>
<td>Transitional Support Strategy: When there are opportunities for useful interventions</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Stage Three</strong></td>
</tr>
<tr>
<td>Early Reconstruction Activities: Initiated as opportunities arise:</td>
</tr>
<tr>
<td>• small-scale activities undertaken quickly – often by, or in partnership with, UN agencies or NGOs</td>
</tr>
<tr>
<td>• not heavily dependent on normal Bank project preparation procedures</td>
</tr>
<tr>
<td>• response to urgent needs of early transition</td>
</tr>
<tr>
<td>• pilot activities to enhance learning for later larger scale programs</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

2.2.3. In June 1999 the PCF was established as a trust fund to provide additional flexibility\(^7\). The reason was to ensure funds allocated by the DGF in one fiscal year, but which could not be committed or disbursed for reasons beyond management’s control (e.g. volatility and unpredictability in post-conflict countries), could be carried over to the next fiscal year. Additionally, the establishment of the trust fund enabled the acceptance of funds from other donors, although the Budget Committee expected these contributions to be small\(^8\).

\(^5\) Statistics and titles of departments were updated in this April 1998 volume but otherwise the main text remains the same as that endorsed by the Executive Directors.
\(^8\) Report from the Budget Committee, meeting 22 March, 1999.
2.3. **CONFLICT PREVENTION AND RECONSTRUCTION UNIT**

2.3.1. The new framework also brought about the creation of the Conflict Prevention and Reconstruction Unit (CPRU - originally the *Post-Conflict Unit*) to help focus efforts and concentrate scarce skills on the transition from war to peace. The CPRU was to act as a focal point and core capacity on conflict to:

- handle contacts with other institutions and the international community;
- advise and brief senior management;
- collect information and monitor country developments;
- develop and articulate policy options;
- draw on experience from throughout the Bank to accelerate the institutional learning process and disseminate information.

2.3.2. Importantly the unit’s role was seen as helping to organize missions to countries emerging from conflict and participating in the design of reconstruction programs at the request of the regional offices. In the context of watching briefs they had a key role\(^9\) to:

(i) help to pilot the concept;

(ii) at the request of the country manager, provide support and advice to design and implement watching briefs, developing best practice in their implementation;

(iii) facilitate cross-regional learning and prepare a brief annual report on the status of countries where watching briefs were in place.

2.3.3. The argument was that these functions could not continue to be carried out under ad-hoc arrangements and that to maximize the use of resources, staff working in post-conflict reconstruction should be consolidated in a small unit with limited terms of reference. The unit was located in the Social Development Department and managed the PCF secretariat, arrangements that remain.

2.4. **OECD-DAC PRINCIPLES**

2.4.1. Further work in developing the Bank’s conflict position is reflected in the four Bank themes\(^{10}\) based on OECD-DAC Principles for International Engagement in Fragile States\(^{11}\). These emphasise the need for “building state capacity and accountability”, “developmental linkages” to peace and security and the need for “donor coordination”. In particular the PCF provides an instrument for “institutional flexibility and responsiveness”.

2.4.2. The PCF is consistent further with the OECD-DAC principles themselves, in particular that of “act[ing] fast” (and with flexibility). It gives the Bank a means of engagement so that the Bank’s comparative advantage can be brought to “focus on state building as a long term vision”. Through the watching brief and transitional

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\(^9\) And are written into BP2.30 to receive situation reports and produce a monitoring report bi-annually.


support strategy it provides a means to “promote coherence” and “agree on practical coordination mechanisms between international actors”.

2.5. **STATUS, BASIC DATA AND STATISTICS**

2.5.1. The PCF is described as a quick-disbursing grant-making mechanism to support planning and piloting of reconstruction activities in countries emerging from conflict, by funding governments and partner organizations. PCF-supported efforts are intended to address the causes and legacy of conflict - displaced people, unemployed ex-combatants, weak institutions, disruption of livelihoods - with speed and flexibility, without sacrificing quality.\(^\text{12}\)

2.5.2. The PCF has been funded under the Development Grant Facility (DGF)\(^\text{13}\), the Bank's umbrella mechanism for grant programs, and has received contributions from several bilateral and multilateral donors. The PCF, once one of the global and regional partnership programs (GPPs) of the Bank, has recently been moved from the GPP classification to the Institutional Grant Program within DGF.

2.5.3. Capped by the DGF at USD8M the PCF is the same size now as it was in its first year of operation (1997). The previous evaluation assessed projects that were approved up until 26 December 2001. Since then, 80+ more projects have been approved by the committee bringing the total number of projects approved to 182 with a total value of more than USD88M. Approximately a third of these projects have been in Africa. Nearly 55% have a value of USD250,000 or more, the value at which an independent evaluation is required upon completion:

<table>
<thead>
<tr>
<th>Region</th>
<th>No. Grants</th>
<th>&lt;$100,000</th>
<th>$100,000 - $249,000</th>
<th>$250,000 - $999,999</th>
<th>&gt;$1,000,000</th>
<th>Total Value ($M)</th>
<th>Average Value ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>61</td>
<td>10</td>
<td>14</td>
<td>27</td>
<td>10</td>
<td>35.2</td>
<td>0.6</td>
</tr>
<tr>
<td>ECA</td>
<td>31</td>
<td>6</td>
<td>4</td>
<td>12</td>
<td>9</td>
<td>20.9</td>
<td>0.7</td>
</tr>
<tr>
<td>EAP</td>
<td>24</td>
<td>4</td>
<td>6</td>
<td>12</td>
<td>2</td>
<td>8.8</td>
<td>0.4</td>
</tr>
<tr>
<td>Global</td>
<td>17</td>
<td>10</td>
<td>2</td>
<td>5</td>
<td>0</td>
<td>3.5</td>
<td>0.2</td>
</tr>
<tr>
<td>MENA</td>
<td>15</td>
<td>10</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>3.0</td>
<td>0.2</td>
</tr>
<tr>
<td>South Asia</td>
<td>22</td>
<td>0</td>
<td>4</td>
<td>9</td>
<td>2</td>
<td>9.1</td>
<td>0.4</td>
</tr>
<tr>
<td>LAC</td>
<td>12</td>
<td>3</td>
<td>0</td>
<td>5</td>
<td>4</td>
<td>7.7</td>
<td>0.6</td>
</tr>
<tr>
<td>Totals</td>
<td>182</td>
<td>43</td>
<td>32</td>
<td>72</td>
<td>28</td>
<td>88.2</td>
<td>0.5</td>
</tr>
</tbody>
</table>

2.5.4. Whilst this evaluation covers FY03-06, we analyse projects approved from 27 December 2001\(^\text{14}\) to 8 December 2006\(^\text{15}\). During this period, 87\(^\text{16}\) projects were approved worth a total of $47m in total (see Table 3). The first project was approved in February 2002 (No. 37b in Somalia) and the last was approved in November 2006 (six in Sri Lanka and one, No. 322b, in Nigeria). Of these, 29 are considered active; that is, the closing date has not yet been reached.

\(^{12}\) Paraphrased from the terms of reference.

\(^{13}\) Apparently, “grand-fathered” into the DGF, i.e. PCF pre-dates the DGF and “squeezed” in for administrative convenience and thereby, being excused full compliance with consistent institutional framework and a governance structure intended for DGF funded programs.

\(^{14}\) Prior to that being covered by the previous evaluation.

\(^{15}\) Date of the inception report of this evaluation.

\(^{16}\) Note that project #322 is split into recipient and Bank executed and as such, the approved amount of $1.8m covered both (322 and 322B) and is counted as one project.
### Table 3: Value/number of PCF grants approved since 27 December 2001 by region

<table>
<thead>
<tr>
<th>Region</th>
<th>No. Grants</th>
<th>% total</th>
<th>&lt;$100,000</th>
<th>$100,000 - $249,000</th>
<th>$250,000 - $999,999</th>
<th>&gt;$1,000,000</th>
<th>Total Value ($M)</th>
<th>Average Value ($M)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>33</td>
<td>38%</td>
<td>3</td>
<td>10</td>
<td>15</td>
<td>5</td>
<td>20.9</td>
<td>0.6</td>
</tr>
<tr>
<td>EAP</td>
<td>8</td>
<td>9%</td>
<td>0</td>
<td>2</td>
<td>5</td>
<td>1</td>
<td>3.9</td>
<td>0.5</td>
</tr>
<tr>
<td>ECA</td>
<td>9</td>
<td>10%</td>
<td>2</td>
<td>1</td>
<td>4</td>
<td>2</td>
<td>6.3</td>
<td>0.7</td>
</tr>
<tr>
<td>LAC</td>
<td>9</td>
<td>10%</td>
<td>1</td>
<td>0</td>
<td>4</td>
<td>4</td>
<td>7.4</td>
<td>0.8</td>
</tr>
<tr>
<td>MENA</td>
<td>13</td>
<td>15%</td>
<td>8</td>
<td>2</td>
<td>2</td>
<td>1</td>
<td>2.9</td>
<td>0.2</td>
</tr>
<tr>
<td>South Asia</td>
<td>12</td>
<td>14%</td>
<td>1</td>
<td>7</td>
<td>3</td>
<td>1</td>
<td>4.6</td>
<td>0.4</td>
</tr>
<tr>
<td>Global</td>
<td>3</td>
<td>3%</td>
<td>0</td>
<td>1</td>
<td>2</td>
<td>0</td>
<td>1.3</td>
<td>0.4</td>
</tr>
<tr>
<td>Totals</td>
<td>87</td>
<td>100%</td>
<td>15</td>
<td>23</td>
<td>35</td>
<td>14</td>
<td>47.2</td>
<td>0.5</td>
</tr>
</tbody>
</table>

% total 17.2% 26.4% 40.2% 16.1%

2.5.5. Within this sample, a large percentage of grants (38%) have been approved for Africa, with the MENA region receiving the second highest number (the second lowest total amount). The biggest increases during this period have been in LAC, which has had 3 times more grants approved than in the previous period, and MENA, which has received 5 times more grants, mainly explained by an increase in the number of projects in Iraq. Thematically, the majority of the grants (32%) have funded projects with a “social sector” theme, whilst only 2% have contained security sector/governance elements (see Table 15, page 59 for a statistical breakdown by theme but also see the discussion in sub-section 8.8 of the relevance of these themes).

### 3. PURPOSE/ OBJECTIVES

#### 3.1. BASIS OF EVALUATION

3.1.1. In order to assess the achievement of PCF objectives, these must first be defined. In this section we discuss the purpose of the PCF and the related high-level objectives in terms of “what is it for?” or, “what is it trying to achieve?”.

3.1.2. The objectives contained in the TORs are the basis of this evaluation. These objectives are not set in any hierarchy or given indicators of achievement (risking a more subjective evaluation), but can be summarized as follows.

- Timely and strategic responses allowing early and flexible engagement;
- Innovate, pilot new approaches, improve knowledge;
- Enhance partnerships and co-financing;
- Reduce impact of conflict and prevent recurrence.

#### 3.2. DEFINITIVE STATEMENT OF PURPOSE

3.2.1. However, it is difficult to determine the definitive purpose and/ or objectives of the PCF as there are a range of subtly different statements of objectives contained within the various reports, resolutions, evaluations and memorandum. Appendix F (Table 22), presents a summarized comparison of a selection of these differing statements.
3.2.2. Within them there are common themes: timely/early, flexible, innovation, lesson learning, partnership. All are consistent with the OECD-DAC principles\textsuperscript{17}, importantly allowing the Bank to engage with those responsible for security, political and economic affairs, humanitarian assistance and to add a strong voice, together with others, on development (development linkages being one of four Bank themes based on the OECD-DAC principles) and to do so with speed and flexibility.

3.2.3. Nevertheless, overall the differing statements are confusing. This is because several of the statements suggest a different emphasis of purpose and within the various statements there is no hierarchy (or prioritisation) to provide further clarity.

3.2.4. Given that it is ten years since the PCF was set-up and that there have been a number of changes to the context in which it operates, we believe it would be appropriate to re-examine the PCF objectives. For clarity it would be useful to have a single statement of purpose. Below purpose could then sit a set of sub-objectives consistent with, even if subordinate to, purpose.

3.2.5. Based on the analysis outlined in appendix F, we recommend, that a purpose statement for the PCF should be constructed around Bank engagement. The PCF would provide the country team with an instrument for institutional flexibility and responsiveness by which they can become involved at the various levels of country status to apply the DAC principles i.e. bringing the Bank’s comparative advantage to:

- Developmental linkages to peace and security;
- A focus on state building (state capacity and accountability) as a long term vision;
- Promoting coherence and practical coordination mechanisms.

3.2.6. Impact on conflict or conflict prevention would be raised to the level of “goal” and innovation and learning whilst valid would be expressed as a sub-objective, where applying understanding to the country context is just as important.

3.2.7. The redefinition of purpose/objectives would allow for the development of a new strategy that could be expanded to an overall business plan for the PCF, within which clarity of purpose would help set future direction (vision), and the articulation of the plans necessary for the achievement of the strategy. It would be helpful if the relationship and overlap with the LICUS trust fund had been resolved before this business plan is developed or that it is resolved as part of the determination of the plan\textsuperscript{18}.

4. **Achievement of Objectives**

4.1. **This Section**

4.1.1. This section assesses the achievement of the PCF overall objectives (see paragraph 3.1.2 above), as defined in the TORs (appendix A) but for which there are no indicators of what represents achievement.

\textsuperscript{17} OECD-DAC Principles for International Engagement in Fragile States.

\textsuperscript{18} By this we do not mean necessarily that the two funds must merge, although it would be an option. It is equally valid that they remain two funds each with a different purpose but they would then need greater clarity in criteria for grant approval.
4.1.2. In order to present findings we have broken down the four statements of objectives into constituent parts: timeliness; flexibility; engagement; innovation; improving knowledge, partnership and co-financing. A summary of findings is provided for each sub-section.

4.2. **TIMELINESS**

**Summary**

4.2.1. We define timeliness as the degree to which the PCF instrument assists the need for institutional responsiveness and flexibility and, initially, in terms of speed of grant processing.

4.2.2. Here we identified examples of exceptional speed of processing and approval of sub-grants (see Box 1), measured in days rather than weeks. This finding was supported by discussions with TMs, from which it is clear that most Bank staff feel that the PCF is quick to disburse. The PCF secretariat were widely complimented for its support in the design stage of proposals, offering guidance on and incorporating the thoughts and experience of experts involved in the review process. This has undoubtedly reduced the issues raised by the committee during approval and the time needed to address these. The secretariat are to be commended for the support to the task managers and the committee in achieving this. We conclude therefore, that the Bank through the PCF is capable of moving quickly and on this basis we regard this measure of timeliness as being met.

4.2.3. There is a wider measure of timeliness, including timeliness in implementation, which is more variable. Examples of significant delay were identified although causal analysis is more problematic, with potential causes ranging from wider processing within the Bank, government approvals (a particular constraint for the Bank), and problems faced by implementing agencies. These are factors largely beyond the control of the secretariat and the committee. We comment on these wider delaying factors in the following analysis, where improvements to project design and risk analysis could help to mitigate.

**Analysis**

4.2.4. Timeliness is an important objective for a number of reasons. Firstly, in conflict/post-conflict situations it is necessary to act opportunistically and situations can change rapidly. Secondly, in the aftermath of conflict, expectation of donor funds is raised and delays in reconstruction may contribute to tensions. The PCF is intended to provide country teams with an early engagement instrument and it is recognised by them (see survey results at Table 5) as playing an important role in filling funding gaps and in helping to manage expectations of government and/or those involved or affected by conflict. We see timeliness in terms of early engagement and quick disbursement as an integral part of the PCF purpose – one of the key objectives.

4.2.5. By comparison with standard Bank funding mechanisms, both grants and credits/loans, the PCF is timely. We identified examples of exceptional speed of processing and approval (Box 1). This can be measured in days rather than weeks.

*Box 1: Example of timeliness of response*
4.2.6. Comparisons with other financing mechanisms are not possible owing to the effort necessary to make meaningful comparisons and the difficulty of access to data. However, we do discuss the possible impact of a revised governance structure and issues of efficiency at sub-section 8.10.

4.2.7. It is important to distinguish however, between the PCF proposal approval process and the wider process from concept and design through to disbursement. Whilst the former is within the control of the secretariat, the latter is dependent upon:

- wider internal processing of the Bank (legal, procurement, financial, accounts payable – now LOA - ACTTF);
- government and implementing agency.

4.2.8. We tabulated the dates from a selection of grants to gauge timeliness (Table 4). Whilst information on dates was not always present, Table 4 does identify some significant delays between: approval and disbursement (reference 213); approval and issue of agreement (213b); proposal and review (305), and approval and revised proposal (323):

Table 4 Sample tabulation of milestone dates in grant processing

<table>
<thead>
<tr>
<th>Ref</th>
<th>Country</th>
<th>Title</th>
<th>Dates</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td>Initial Proposal</td>
</tr>
<tr>
<td>213</td>
<td>Tajikistan</td>
<td>Empowering women</td>
<td>19-Nov-01</td>
</tr>
<tr>
<td>213b</td>
<td>Tajikistan</td>
<td>Empowering women (extension)</td>
<td>29-Nov-04</td>
</tr>
<tr>
<td>305</td>
<td>Global</td>
<td>Moving out of poverty</td>
<td>18-Oct-04</td>
</tr>
<tr>
<td>278</td>
<td>Philippines</td>
<td>Mindanao Reconstruction (MRDF)</td>
<td>01-Nov-03</td>
</tr>
<tr>
<td>323</td>
<td>Russia, N. Caucus</td>
<td>Youth Empowerment and Security</td>
<td>21-Jul-05</td>
</tr>
</tbody>
</table>

4.2.9. The reasons for delay are not always apparent, preventing causal analysis, although it is clear that delays are not necessarily within the control of the secretariat, or indeed, the Bank, with reasons including:

- Lack of political commitment within government (see Box 2);
- Bureaucracy delaying government no-objection (see Box 9);
- Significant reworking of the proposal post approval (Russian Caucasus, PCF no. 323), to meet government stipulations;
Delays in having the agreements cleared by the implementing agency and minor (but unacceptable in a legal document) mistakes by the implementing agency in responding to the letter of agreement – (see Box 3)\(^{19}\);

**Box 2 Example of lack of government commitment causing delays**

Support for Post Conflict Transition in Macedonia
PCF no: 211

The goal was "to contribute to the prevention of further violent conflict". The objectives were to i) reduce the risk of conflict at pilot sites; ii) improve understanding of the potential for conflict; iii) establish a sound basis for the subsequent implementation of the IDA funded Community Development Project (CDP).

These objectives were to be achieved through three components:
- Pilot activities: selection of five ethnically mixed communities for social and infrastructure interventions
- Social and conflict assessment: partly in preparation for the CDP
- Project preparation: implementation unit (PIU) to be established for the CDP.

The objectives of the PCF grant and of the CDP project were however, different. The CDP was designed to support all regions; whereas the PCF grant was aimed particularly at the conflict areas in the North West.

The initial proposal for the grant was received in Nov 01. The final proposal went to the secretariat in Mar 02, and an initial grant of USD500K was agreed in Apr 02 (with a further USD500K conditional on details on expected expenditure being made available). However, project activity did not begin until mid-03. There was a delay of 11 months because of elections, the formation of a new government, and the time needed to set up the PIU. Actual implementation of the eight sub-projects funded by the PCF grant did not begin until mid-2004 – three years after the end of hostilities. By this point, the threat of conflict had significantly receded. The focus of the government and the international community had shifted towards development, poverty reduction and the EU accession process. As a result, PCF funds were used in municipalities that were not directly involved in the 2001 conflict; and were not at risk of any ethnic tension (e.g. Strumica, virtually 100% ethnic Macedonian).

This highlights issues of government commitment. The implementing arrangements were not adequate for a grant that was supposed to have provided rapid post conflict assistance. The first objective of the grant was to create the unit responsible for implementing the rest of the grant – i.e. the grant was awarded to an implementing agency that did not at that point exist. A useful lesson from this could be to ensure critical assessment of the ability of the implementing agency to act quickly - in particular when it is a government agency.

The second tranche of the PCF grant, correctly, was cancelled.

4.2.10. These factors may explain quite widespread anecdotal comment from country teams (from interviews and survey) and from several implementing agencies outside the Bank, that acknowledge the attempts at timeliness as positive but relate a different experience. In one instance, a TM’s experience with the PCF brought him to think the PCF was quick but when he left the Bank to work with a recipient NGO, he was alarmed by the amount of time it took to receive the funds, despite his unusual insider knowledge of Bank processes.

4.2.11. We also note that another indicator of timeliness is project start date to project completion date and the effect of the wider supervisory/monitoring arrangements. This is a measure more related to project design rather than efficiency of the administrative arrangements and as such is dealt with elsewhere in this report (see paragraphs 6.5.7 to 6.5.13 on Design).

**Secretariat Initiatives**

4.2.12. Two initiatives by the secretariat are positive:

(i) They recently started logging the proposal processing dates to be able to more rigorously measure the achievement of timeliness. This will provide management information and allow corrective action for any causes of delay within the secretariat’s control.

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\(^{19}\) UNDP and UNHCR were noted as taking longer to clear draft agreements because they need to be cleared by their HQ legal departments.
(ii) Timeliness has been made a performance criteria for the secretariat (FY06 and FY07 DGF reports). The target is two months from receipt of a draft proposal (considered ready to submit to external review), to the time of approval.

**LOA Procedures**

4.2.13. The relatively recent decision to bring the PCF (and other trust funds) under the Loans Accounting Department (LOA) disbursement procedures has implications for timeliness. Strong concern was expressed by several task managers, fearing that the expected increase in steps to complete would result in significant delays in finalising grants and disbursing funds.

4.2.14. Legal and trust fund management staff however, were comforted by this decision, seeing it as reducing the risk of disbursing to unsuitable organisations and bringing the PCF in line with normal Bank operating procedures. The view was that standardised procedures should not delay and that those responsible for processing should accept and get on with it, rather than wasting time arguing the case for exceptions.

4.2.15. Financial and procurement experts emphasised that the amount of effort in assessment should be proportionate to the size of the grant and in any event should occur at the proposal preparation stage rather than be seen as additional hurdles, post approval. It was also felt that the simplification of procurement procedures in 2004 had facilitated the process. PCF grants are not required to have detailed procurement plans, so long as Bank procurement guidelines are invoked in the agreements. The financial management function is also the most delegated within the Bank and TMs are in a position in most cases to involve FM staff at an early stage in helping them with proposal preparation, particularly determining the suitability of the implementing agency.

4.2.16. Many Bank support departments involved in the process have service delivery agreements for turnaround of approvals, disbursement requests etc.:

- LOA management have agreed to an internal restructuring to provide dedicated and responsive service to grant facilities such as the PCF. Whilst it is clear that disbursement will require more paperwork, LOA staff anticipate PCF funds will continue to be disbursed in a timely manner, assuming the relevant documentation is present and accurate;

- The Accounting Trust Funds Division (ACTTF) in Chennai has a five day service level for sub-grant registration. However, in the initial stages their process does seem to be causing some serious delays (owing to the absence of information/documentation), even if only over a short term adjustment period.

4.2.17. The secretariat play an important role in ‘frontloading’ the administrative burden by providing guidance to TMs in the design phase and emphasising the importance of completing the financial management and procurement assessments prior to submission. Revised guidance to that effect is recommended, particularly stressing the issue of proportionality of assessments. It is too early to determine whether these

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20 Previously disbursed via accounts payable.
21 Op Memo – Application of Procurement Plans to Trust Fund Grants – below USD1M and thereafter where contracts are foreseeable for the duration of the project.
procedural changes will impact on the timeliness of the PCF. The recent experience would suggest not necessarily but we would recommend that the secretariat monitors delivery times with a view to assessing the arrangements in, say, 12 months from their introduction.

4.3. **FLEXIBILITY**

**Summary**

4.3.1. We conclude that there is:

(i) Procedural flexibility – latitude in the processes which justifies the term flexible, particularly the grant approval process;

(ii) Operational flexibility – both in terms of what the PCF may fund and in the completeness of content of proposals. Here there is almost total flexibility, relying for control on the diligence and judgement of the secretariat and committee. This is appropriate for an instrument of this type and for the relatively low value grants.

**Procedural Flexibility**

4.3.2. Most of the points on procedure discussed under timeliness (sub-section 4.2 above) also apply to flexibility. The PCF is valued by most TMs that have implemented PCF projects and they have mentioned the following as attractive features:

- the usual approval procedures are not required;
- good support from the secretariat in the processing of project proposals;
- relatively easy to make changes to the project, including moving costs between budget lines.

4.3.3. As discussed at paragraph 4.2.13 above, recent changes bring the PCF more in line with standard fiduciary procedures. This may be behind a number of comments from the survey that suggested it was insufficiently flexible. These included comment that it is:

- A bit heavy on bureaucracy;
- Long, complex; has to be faster;
- Applying Bank safeguards and requiring NGOs to comply, which makes them go elsewhere for funding.

4.3.4. Despite these contrasting sets of statements we nevertheless, judge that there is latitude in the processes which justifies the term flexible, particularly the approval process. The decision to involve LOA is unlikely to be reversed, nor on balance should it be, but it may require further effort on the part of the secretariat to help TMs utilise the flexibility and achieve timeliness.

**Operational Flexibility**

4.3.5. The PCF operates in a context where the international community approaches to conflict and conflict prevention is tentative and untested. Grants may be about conflict prevention or somewhere in a spectrum from crisis to sustainable development. Depending on the position in a country, grants may need to be less
about conflict prevention and more about mitigating economic hardship caused by conflict or, indeed, really about development. Flexibility in eligibility and selection criteria is clearly desirable, although a recurring point made during interviews was that the PCF was highly discretionary, not necessarily meant as a compliment (discussed in more detail at paragraphs 8.8.12 to 8.8.17).

4.3.6. Similarly, some latitude in the degree of thoroughness in problem analysis and project design (i.e. quality at entry), is necessary. This is particularly so in a rapidly changing circumstance. Too rigid a position could be counterproductive. Several of the projects we reviewed seemed to be more at concept stage, rather than fully designed. The administrator is in favour of this level of flexibility, arguing firstly that flexibility and quality are not mutually exclusive and that the PCF must be capable of accommodating experiment and risk. In principle we would concur.

4.3.7. This could lead to an insufficient understanding (problem analysis), inappropriate purpose/objectives, and an inadequate analysis of risks (see paragraph 6.5.9). Implementation may need to include an analysis that would ordinarily occur at the design stage. This could bring about a risk to purpose of funds (see also paragraphs 6.5.7 to 6.5.13 on Design), although we have not determined that the performance of the project portfolio has been thereby, adversely affected.

4.3.8. A successful example of a project only being at a concept stage at approval is shown at Box 3, where a better understanding of the problem was obtained during implementation and revisions to approach, outputs and indeed certain sub-objectives were made. Nevertheless, the project purpose was not changed.

Box 3 Example of flexibility allowing a “conceptual” project

Empowering Women: Socioeconomic Development in Post-conflict Tajikistan
PCF no.: 213 (original grant) and 213b (extension)

The grant was approved in Feb 02 allocating $692,383 for a pilot project for developing women’s associations. Whilst the proposal (Nov 01) made a reasonable case for proceeding it did not identify the community, explained little of the socio-political/cultural context and risks and did not explain the relevance to conflict. It was also confused between goal, purpose, outputs and outcomes with specific, practical purpose statements being mixed with higher level statements about social cohesion and reducing potential for conflict. No logframe matrix was provided.

The manner in which the project was implemented however, allowed for adjustment. A needs appraisal (Jan 03) identified the community, the community numbers and statistics, leaders and priority problems. Baseline data was captured. A revised, simplified statement of objectives/outputs was produced. The target community was adjusted whilst, importantly, still maintaining the relevance to the original project purpose i.e. poverty affected women.

The project proved effective in approach, being flexible, participatory, collaborative and context sensitive, winning support from formal and informal community leaders and, whilst in purpose in support of women, sensitive to male gender issues. Objectives were largely met with the project well rated and recommended for extension. A replicable model was created. The Bank’s flexibility was an important success factor. An unintended result was the lesson of the benefit this kind of social organizational project can bring as a first step toward the implementation of infrastructure rehabilitation/reform (water, gas, electrical, irrigation systems).

It raises questions related to:
- the degree to which the PCF should fund projects that are only at concept stage. Here this is arguably an acceptable trade-off between speed and quality at entry but this situation should be overt;
- whilst projects such as this have social value the links to conflict prevention or social cohesion were initially too vaguely stated, perhaps overstated. In this example the relevance to conflict prevention was no apparent (the strong community solidarity does not seem to have been fully appreciated until evaluation). For the extension this point on overstating the relevance to reducing conflict was explicitly raised by the secretariat.

4.3.9. PCF flexibility extends to projects not being subject to ICR and IEG evaluation. External evaluations apply to projects over USD250,000. This reflects a decision that

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22 Certainly the nature of the project (e.g. social development) or the circumstances in the country may dictate design taking place during implementation through surveys or other analysis.
23 Which, we understand would require re-approval by the committee.
it is not cost effective to evaluate very small projects. This is pragmatic and the external evaluation arrangement does provide an appropriate measure for possibly innovative projects in difficult technical areas and/or in areas affected by conflict.

4.4. **Engagement**

**Summary**

4.4.1. This is an issue of some importance but is difficult to measure. It is clear from the survey that the country teams attach importance to PCF activities in conflict settings, with the majority of the responses rating PCF as having a significant impact in terms of Bank engagement and operations. Results from other areas of assessment (Outcomes and Impacts, section 6 below), lends support to the significant role the PCF can have on Bank engagement. We therefore, assess the PCF as meeting this objective.

**Analysis**

4.4.2. The objective of engagement is contained within the first of the four statements of PCF objectives, i.e. “to engage in an early and flexible way...”. We suggest that rather than work round issues of conflict, Bank engagement should be central to the purpose of the PCF (discussed in more detail at section 3 and appendix F).

4.4.3. The survey questionnaire contained the question: “Have PCF activities in conflict settings had an impact on Bank engagement and operations in these settings”. The results (Table 5) show that 34% of the respondents felt that the PCF had a significant impact on Bank engagement with a further 31% rating this significance as 2 on the scale (i.e. 65% rating as 1 and 2). The results also show a majority of respondents think the PCF has had impact on Bank operations (58%, ranked impact 1 and 2)

**Table 5: Survey results on impact on Bank engagement in conflict settings (6 equals not at all)**

<table>
<thead>
<tr>
<th></th>
<th>Significant Impact</th>
<th>thru</th>
<th>Minimal Impact</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
<td>2</td>
<td>3</td>
<td>4</td>
</tr>
<tr>
<td>Engagement</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>31</td>
<td>28</td>
<td>10</td>
<td>10</td>
</tr>
<tr>
<td>Operations</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>34%</td>
<td>31%</td>
<td>11%</td>
<td>11%</td>
</tr>
</tbody>
</table>

4.4.4. We suggest the PCF has particular significance:

- in watching brief countries;
- as an important tool for carrying out conflict or social-economic assessments;
- for devising transitional support strategies.

4.4.5. We note though, that many of the projects involve the Bank more indirectly as a source of funds and not necessarily in a way that is directly relevant to Bank operations, the Bank’s comparative advantage or the DAC principles for international engagement in fragile states and our recommendations are designed around bringing the PCF closer to these criteria.

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Global mandate and reach, convening power, mobilizing financial resources, multi-sectoral capacity, analytical expertise and in-depth country level knowledge – see OED evaluation of the Bank’s involvement in global public policies and programs, but also its contributions to addressing weak state capacity, governance, macro-economic stability and growth, building of core public administration systems and capacities.
4.5. **INNOVATION**

**Summary**

4.5.1. The secretariat show a strong commitment in working with task managers to use the PCF to try different things, to experiment and to pilot approaches. They have some success in achieving this objective, with around two thirds of the projects reviewed displaying some level of innovation.

**Analysis**

4.5.2. There is no absolute measure of innovation and there are a number of ways in which the subject could be considered. We have tried to assess innovation not only in terms of what the project is trying to achieve but in terms of the methodology and techniques being applied, rather than whether it is new to the Bank, the country, the sector or the beneficiary. To a degree we have relied on identification by those involved (particularly reviewers and external evaluators) that something new is being attempted.

4.5.3. The PCF has the capacity to be innovative on several levels both in what the Bank can ordinarily achieve and in absolute terms, in that it has enabled:

(i) *Cross-country analysis:* cross-country analysis and regional programmes;

(ii) *Country status:* watching brief and transitional strategies;

(iii) *Complementarity:* funding to areas not covered by traditional Bank mechanisms (as in the Niger Delta region, see Box 4);

**Box 4 Example of innovation (complementarity)**

<table>
<thead>
<tr>
<th>Niger Delta Community Foundations Initiative</th>
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</thead>
<tbody>
<tr>
<td>PCF No. 322 (and 322b)</td>
</tr>
<tr>
<td>This initiative has been proposed as an alternative model for development collaboration in the Niger Delta region to the various community development funds primarily operated by oil companies. The project is based on the community foundation approach which has been deployed successfully in the UK, Canada, USA, Eastern Europe and is making inroads into southern Africa. Local level organisations would take stewardship of project implementation along the lines of the successful ‘Akassa model’. PCF assistance was relevant because of the focus on conflict mitigation, the independence and technical assistance of the Bank in managing funds, and the fact that the Bank’s current portfolio does not address sustainable community development in the Niger Delta states. This project, along with other Bank-sponsored initiatives, has been instrumental in raising awareness of tensions in the area and the impact of the oil companies’ ‘host community’ model of development assistance. It is drawing on other models but it is innovative in the sense that it is marrying two approaches and, in the case of the former, applying the CF approach to an African context.</td>
</tr>
</tbody>
</table>

(iv) *Project implementation:* innovation in:

- applying an approach to project delivery that may be innovative (even if the project itself is not);
- a particular environment;
- sensitivity of approach;
- or in achieving an unintended benefit (see Tajikistan - Box 3);

(v) *Comparative advantage:* utilisation of the Bank’s position or reputation to bring about a project (as in Mindanao, Box 11);

(vi) *Partnerships:* working with a diverse set of non-governmental organisations and UN agencies (i.e. innovative for the Bank);
Service delivery: experimentation with innovative service delivery mechanisms in difficult situations (as in Iraq, see Box 5).

**Box 5 Innovative service delivery mechanisms**

<table>
<thead>
<tr>
<th>Emergency Health Assistance Project to the Burn Unit in Karama Hospital, Baghdad</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCF No. 321</td>
</tr>
<tr>
<td>This project, to support the Burn Unit at Karama Hospital, is being implemented by Première Urgence, a French NGO. The main objective of the project is to reduce the mortality and morbidity rate at the hospital, among people who have suffered second or third degree burns. One of the reasons for the approval was that it would test new arrangements for implementing health projects in Iraq. In this case the new implementation arrangements were innovative since the Iraqi Ministry of Health had been reluctant to work with NGOs and little history of doing so. Project implementation proceeded well and Première Urgence demonstrated the ability to deliver rapid results in difficult circumstances. The project has demonstrated that such partnerships between the government and NGOs has the potential to significantly add to service delivery. In addition, the project has served as an important pilot for other projects being prepared under the Iraq Trust Fund and the approach is being considered as a model for application in other sectors in Iraq.</td>
</tr>
</tbody>
</table>

4.5.4. By working in partnership, PCF-funded projects have helped bring to the Bank innovative approaches used by other organisations. The successful, “Regional Program for Early Child Care and Development” in Albania, Kosovo and the related project in Macedonia are examples of an innovative approach that has been replicated. The projects have influenced the Bank in the design of its larger program of assistance, and enabled the Bank to engage with a new client (the Ministry of Education in this instance). These projects were implemented in partnership with UNICEF who was able to demonstrate to the Bank, through the PCF, this approach to child care development.

4.5.5. This latter point illustrates how the PCF can be used to leverage partnerships to test innovative approaches that can influence future Bank programmes. However, in of itself innovation is of limited value unless lessons are learned (see the next sub-section 4.6, and the discussion on Knowledge Management at section 7 below). Some of the Bank’s external partners familiar with the PCF felt that the rather “scatter gun” approach may not be so conducive to lesson learning from innovation. An alternative approach being considered by the administrator is to focus innovation in a limited number of areas/regions/countries and/or thematic areas. This idea is discussed in more depth later in the report (paragraphs 5.4.7 to 5.4.11).

**4.6. IMPROVING KNOWLEDGE ON EFFECTIVE RESPONSES**

**Summary**

4.6.1. Whilst the PCF secretariat has made efforts to promulgate lessons and the PCF projects have undoubtedly contributed to improved knowledge this effort has been constrained and it is not clear that improved understanding of conflict issues has been institutionalised or that, for the period being evaluated there is a link between the PCF and a substantive body of knowledge, partly reflecting a committee decision not to emphasise global research. From the 25 projects reviewed we noted only six projects where some effort was made to utilise lessons.

**Analysis**

4.6.2. This is one of the more difficult criteria to assess. Clearly there have been lessons drawn from the PCF funded activity. Task managers have improved their knowledge and have used the project experience to support wider studies (and vice-versa). Certain country team members will have benefited and used the experiences gained
from projects in one country to do something similar or build upon elsewhere. Country teams will have improved country knowledge, particularly from projects funding conflict analysis and socio-economic analysis. However, we would have expected the PCF to have been used more for analytical studies than has been the case\textsuperscript{25} (see also paragraph 5.5.2 below).

4.6.3. Within the staffing constraints experienced during the period (see paragraph 8.3.4 below), the secretariat has made attempts to identify, capture and publicise examples of effective responses to conflict. The conflict specialists have also absorbed these lessons and the CPRU have produced papers\textsuperscript{26}, drawing on the experience. The PCF has also funded global research although this has not been a priority during the evaluation period\textsuperscript{27}.

4.6.4. Interviews with Bank staff suggested conflict awareness and sensitisation as a benefit of the PCF. Indeed, many cited interaction with, and advice from, staff from the PCF secretariat and CPRU during the proposal process as a key way to understand conflict issues in-country and more generally.

4.6.5. However, the survey (Table 6) suggests that this is not clear cut. The table shows responses from staff that are aware of the PCF, where they were asked to rate the extent to which the PCF had sensitised them to conflict issues on a scale where 1 indicated greatly increased and 5 indicated minimally increased. Thirty two percent (32%) of respondents rated a 1 or a 2 indicating that the PCF had greatly increased their awareness and sensitivity to conflict issues, whilst 34% felt that the PCF had increased their sensitivity minimally (rated as a 5 or 6). A further 14% indicated not at all.

\[
\begin{array}{|c|c|c|c|c|c|c|}
\hline
\text{Respondent's rating} & 1 & 2 & 3 & 4 & 5 & 6 \\
\hline
\text{Greatly increased} & 9 & 26 & 20 & 13 & 24 & 15 \\
\text{Minimally increased} & 8% & 24% & 19% & 12% & 22% & 14% \\
\hline
\text{Total} & 107 & & & & & \\
\hline
\end{array}
\]

4.6.6. Therefore, whilst attempts have been made to use knowledge it is not clear that the PCF has, to any significance, brought about a wider or institutional awareness or understanding. This is a relative statement and, beyond the survey, difficult to measure and may reflect less the efforts of the PCF and more the difficulties of getting attention for new information. This issue and the difficulties faced in improving knowledge are discussed further under the section on Knowledge Management (section 7).

4.7. **Enhancing Partnerships and Co-financing**

**Summary**

\textsuperscript{25} Accepting that the needs may often be immediate and the imperative of action may prevent a more analytical approach.

\textsuperscript{26} For example: Within and Beyond Borders; An Independent Review of Post Conflict Fund Support to Refugees and the Internally Displaced. Swarna Rajagopalan. Social Development Papers, Conflict Prevention and Reconstruction Paper No. 17/ October 20004

\textsuperscript{27} Reflecting prioritisation set by the committee. Early research (before the current period for evaluation) funded by the PCF was seminal in creating the economics of conflict school of thought – the Collier model – though now being revisited, this dominated discussions for several years.
4.7.1. At the grant level there is a significant component of co-financing for PCF projects evidencing the achievement of this objective. From the projects reviewed we noted projects that involved multiple partners who either contributed to cost sharing or implementation. Of particular relevance were projects where the Bank sought to increase coordination. We therefore regard the PCF objective of “enhancing partnerships and co-financing with agencies working on conflict related issues” as achieved.

4.7.2. At the global level partnership has also been furthered by the PCF. We observed partnership dialogue, and received anecdotal evidence of partnership with both bilaterals and UN agencies, both of which welcome Bank partnership. However, we were unable to quantify the contribution of the PCF to partnership at the global level.

Analysis

4.7.3. PCF funding has financed extensively projects implemented by NGOs and UN agencies, relatively new forms of partnership for the Bank. Members of the NGO community with which we spoke welcomed the fact that the Bank is willing and able to work with NGOs in conflict-affected countries.

Country/grant Level

4.7.4. At the country level there is significant grant-specific co-financing (bilateral - see appendix G). The PCF therefore, can act as a catalyst in contributing to partnership allowing the country team/office (beyond the individual projects) to build and sustain partnership, contributing to ongoing coordination and coherence of approach at the country level. There is also partnership engendered with UN agencies and other significant NGOs, relationships that extend beyond the sub-grant specific circumstance (see Box 6).

4.7.5. There are some risks attached to financing non-traditional implementing agencies such as national NGOs, as these are unusual partners for the Bank (see Box 13). Inevitably there is a political dimension, a difficult area for the Bank. A brief discussion of this issue as it relates to Sri Lanka is included at appendix H (see also Box 9).

Global Level

4.7.6. At the global level of partnership it is difficult to access information that would allow any real quantification of partnership or to, as the TORs imply, attribute this to the PCF. It is possibly only in the last 5-7 years that the donor community has prioritised issues of conflict and is still increasing capacity and forming policy positions. There are a number of fora where the Bank is an active participant at the global level but no single forum for conflict issues. Whilst the Bank may be represented at these fora, indeed be represented by the PCF administrator, it would be overstating matters to attribute this partnership to the PCF.

4.7.7. Instead the PCF informs the Bank’s contribution to partnership (particularly where conflict specialists are involved) or have provided funding for research that is shared at the global level. We also observed dialogue between the PCF secretariat and bilateral donors and UN agencies, contributing to partnership. Both are very welcoming of Bank partnership, indeed in the context of conflict seeing it as essential. But they may not be universally aware of the PCF as an instrument but rather have
had contact with CPRU conflict specialists or be more aware of the LICUS unit, rather than the PCF as an instrument.

4.7.8. In particular good relationships have been built with UNICEF and UNDP. UNICEF, having implemented a number of PCF-funded projects, has a pertinent view of its partnership with the PCF as outlined in Box 6. It is unfortunate that UNICEF has been unable to work with the PCF with its current rate of administration charges, although it is anticipated that this issue will be resolved.

Box 6 UNICEF and the PCF

Co-financing

4.7.9. One of the criteria for PCF projects is to leverage additional funding and many projects are co-financed at the country level. The analysis at appendix G shows the average burden share (i.e. taking the average % share) is 62.4%. Taking the total amount of PCF grants and dividing it by the total value of all the projects, gives a burden share of 48%\(^{28}\). The former may be a better indicator of the burden share as it takes the average burden share from each project rather than as a whole, the latter being skewed downwards because of the size of some contributions from outside the PCF grants. This is a good indicator of the scale of partnership.

4.7.10. The amount of co-financing is intended to be recorded in the proposal application form and we have extracted the data in appendix G from the projects reviewed. However, in several of the projects reviewed there has been some uncertainty at the project design stage whether additional financing is forthcoming and where it is coming from. These issues have been raised in the independent reviews but the information on co-financing remains patchy. Since this is one of the objectives of the PCF, we recommend that the secretariat makes an effort capture this information as a matter of routine.

Mobilizing Incremental Resources

4.7.11. The following gives some further examples of additional resources that have been mobilised through PCF funding:

(i) A notable success was achieved in Philippines where the Bank involvement enabled by the PCF gave additional confidence in seeding wider donor contributions to the Mindanao trust fund\(^{29}\) (see Box 11);

(ii) Phase II of the Columbia project (Box 7) scaled up the activities from the pilot phase expanding the programme. Whilst it was suggested that PCF funds may be better used to replicate this innovative approach elsewhere, there was a clear

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\(^{28}\) This analysis is based on information in the application forms and is an estimate of the burden share (the total project values - PCF plus other contributions - are generally estimates). It does not take into account actual amounts disbursed since it is not known if a lower disbursed amount means that the estimated project value has decreased or has remained the same, affecting the PCF share.

\(^{29}\) Mindanao Needs Assessment and Preparatory Activities for Multi Donor Trust Fund – Mindanao Reconstruction and Development Fund (MRDF)
rationale for continuing use of the PCF since the Bank’s contribution was fundamental to ensuring the participation of representatives of the government and donors. In this case, the success of the first phase has attracted increased support for the second phase: the PCF contribution has decreased from 46% in phase I to 29% in phase II whilst the total funding has increased from USD1.8M to USD3.3M with additional contributions from the government (45% through the Social Solidarity Network, RSS), donors (21%) and local governments (5%).

Box 7 Example of mobilizing incremental resources

Colombia: Protection of Patrimonial Assets of Colombia’s Internally Displaced Population (phase II) – Assisting the transition from conflict to development

PCF No. 318

The purpose of the second phase of this project was to apply measures to protect the patrimonial assets of internally displaced people and those at risk of displacement. The premise is that by protecting patrimonial assets, one of the incentives for conflict is removed increasing the likelihood of achieving long-term development. The project was well designed, putting in place an innovative mechanism to protect economic assets, and built on the successes of the first phase by expanding to other regions and strengthening the institutional capacity to apply these measures.

Whilst the first phase achieved its objectives, two reviewers suggested that PCF funds may not have been the most appropriate mechanism to scale up and that it may have been more appropriate to use the PCF to replicate this approach elsewhere. However, there was a clear rationale for continuing use of the PCF since the Bank’s contribution was fundamental to ensuring the participation of representatives of the government and donors. The success of the first phase had attracted increased support for the second, the PCF contribution decreased from 46% in phase I to 29% in phase II whilst the total funding has increased from $1.8m to $3.3m with additional contributions from the government (45% through the Social Solidarity Network, RSS), donors (21%) and local governments (5%).

(iii) Haiti School Feeding Program (PCF project no. 336) – see paragraph 6.3.5 and Table 10.

5. OTHER STRATEGIC DIMENSIONS

5.1. THIS SECTION

5.1.1. In addition to an assessment of achievement against the PCF objectives, the TORs require comment on the extent of achievement against a number of aspects related to the relevance and strategic importance of the PCF, including:

- shaping the Bank’s post conflict approach;
- impact on the Bank and partners’ conflict and development agenda;
- strategic linkages with other Global and Regional Partnership Programs (GPPs)\(^\text{30}\);
- whether the PCF is consistent with and/or influencing the international agenda.

5.1.2. For ease of treating the subject we have split strategic issues into internal and external dimensions (although there is obvious overlap), and within the section we unpack a number of issues linked to strategy such as:

- the current demand driven approach;
- stimulation of demand and advocacy;
- a more strategic/coherent approach at the country level;
- implications of a more strategic approach.

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\(^{30}\) PCF has since been classified by DGF as an Institutional Partnership Program.
5.2. **INTERNAL STRATEGIC ISSUES**

5.2.1. The strategic dimension of the TORs tends to conflate what the Bank may be doing overall in the context of conflict with what the PCF has achieved; for example the TORs conflate the PCF and the CPRU. This evaluation focuses on what pertains to the PCF, although we comment on the PCF relationship with the CPRU at subsection 5.5 below.

5.2.2. Whilst during the time being evaluated the focal point for conflict was intended to be the CPRU (see sub-section 2.3), in practice there has been no single focal point, a characteristic of the Bank identified in another context by the evaluation of the post crisis MDTFs\(^{31}\). Issues in this MDTF report will be partially addressed with the Board approval of the two OPCS papers on crisis and emergencies and fragile states\(^{32}\). If at all the LICUS unit in OPCS has been more recognised externally as the Bank interlocutor for conflict, whereas for a large part of the period being evaluated, there appears to have been a disjunction between the PCF and the CPRU, which has left both rather passive (which we explore in more detail at sub-section 5.5 below).

**Shaping Post-conflict Approach**

5.2.3. As a deliberate policy the PCF has been almost entirely demand led. A recommendation to the contrary was contained in the previous evaluation report but this was rejected by the committee. This severely limits the ability to “shape” the post conflict approach of the Bank, as there are a limited number of ways in which this could be done:

(i) Via the selection/approval process - we discuss the selection criteria at sub-section 8.8 below but it would appear that “shaping” of approach has not been achieved through selecting those projects that would have the most strategic impact. Rather the approval of grants has been entirely in response to demand and based on the merits of the proposal, rather than the application of criteria;

(ii) Influencing the content of proposals - any shaping has been more about improvements to individual grants through guidance and the quality review process (which includes external review). Within that the secretariat has had some success in working with task managers, sometimes from an early stage, to develop proposals (or in one or two examples sets of proposals), introducing ideas or suggesting alternative approaches to achieving objectives. We would suggest though, that these improvements are at the margin of “shaping”;

(iii) Electing to fund projects with a regional/global dimension – a differentiation of the PCF is the ability to work across borders and at the global level but this has not been utilised with limited attempts to address cross-country issues\(^{33}\) for reasons not entirely clear, other than that the emphasis has been on demand;

(iv) Through knowledge management – but this has been constrained and we assess as having had a limited impact on shaping (see sub-section 6.2 and section 7).

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\(^{32}\) “Strengthening the World Bank’s Rapid Response and Long-Term Engagement in Fragile States” and “Towards a New Framework for Rapid Response to Crisis and Emergencies”.

\(^{33}\) Country level activity can feed back to the respective partner capitals but this would be a more ad-hoc arrangement not really consistent with a regional/global impact.
5.2.4. Clearly the PCF is part of the Bank’s approach but it is nevertheless, a small facility. It has not attempted to stimulate demand or advocate approaches or issue policy guidance (arguably correctly because the donor community is still learning and there are no certain approaches) and has had limited success in knowledge management.

5.2.5. There have been gains in knowledge and additions to the Bank’s operational agenda as evidenced by project documentation. By drawing on conflict specialists, TMs do gain knowledge and/or become sensitised to conflict. However, the survey results are closely split between those who felt the PCF had increased their sensitivity to conflict (in terms of awareness and understanding) and those that did not, with as high as 14% feeling it had had no influence (see Table 6).

5.2.6. Whilst the general view from outside the Bank (bi-lateral donors, UN agencies and NGOs) was that Bank involvement in conflict issues is essential, the views on progress in shaping the agenda and mainstreaming and the PCF’s contribution thereto were less positive. Statements included:

- The PCF is small and does not indicate a strong commitment;
- The Bank needs to consider how it mainstreams;
- Having a separate unit indicates that the Bank is not mainstreaming conflict issues into its larger projects;
- Conflict specialists in the Bank (in CPRU) are knowledgeable and committed to doing business differently - however, there are not enough of them and there should be more conflict specialist capacity in the country offices to take the conflict and development agenda forward.

5.2.7. Whilst these comments may not reflect a Bank view that the PCF signals the Bank’s willingness to get involved in risky and politically delicate activity, the recent papers on strengthening the Bank’s response to crisis and emergencies and the review of the post-crisis MDTF reinforce the view that there has been little impact on mainstreaming and that the Bank still lacks responsiveness to crisis in fragile states.

Recognition as a Key Mechanism

5.2.8. By making reference to the PCF as a “key mechanism” and its role in “expanding the international agenda” and its “impact on the conflict and development agenda” the questions in the TORs imply an instrument of some significance, both in influence and impact.

5.2.9. In the survey the participants were asked both to what extent they recognised the PCF as a key mechanism to support conflict and development work, and to what extent they thought it is recognised externally as a key mechanism.

<table>
<thead>
<tr>
<th>Recognition as a Key Mechanism</th>
<th>Key</th>
<th>thru</th>
<th>Less key</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recognised Internally</td>
<td>29</td>
<td>33</td>
<td>16</td>
<td>11</td>
</tr>
<tr>
<td>Perception of External</td>
<td></td>
<td></td>
<td></td>
<td>10%</td>
</tr>
</tbody>
</table>

34 From focus group discussions in Washington DC.
5.2.10. Table 7 above illustrates that the majority of those responding to the survey (57%) see the PCF as a key mechanism, whilst less than 5% did not see it as a key mechanism at all. When asked for a view on the extent it is seen as a key mechanism externally, 40% felt it is seen as less key (rated 4 or 5) whilst 7% felt it was not key at all. There was also less certainty for those responding that it was key externally, with only 3% responding with a 1 and 26% with a 2 (29%).

5.2.11. There are now other instruments for conflict-related activities and early engagement:

(i) IDA allocations$^{35}$, financing regular Bank projects this provides the largest share of Bank conflict prevention financing;

(ii) The LICUS trust fund (aimed at supporting strategies, yet addressing somewhat similar issues), is a significantly larger fund, managed more proactively and more systematically supporting country teams.

5.2.12. These instruments make the PCF less key, with an apparent competition between the two funds, the LICUS fund being more visible internally to the Bank but also in making a mark externally with partners and at the global level$^{36}$. Even externally amongst implementing agencies there was a view that whilst there is not a clear distinction between the LICUS and PCF trust funds, LICUS is clearer in its agenda and by comparison there are no obvious synergies or consolidation in PCF projects$^{37}$. We note too, some internal uncertainty over the overlap of PCF and LICUS, shared by some members of the committee and the country teams$^{38}$.

5.2.13. Nevertheless, if less key today than originally, the PCF is still an important instrument retaining the important attributes of greater timeliness and flexibility.

**Relationship with Other Mechanisms**

5.2.14. We were asked to assess to what extent does the PCF coordinate, complement, duplicate or compete with other financing mechanisms. Questions related to duplication and/or competition with other Bank instruments are part of the approval process and the committee can be seen to question requests for project extensions to this effect. In some degree though, the PCF would appear to do all these things:

(i) Coordinate – Box 8 illustrates an example of coordination, which provided an impact arguably more important than the project itself. The Mindanao MDTF (Box 11) is a further example, where the PCF helped create a fund around which donors could coordinate activity and again, provided an impact beyond the project.

*Box 8 Example of coordination with other donors*

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35 Including through the Post-Conflict Allocation for which conflict-affected countries are eligible, the levels determined based on a country’s Post Conflict Performance Indicators (PCPIs). Countries eligible for Post-Conflict Allocation receive four years of full allocation. In years 5, 6 and 7, allocations are gradually reduced and by year eight allocations return to norm based allocations.

36 Although this external awareness is not necessarily recognised as a product of the LICUS fund.

37 From focus group discussions with NGOs involved with both funds.

38 A comment from the survey of overlap - a proposal was made to one that was sent on to the other.
(ii) Complement – there are several examples of the PCF being used as grant preparation resource and/or to pilot for forthcoming Bank grants/credits. This is largely positive but can lead to competition/duplication. For example, the proposed project to set up transparent community development fund in Niger Delta (see Box 4) complemented Bank work in Nigeria since the states in the Niger Delta are not focus states.

(iii) Duplicate – We noted two examples of what might be termed duplication. However, these were isolated examples which came about owing to particular circumstances. Otherwise we were satisfied that the PCF does not duplicate efforts:

- in Macedonia (Box 2) the circumstance came about through significant government delay to the PCF agreement such that it overlapped with, rather than piloted for, an IDA credit – the second tranche (USD0.5M) of this grant was subsequently cancelled;

- criticised for not being a good use of PCF resources the second phase of the Protection of Patrimonial Assets of Colombia’s Internally Displaced People project continued to use PCF funds despite the fact that that Colombia is a CAS country and may have been able to use other Bank resources, government or other funds (in this case under the Peace and Development Project). However, as outlined in Box 7, there was strong rationale for continuing with PCF funding.

(iv) Compete – It is clear that the relatively recent LICUS TF has supplanted PCF in non-accrual countries (in Africa for example). This has left PCF to operate in more middle income countries (such as Philippines and Sri Lanka). There is some but limited evidence of the PCF and LICUS funds being played-off against each other (Haiti). To a degree this does not matter given that the program is coordinated by the country team.

5.2.15. In certain countries it is not clear why project extensions could not have been picked up as part of the Bank’s regular portfolio except perhaps, that arrangements for that to happen were not put in place early enough (see Box 3). However, there are further reasons for using PCF funds apparently in duplication/competition with other Bank instruments and we would conclude that adequate safeguards are in place for this not to be of concern:

- IDA allocations for these countries are insufficient to meet need;

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39 Support for Post Conflict Transition in Macedonia
40 Empowering Women: Socioeconomic Development in Post-conflict Tajikistan. A reason given was the reluctance of countries to borrow for social/community projects – the driver for change is often external (donors) and emphasises policy, governance and structural reform rather than social development. However, we understand that social development projects now account for 25% of Bank loans/credits.
transforming a PCF grant into a regular project may require changing the implementing agency, approach etc.;
many governments prefer to use grant money, instead of IDA allocations to address sensitive issues, needs of vulnerable groups etc., instead of mainstream development projects (infrastructure, health, education, budget support etc.).

5.3. **EXTERNAL LINKAGES AND GLOBAL/REGIONAL PARTNERSHIPS**

**Mobilizing Incremental Resources**

5.3.1. At the program level little has been achieved in mobilising additional resource and donor un-earmarked contributions have remained at less than 10% of the funds available. No real attempt has been made to date to canvas for funds for the PCF (for various reasons) but from our limited soundings of bilateral donors we would not concur with a conclusion of the previous external evaluation report, that the PCF has potential as a channel for bilateral donors. Bilateral donors already make substantial contributions to IDA and would seem unlikely to single-out the PCF for support any more than they do any of a number of trust funds. Further, they are more likely to use funds for direct interventions than support what is, as things stand, essentially a Bank instrument.

5.3.2. Having said which:

- Norway made contributions in 2006 from their “gap” fund as part of a dialogue on conflict policy;
- The administrator is confident that further funding may be forthcoming as part of a similar dialogue with several bilateral donors.

5.3.3. It is our understanding that with the creation of the PCF as distinct category within the DGF (from FY 2007), the PCF is no longer strictly obliged to gradually build external contributions in order to comply with DGF rules. Nevertheless, an expanded instrument with increased potential for partnership is viewed very positively and the administrator intends to take this forward (see also paragraph 8.5.6).

**Influence on Development Agenda**

5.3.4. There is somewhat of a disconnect between certain of the questions in the TORs and reality. As stated earlier, the PCF has been passive and in trying to answer these questions we are attempting to avoid conflating the PCF with the wider Bank conflict activity – IDA, LICUS, CPRU, Bank participation with the Peace Building Commission, etc.). We could not conclude however, that either shaping the approach (internally) or influencing the development agenda (externally) is a product of the PCF in the period under review.

5.3.5. We suggest the PCF is barely visible externally and PCF funded activities would not necessarily be recognised as being PCF (as opposed to Bank), by other donors. In that sense it is not recognised as a key mechanism nor is there evidence of its significance in supporting the Bank in expanding the international agenda. Whilst it is part of what the Bank does and individuals within donors may be aware of PCF funded projects (without necessarily knowing the source of funding), the PCF has not been used to make significant attempts, through advocacy, to influence the international agenda. Partly the secretariat have not been in a position to be active
with global partners. Whilst some research funded by the PCF has been influential, we are not aware of anything for which it would be recognised during the period being evaluated\textsuperscript{41}.

5.3.6. It may be an overstatement to say that the PCF is entirely consistent with international agenda and partners’ approaches, given that most bank partners are still prioritising conflict issues and searching for a coherent policy position and the PCF itself is used in such a flexible, demand-driven manner. But the PCF is certainly not inconsistent with the international agenda. Bank engagement is welcomed, indeed seen as essential. There is interest in the PCF from other donors (even if little awareness) giving potential for messages and lessons to be well received beyond the Bank, even if this may be on a modest scale.

\textbf{Client Country Priorities}

5.3.7. It is possible to cite examples of projects (see Iraq Box 5, Colombia Box 7 and Kosovo Box 8), that have influenced policy at the country level (as per the TORs). However, we would not determine that the PCF influences client country priorities to any significant degree. There are however, several examples of projects where, through the PCF, the country team has been in a position to respond to initiatives of client country governments (e.g. Tajikistan, Box 3; Mindanao, Box 11; Lebanon, Box 1). Further, the Bank can have a strong convening and agenda setting role and the PCF can be used to support the country office/team in that role. In this context the Banks’ requirement to operate with the approval of governments is both a strength and a weakness:

- In the Philippines (Box 11) giving the Bank a strong brokering position by being respected by both government and liberation front leaders;
- In Macedonia (Box 2) government inaction delaying project implementation beyond the original conflict need.

5.4. **ADOPTING A MORE STRATEGIC APPROACH**

5.4.1. In the light of the comments above we conclude, that the PCF has had limited influence in shaping the Bank’s approach to conflict and mainstreaming conflict understanding within the Bank or influencing the development agenda externally. Such changes are unlikely to be the product of a small demand driven trust fund facility where, at best, the PCF could only contribute to Bank activity in these areas. This is particularly so given that the fund has had an understaffed secretariat, has not achieved what had been planned through knowledge management and has lacked direction in the long period where no administrator was in post.

5.4.2. If the PCF is to influence in these areas we argue that it will have to adopt a more strategic approach.

\textbf{Demand Driven}

5.4.3. If the PCF continues as a demand driven facility, can it really be described as strategic? The PCF is demand driven insofar as there is no country/regional allocation and there has been no policy of shaping demand to an agenda by stipulating

\textsuperscript{41} The one significant piece of global research being co-financed by the PCF yet to complete and report - Moving out of Poverty: Understanding Growth and Freedom from the Bottom Up, PCF No. 305).
a narrower eligibility or selecting projects that meet defined criteria (see sub-section 8.8). This has been policy and widely accepted as a key feature of the PCF, allowing it to adjust to the changing context and respond to the changing circumstances inherent in conflict-affected countries and providing the flexibility to operate outside of the rigid structure of programmed funds. But as we have seen in the previous sections, this has limited its impact and its ability to shape and influence.

5.4.4. Clearly some form of filtering of demand is occurring through the incidence of proposals that do not progress to grants for various reasons, including country teams reconsidering their sponsorship and discouragement by the secretariat or rejection by the secretariat/committee\(^\text{42}\). Whilst this may be positive in terms of maintaining quality, it is rather different from applying a strategy.

5.4.5. One of the recommendations of the previous evaluation was that the PCF may “need to shift from an essentially demand-driven model to one more proactive in terms of the distribution and content of its project portfolio”. The implication here is that the impact of the PCF may be greater (or more measurable) if the resources were targeted at specific areas or countries/regions in conflict. Whilst this sparked debate it has not been implemented and the default position of complete flexibility remains.

Awareness and Stimulation of Demand

5.4.6. If PCF projects are to be truly reflective of need/demand it may be necessary to raise awareness of the fund and how it may be used (see survey results of country teams awareness – appendix E). Concerted awareness raising publicity might increase conflict awareness, better quantify demand and potentially increase the take-up of the fund. However, given that the fund is capped (and with no immediate prospect of increased funding), demand stimulation without a focus would have limited impact on lesson-learning and would yield little benefit in strategic terms.

Shaping and Advocacy

5.4.7. Several external stakeholders from civil society and the UN have suggested that the PCF projects are too disparate to be strategic and that the PCF would be more capable of systematic lesson learning if it were to focus on a smaller set of specific themes and attempt to shape demand through advocacy.

5.4.8. This might mean applying what is known to work (as well as lesson-learning), encouraging the right kind of proposals and using the Bank’s comparative advantage (for example to conduct a rapid socio-economic assessment). This would assist in making the Bank more conflict sensitive, as whilst many TMs we have interviewed are experienced or could be regarded as conflict specialists, many are not and there is work within the Bank to be done here. The PCF could support mainstreaming of conflict issues through shaping and advocacy. This approach would need to draw on the knowledge and experience of the CPRU/conflict specialists.

5.4.9. The administrator believes an effective approach could be to focus on a limited number of themes, for example:

- The environment and conflict (e.g. water shortages in northern Uganda);

\(^{42}\) The OED Report (Approach to Global Programs - PCF Case Study, 2004) states that it is estimated that only 1 in 10 proposals make it to the committee.
Trust at the local level (e.g. work with minorities in southern Thailand and Philippines);

Religious extremism (e.g. vulnerable groups in Tajikistan).

5.4.10. These same themes can be applied externally, helping the Bank to partner. It is suggested that the Bank has work to do in sitting down with partners and governments and mapping out programmes. In addition to global initiatives, this can be a bottom-up approach, starting at the country level and expanding the discussion to a number of headquarters/capitals.

5.4.11. Advocacy and shaping demand need not be prescriptive nor inconsistent with maintaining responsiveness to demand (the demand emphasis can remain), flexibility and innovation. But it too will potentially stimulate demand. In the absence of increased funding the effect would be to improve quality through competition.

Coherence at the Country Level

5.4.12. In addition to a more strategic approach in the overall conduct of the PCF, there is a recent emphasis on being strategic at the country level (a feature of the LICUS trust fund), i.e. the intention to ensure that a package of country grants have greater coherency and potential impact. Something similar to this approach, the ‘strategic menu’, was recently piloted in Sri Lanka where an attempt was made to fund a number of projects under one framework. There was some criticism that the set of proposals selected were not coherent. Nevertheless, the proposals that were submitted were born out of an initial framework and this is an example of a more strategic approach that could be developed (see Box 9).

Box 9 Strategic menu approach in Sri Lanka

The “strategic menu” of PCF-funded projects in Sri Lanka represents an attempt to use PCF funds in a more coherent, structured way at the country level. The menu consists of seven different projects managed by different implementing agencies without a common objective, so it should not be mistaken for a program. However, all of the projects are, at a high level, designed to contribute towards the same goal – a more favourable environment for peace – so in that sense can claim a level of strategic alignment. They are also deliberately all to be implemented by national NGOs.

This is the first time such a strategic alignment has been used for PCF funds. It provides an increased likelihood that the grants, in sum, will have a greater impact on the goal that they share. And, arguably more importantly, it allows the country office to engage with civil society on conflict issues that could not be addressed through other, state-centred, Bank instruments. Whatever the success of the projects, the Bank in Sri Lanka will benefit and learn from their implementation.

Such an approach may not be appropriate in all circumstances, but it highlights the fact that there are some countries where the PCF is more relevant to the Bank’s needs. In those cases, a more focused approach could have significant benefits. Most obviously, this means those countries that are neither IDA nor IBRD qualified (e.g. Cote d’Ivoire or, until recently, Haiti). But it also means countries such as Sri Lanka where the Bank, if it were unable to access PCF funding, might be forced to work around conflict as an issue instead of trying to engage with it directly.

5.4.13. A more strategic approach in the use of the PCF (advocacy and shaping) and greater coherency at the country level can be complementary. One of the ways to bring improved conflict knowledge to the country circumstance and to have more potential for impact is to commission a conflict analysis, for which PCF funds can be used and to which CPRU expertise can be added through their comment on TORs for studies, involvement in studies or in helping to refine plans of action i.e. applying lessons from elsewhere to the country context.
5.4.14. We believe these arguments reflect the thinking of many of those interviewed during the evaluation and we would **recommend** that consideration be given in the context of a wider PCF strategy to:

- Shaping and advocacy;
- Selection of themes;
- Greater coherency at the country level.

5.4.15. These approaches imply an enhanced role for conflict specialists.

### 5.5. ROLE OF THE CPRU/CONFLICT SPECIALISTS

5.5.1. There are a number of issues related to the use of the CPRU expertise and the CPRU relationship with the PCF that, although strictly beyond our TORs, bear further discussion.

5.5.2. Focus group\(^{43}\) comment on Bank conflict specialists included the views that:

- conflict specialists in the Bank (in CPRU) are knowledgeable but that there are not enough of them;
- whilst the Bank is getting better at conflict analysis they need to go further - the Bank should carry out more frequent analyses, not least because the context changes rapidly in post-conflict situations;
- conflict analysis should form part of the design of regular Bank programmes;
- the PCF may become a victim of its own success – it may be required to offer increasing levels of technical assistance.

5.5.3. At the start of this assignment we found difficulty in understanding why, linked to the strong emphasis on the PCF being solely demand led, there was a very strong separation of the role of the CPRU from the PCF. Formally the administrator reports to the CPRU manager and the CPRU manager is a member of the committee. Informally CPRU input is often requested. However, there is no formal input to proposals. We came to understand that this had its roots in the personalities and politics prevalent in the early years of the PCF when the PCF and CPRU operated more closely. At the time the CPRU was much more assertive in conflict analysis work, in support of county teams and in issues related to Bank engagement. However, our understanding is that this led to resentment and difficulties of being seen to encroach on the mandate of the country management units. The result was a deliberately more passive role for the CPRU and a “disassociation” of the CPRU from the PCF that has persisted until today.

5.5.4. However, a formal involvement of the CPRU/conflict specialist in proposals and in the work of the secretariat would:

- Improve the design of grant proposals and their relevance to conflict by providing more guidance and specialist input;
- Better mainstream conflict sensitivity;

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\(^{43}\) Focus group in Washington DC, see appendix I giving persons met for participants.
■ Overcome difficulties in relying solely on knowledge management to bring understanding and examples of good practice to the country teams;

■ Make the use of the PCF more strategic or focused to increase its impact.

5.5.5. This PCF/CPRU relationship is linked to the further question being examined currently of whether “conflict” is an operational issue or a technical one. We would argue that it is both and that there is need for both a technical unit and a change programme. If that is the case, how is the engagement of the technical unit specialists to be achieved as it has been suggested that such an approach impinges on the mandate of the country management units.

5.5.6. We would conclude that the conflict specialist expertise needs to be more formally built into the activity of the PCF and can be made available to the country teams without impinging on their mandate. Given the organisational arrangements in the Bank this would be best achieved by incentivising the CMU use of the conflict specialists by providing a budget within a sub-grant allocation to cover CPRU input44. This would be in addition to the budget the country team must find in order to sponsor and supervise a project. We recommend that this incentivisation arrangement is considered.

5.5.7. This on its own does not make the PCF a tool of the CPRU, although there is an argument that says the CPRU needs to be more assertive in being involved in external partnership and contributing more to Bank external engagement. This would require the reversal of the downward trend in conflict specialist numbers, which we understand have dropped from 10+ to the current 3.5 staff45. It is recommended that the status and future of the CPRU be resolved.

6. OUTCOMES AND IMPACTS

6.1. THIS SECTION

6.1.1. In this section we examine the PCF in terms of outcomes and, to the degree possible, impacts, of a selected number of grants. The section concentrates on project performance but findings from this review inform the other sections of the report. We finish the section with some comment on PCF impact overall. Excluded are any wider benefits arising from mainstreaming, influencing the conflict agenda, etc., which are discussed elsewhere.

6.1.2. In assessing outcomes and impacts we are using the following definitions (consistent with the OECD-DAC definitions46), where:

■ Outcome47 – means the results achieved at the level of purpose (overall objective);

■ Impact48 – means the (sustainable, long term) changes achieved (at the time of evaluation) at the purpose (overall objective) or goal49 level.

44 Analogous to attitudes to gender and environment issues catalysed by trust fund money, without which the cross-cutting issues would not have gained traction.

45 Ignoring more recent organisational changes that have affected the CPRU.

46 Glossary of Key Terms in Evaluation and Results Based Management, DAC Working Party on Aid Evaluation.

47 Outcome - the likely or achieved short-term and medium-term effects of an interventions outputs.
6.1.3. Outcomes are expected to be more immediate, obvious and tangible and therefore, more measurable in terms of assessing achievement. They should be closely linked to intention in terms of what the project was designed to achieve and largely measured by the indicators of achievement designed into the project. Assessment of impact requires an enhanced level of monitoring and evaluation activity. It may encompass the unintended.

6.2. APPROACH TO ASSESSMENT OF SELECTED GRANTS

6.2.1. A sample of 20 projects\textsuperscript{50} were desk reviewed, 25\% of the total of projects in the evaluation period. A further set of projects were covered by field visits, which allowed for a deeper understanding of this group. Overall a third of the total projects in the evaluation period were reviewed in some detail.

6.2.2. The projects have been reviewed from a number of perspectives:

(i) initially in project management terms for: quality of problem analysis and design, risk assessment, appropriateness of approach, efficiency, quality of M&E arrangements and whether the intended outcome was achieved;

(ii) in PCF terms for: timeliness, innovation, partnership, scale up and replication.

6.2.3. In addition to the desk review, where possible, we discussed the projects with the TM primarily responsible, in order to have a better understanding of the context and factors not readily apparent from a review of records.

6.2.4. Before detailing our findings we would draw attention to the limitations of such an assessment, which included that:

(i) The projects were selected deliberately to include those at different stages of the project lifecycle (complete, still in implementation, yet to start). In terms of outcome therefore, it is only possible to be conclusive for those projects that have been completed and have had an evaluation report (i.e. over USD250,000 in value);

(ii) Whilst the secretariat records are comprehensive there were some gaps in documentation, particularly monitoring reports;

(iii) Not all TMs were available for discussion and there is an obvious limit to the level of recall to be expected, depending on the age of the project, its relative significance/ value and the degree of TM involvement;

(iv) There has been no impact assessment carried out, either as part of this exercise or within the M&E arrangements that apply to the PCF.

6.2.5. For these reasons we begin the analysis with a sub-section on project achievements. This looks at the positive aspects of projects more anecdotally, rather than in technical

\textsuperscript{50} Positive and negative primary and secondary long-term effects produced by a[n]… intervention, directly or indirectly, intended or unintended.

\textsuperscript{48} Throughout this report we use both the terms “purpose” and goal”. Purpose we are equating to the Bank’s usage of “overall objective” although “development objective” also appears to be in used interchangeably within the Bank. In more standard bank instruments we understand “goal” equates to the CAS i.e. the Bank program of projects have the CAS as the common goal. However, for the PCF and similar instruments where the CAS may not be directly or currently relevant we suggest there may be a gap in the hierarchy of objectives.

\textsuperscript{50} As listed in the inception report.
evaluation (outcome/impact) terms. This is assessing the projects using the term “impact” in the loosest sense i.e. in terms of was it a good project, was it worth doing and did it achieve something worthwhile (even if it perhaps did not fully achieve outcome). This has been done to give a better balance to the evaluation, recognising that many of these projects faced considerable constraints of time, security environment and other risks but still reached a level of achievement.

6.2.6. Thereafter, we look at outcome and impact, as well as commenting on design, and supervision and reporting. Aspects related to the PCF objectives such as timeliness, innovation, partnership are treated more substantially in section 4, Achievement of Objectives.

6.3. PROJECT ACHIEVEMENTS

6.3.1. Our reviews of a sample of the 87 projects in 25 countries (with 9 regional projects) reveals a fund that supports an unusually wide variety of activities in many different, often difficult, environments. Despite this variety, there are common themes that run through many of the PCF’s projects in terms of achievement. This section looks specifically at those achievements and themes, and what they tell us about the strengths and weaknesses of the PCF as a funding mechanism.

Enabling Bank Engagement

6.3.2. In conflict affected environments, the Bank may be constrained in its operations and not be able to play the leading role in long-term development that it does in more peaceful environments. In other words, in post-conflict environments the Bank may find it difficult to fully engage. This is often because the Bank’s traditional partner in development (the state) has either been compromised by the conflict (i.e. is a party to it); or has been rendered so weak that is unable to fully engage itself or because the Bank has to work round the conflict issues rather than engaging with them.

6.3.3. In these cases, PCF funding is invaluable in allowing country teams and TTLs to work with non-traditional partners that, through other Bank instruments, they could not. In turn, these non-traditional partnerships have given the Bank exposure to, and understanding of, environments it would otherwise be isolated from. Particularly in post-conflict environments, this has meant the Bank has been able to become active early in the initial relief phase – and thus is better prepared for the following reconstruction and development phases.

6.3.4. In Sudan, the PCF has funded a number of projects that have been instrumental in building the Bank’s knowledge of Sudan following a long period of disengagement. Whilst the political and security situation in Sudan has proved volatile, the projects have fed into wider Bank approaches in Sudan. By working with officials from north and south Sudan, the projects have built the understanding in Sudan of how the international system works (including the PRSP process) and how the benefits of international assistance can be realised once peace has been achieved.

6.3.5. In Haiti in 2003/2004, the major political crisis in the country all but halted effective government activity. The Bank could not engage through IDA (nor even through LICUS at that stage) so the country team sought PCF funding for a pilot community development project (along with another health project at around the same time). The project was implemented by the Pan American Development Foundation and, while
on a small scale (focussing on two communities), it was successful in demonstrating the value of community development approaches. Most importantly though, it allowed the Bank to stay engaged and active at a time when government was not. Two years later, with government capacity beginning to return, the project was scaled up into a full IDA grant.

6.3.6. In **Nigeria** the PCF is to provide seed funding for a community foundations initiative in the Niger Delta region. The project was designed to introduce a more transparent process to the allocation of development funding from oil companies operating in the region, thus addressing one of the causes of conflict. PCF funding was sought because Niger Delta states are not the focus for Bank engagement in Nigeria and do not qualify for Bank funds due to governance issues. The proposal process and subsequent commencement of the project has been a key part in raising awareness of the issues of development funding from oil companies and the conflict in the Niger Delta more generally. It has also contributed to strategies for the region both within the Bank and from other donors.

**Achieving results… but more often preparing the ground or bridging the gap**

6.3.7. In some PCF-funded projects, particularly the larger ones, identifiable results on a medium to large scale have been achieved. In the **Philippines** the establishment of the Mindanao Reconstruction and Development Trust Fund (Box 11) is a good example where this strategically important fund can be expected to have a genuinely significant impact (although we discuss why impact is difficult to measure in sub-section 6.6 below).

6.3.8. However, many PCF funded activities are not self-contained projects or programmes in their own right. They are instead pilot projects; components of wider programmes; or ongoing projects to which the PCF contributes (either with other donors or as ‘bridge’ funding until longer-term funding sources are available). This is an inevitable result of the size of the fund – it is rare to find single interventions on a small scale that can easily achieve results at scale. Instead, the country teams have sought to use PCF funds in playing small but (hopefully) critical roles in larger scale initiatives.

6.3.9. A good example of this is the USD211K grant given to Paltrade, a private sector organisation that monitors trade activity at the only goods crossing between **Israel and Gaza**. This project was originally conceived in the context of Israeli withdrawal from the West Bank in 2004/2005, with the aim of encouraging increased cross-border trade by providing transparent data and analysis on barriers to trade between the territories (data provided by Paltrade has been described as a critical element in the *Agreement on Movement and Access*). Initially funded by the Bank Project Preparation Facility, PCF funding was requested to maintain Paltrade’s activities for a period of 12 months when the project became ineligible for PPF but had no other immediate funding source. The Norwegian government has committed to fund the project for the next two years through a Bank trust fund; so PCF funds have acted as a critical bridge in maintaining an important activity both for the Bank’s analysis and ensuring transparency in reporting regional trade flows that might otherwise have closed down.

6.3.10. Similarly in **Haiti** in 2006, PCF funding was used to support a school feeding project that had been running with funds from the LICUS Trust Fund for a further year until a
bigger IDA-funded education project could be started. This grant both improved on the previous project design by starting to target ‘harder to reach’ slum areas in Port-au-Prince, while also consolidating lessons learnt to feed into the larger project’s design.

**Being Effective in Difficult Environments**

6.3.11. Being a fund that actually often supports activities where conflict is still ongoing it is clearly important that PCF funded projects are able to be effective in difficult environments. A number of PCF grants are impressive in this regard, primarily due to the selection of capable implementing agencies.

6.3.12. Possibly the most difficult operating environment in recent years has been Iraq. One PCF grant in Iraq, to the French NGO Premiere Urgence, achieved some particularly notable results in a short space of time. Funded in partnership with the Swiss and French governments, while many government executed projects in Iraq have struggled, this project has demonstrated the benefits to service delivery that can be achieved through the use of capable NGOs. According to the TTL it is the only project out of the Bank’s Iraq portfolio that has been completed (as of August 2007).

6.3.13. A successful project in a less obviously difficult environment was a grant executed by Counterpart International in Tajikistan (Box 3). This was a project that was to an extent not fully designed at approval stage, so underwent a number of changes during implementation. But its success has been notable because it managed to achieve genuinely sustainable socio-economic change in a highly conservative and religious community that was previously considered isolated and a ‘no-go’ area to the government and international aid agencies. Despite a number of challenges that required considerable flexibility on behalf of the implementing agency, the project achieved its (revised) objectives and has had a number of unexpected positive benefits. The women’s association at the heart of the project is, we understand self sustaining. It is only a pity this pilot project that produced a replicable model as an output, has not been replicated.

**Using the Bank’s Comparative Advantage**

6.3.14. Often PCF activities do not use the Bank’s comparative advantage since (with a stated focus on innovation) PCF-funded projects work in different ways and through different partners than traditional Bank projects. Nevertheless some of the most successful PCF projects have come about precisely because the Bank has, or is seen to have, the benefits of size, political independence and what we call in this report ‘convening power’.

6.3.15. Again in the Philippines (Box 11) in 2003, the PCF agreed to support the establishment of a MDTF – the Mindanao Reconstruction and Development Fund (MRDF) - by funding a needs assessment of local conflict affected communities and capacity building for regional and local government, NGOs and other service providers. The project was successful in that the MDTF was established; and drew funding commitments from AusAid, New Zealand, CIDA, SIDA and the EC. The project also enabled an increase in levels of trust between government, local government, conflict affected communities and the Liberation Front. Arguably, only the Bank had the perceived independence and convening power to support a project of this type and attract such wide donor support in the process.
6.3.16. In Colombia, the PCF has been funding a project (Box 7) to protect the patrimonial assets of displaced persons (and those at risk of displacement) since 2002 (in two phases). The Bank, using its comparative advantage in the economic sphere, is playing an important role in expanding and interpreting legislation to protect the economic assets of internally displaced people. In addition, the Bank’s ‘convening power’ has been extremely important in bringing together disparate groups of stakeholders and it has made an acknowledged contribution to the project’s success.

**Approving and Mobilising Projects Quickly**

6.3.17. The PCF’s application and approval procedures are intended to be “light touch”. They are designed to enable faster processing of grant applications than other Bank instruments, precisely so that projects in the earlier (more urgent) phases of relief and recovery can mobilise rapidly. Statistically speaking, many PCF projects take many months (and sometimes years) to get underway. But that is almost always due to reasons beyond the Bank’s control, such as host government wariness - indicative of the PCF’s tendency to fund riskier, sometimes sensitive, non-government executed projects. Nevertheless, where government approval has not been an issue, PCF projects can mobilise very quickly.

6.3.18. The prime example of this is a project in Lebanon (Box 1), implemented soon after the conflict in summer 2006. Although small (USD100K for a Rapid Social and Livelihoods Assessment), the timetable for agreement and mobilisation is impressive. After the project proposal was submitted on 7 September, independent reviews were conducted and committee approval was granted on the following day; and the finalised disbursement letters were circulated on 19 September, just 12 days later. Admittedly there were informal discussions before 7 September – but these discussions only reflect foresight precisely in order to enable the formal process to be completed quickly.

6.4. **SURVEY RESULTS ON OUTCOME, IMPACT AND SUSTAINABILITY**

6.4.1. The results from the survey of the country teams, act as a form of self assessment for the PCF projects overall. The survey asked the question: “how sustainable are the outcomes and, when applicable, impacts of PCF grants?”:

| Table 8 Survey results on sustainability of PCF grants (6 equals not at all) |
|———|———|———|———|———|———|———|
| Sustainable | Thru | Less sustainable | Total |
|———|———|———|———|———|———|———|———|
| Outcome | 8 | 17 | 32 | 12 | 10 | 2 | 95 |
| Impact | 7 | 30 | 31 | 16 | 8 | 3 | 81 |

6.4.2. We comment on these results as follows:

(i) Outcome - the overall view of the sustainability of outcomes is at first sight positive with those rating from 1-3 totalling 71% and those rating 4-6 totalling 29%. It looks less conclusive when split three ways with 31% rating the outcomes as sustainable (rating at 1 or 2) and 27% rating the outcomes as less sustainable, rating at 4 or 5 (with 2% as not sustainable at all - 6). More simplistically this translates to approximately one third rating outcomes as

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51 This view takes account of the fact that the rating of 6 is an absolute (not at all), leaving a scale of five from sustainable to less sustainable, wherein there is a median at the rating 3.
sustainable, one third less sustainable (unsustainable) and one third taking the median (3).

(ii) Impact – Similarly there is a positive view on impact with 72% percent viewing impacts as sustainable (1-3) and 28% unsustainable (4-6). The sustainability of impact is viewed as slightly higher than that of outcome, with 39% rating 1 and 2 and 25% rating the impacts as less sustainable, rating at 4 or 5 (and 3% as not sustainable at all - 6), with 33% taking the median. This is not a significant differentiation in the results for outcome and impact, but it is slightly surprising that the impact figures are marginally higher. If anything we would have expected the results to have been reversed (i.e. we would have expected the projects to have achieved at the level of outcome but generally to be less sustainable over the longer-term). If the perception is that the impact of the projects is greater than the original expected results, this possibly reflects unintended benefits52.

6.4.3. The survey results are of course self selecting, reflecting knowledge and interest in the PCF. When screening results for those that have used the PCF in some capacity the results are shown at Table 9:

<table>
<thead>
<tr>
<th>Role</th>
<th>Outcomes</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th>Impacts</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Sustainable</td>
<td>Less Sustainable</td>
<td>Sustainable</td>
<td>Less Sustainable</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
<td>1 2 3 4 5</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Task manager</td>
<td>2 8 12 3</td>
<td>1 11 10 3</td>
<td>2 1 1 1 1</td>
<td>2 1 3 1 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Conflict specialist</td>
<td>1 2 1 1 1</td>
<td>2 2 2</td>
<td>1 2 1 1 1</td>
<td>2 1 3 1 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sector specialist</td>
<td>1 2 1 1 1</td>
<td>1 1 1</td>
<td>1 2 1 1 1</td>
<td>2 1 3 1 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country director</td>
<td>1 1 1 1 1</td>
<td>1 1 1</td>
<td>1 2 1 1 1</td>
<td>2 1 3 1 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country manager</td>
<td>1 1 1</td>
<td>1 1 1</td>
<td>1 2 1 1 1</td>
<td>2 1 3 1 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country officer</td>
<td>1 2 1</td>
<td>1 1 1</td>
<td>1 2 1 1 1</td>
<td>2 1 3 1 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Country program coordinator</td>
<td>1 1 1 1</td>
<td>1 1 1</td>
<td>1 2 1 1 1</td>
<td>2 1 3 1 1</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>6 13 19 2 4</td>
<td>5 20 18 4 4</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Percent† | 14% 30% 43% 5% 9% | 10% 39% 35% 8% 8% |

*Sample: 54. No respondent felt that impacts or outcomes of PCF grants were not sustainable at all.
†3 did not respond to the ‘impacts’ section (sample = 51) and 10 did not respond to the ‘outcomes’ section (sample = 44) so the % refers to the number who responded

6.4.4. Here the results show (with no scores at rating 6):

(i) Outcome – the overall view of the sustainability of outcomes is positive with those rating from 1-2 totalling 44% compared with 14% rating 4-5. Despite this positive result, task managers were one of the few groups to score ‘outcomes’ at a rating 5.

(ii) Impact – there is a similar positive view on impact with 49% viewing impacts as sustainable (1-2) and 16% unsustainable (4-5). The spread of ratings is not significantly different to the rating for sustainability of outcomes, though there is less uncertainty (35% scored a 3 compared with 43% for outcomes).

52 It may also reflect different usage of terminology.
6.5. **Outcomes**

6.5.1. In the previous sub-section we looked at broad achievements. For the same reasons of balance when looking at outcome, rather than just looking at whether projects met or did not meet their purpose/objective[s] (yes or no), we have given the projects a rating using a system of 1 = highly satisfactory (fully achieved), 2 = satisfactory (substantially met intended purpose and partially achieved objectives), 3 = not met objectives, through to 4 = unsatisfactory (where the project has failed for whatever reason). These are tabulated in Table 10. A notation of N/A (not applicable) indicates the project was not complete at the time of review.

**Table 10 Project outcomes**

<table>
<thead>
<tr>
<th>No</th>
<th>Country</th>
<th>Design</th>
<th>Rating</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>195</td>
<td>DRoC</td>
<td>Post-Conflict Rapid Assessment of Living Conditions and Infrastructure</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>213</td>
<td>Tajikistan</td>
<td>Empowering Women: Socioeconomic Development in Post-conflict Tajikistan</td>
<td>1</td>
<td>Sensitive handling of issues of gender, religion. Replicable model output. Sustainable in that the women’s association still operates</td>
</tr>
<tr>
<td>243</td>
<td>Haiti</td>
<td>Emergency Health Interventions</td>
<td>N/A</td>
<td>Although not complete appears a strong project, with performance praised by PCF assessment mission</td>
</tr>
<tr>
<td>245</td>
<td>Sudan</td>
<td>Transition period capacity building (Northern and Southern Focus)</td>
<td>2</td>
<td>Focused on Bank reengagement, generating useful information for analysis</td>
</tr>
<tr>
<td>248</td>
<td>DRoC</td>
<td>Urgent support for Integration of Ex-combatants and Unemployed Youth into Agricultural Sector (FAO)</td>
<td>2</td>
<td>Focused on Bank reengagement, generating useful information for analysis</td>
</tr>
<tr>
<td>253</td>
<td>Haiti</td>
<td>Community Driven Development (CDD) Pilot Project</td>
<td>2</td>
<td>Successful pilot. Led to a follow-on IDA project. Achieved as much as could realistically be expected given timeframe and difficult environment</td>
</tr>
<tr>
<td>261a</td>
<td>Iraq</td>
<td>Watching Briefs: Human Development, Water and Power</td>
<td>1</td>
<td>Watching Brief provided valuable information that helped inform the Joint Health Needs Assessment and fostered good partnership with UNDP</td>
</tr>
<tr>
<td>264</td>
<td>Iraq</td>
<td>Workshop - “Iraq and the Region after the War”</td>
<td>2</td>
<td></td>
</tr>
<tr>
<td>272</td>
<td>Guatemala</td>
<td>Peace and Development in Las Verapaces</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>278</td>
<td>Philippines</td>
<td>Needs Assessment and Preparatory Activities - Mindanao Reconstruction and Development Fund (MRDF)</td>
<td>1</td>
<td>An outstanding achievement from TM. Potential for significant impact</td>
</tr>
<tr>
<td>279</td>
<td>Regional</td>
<td>2 Regional Perception Survey of Conflict Prevention and Cooperation in Central Asia</td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>305</td>
<td>Global</td>
<td>Moving out of Poverty: Understanding Growth and Freedom from the Bottom-Up</td>
<td>N/A</td>
<td>Delayed owing to security issues and political sensitivities. Significant findings being finalised</td>
</tr>
<tr>
<td>318</td>
<td>Columbia</td>
<td>Protection of Patrimonial Assets of Colombia’s Internally Displaced Population Project – Phase II</td>
<td>N/A</td>
<td>Highly satisfactory</td>
</tr>
<tr>
<td>321</td>
<td>Iraq</td>
<td>Emergency Health Assistance Programme to the Burn Unit in Karama Hospital</td>
<td>1</td>
<td>Impressive results in a volatile situation. Implementation mechanism (i.e. using an NGO) has been replicated in other projects in Iraq</td>
</tr>
<tr>
<td>322</td>
<td>Nigeria</td>
<td>Niger Delta Community Foundations Initiative</td>
<td>N/A</td>
<td>Potential to improve governance and transparency in the allocation of oil resources and reduce inter-community violence</td>
</tr>
<tr>
<td>323</td>
<td>Russia</td>
<td>North Caucasus Youth Empowerment and Security</td>
<td>N/A</td>
<td>Seen as an important entry point project – first of its kind in Russian federation</td>
</tr>
<tr>
<td>324</td>
<td>Africa</td>
<td>Support to the Post Conflict Recovery and Economic Development Dimensions of the Africa Peace and Security Agenda led by the African Union</td>
<td>N/A</td>
<td>Choice of implementing partner not explained</td>
</tr>
<tr>
<td>334</td>
<td>Lebanon</td>
<td>Facilitating Trade Flows Between West Bank and Gaza and Israel</td>
<td>N/A</td>
<td></td>
</tr>
<tr>
<td>336</td>
<td>Haiti</td>
<td>School Feeding Program</td>
<td>N/A</td>
<td>If the follow-on project comes to pass, then represents many of the best aspects of PCF: ● Project is simple but has obvious benefits ● Funding agreed quickly ● Other funding leveraged ● Potential to learn and repeat elsewhere</td>
</tr>
<tr>
<td>339</td>
<td>Lebanon</td>
<td>Rapid Social and Livelihoods Assessment</td>
<td>1</td>
<td>Demonstrates an excellent use of PCF: funds mobilised rapidly to inject a social assessment into situation where it risked being overlooked</td>
</tr>
</tbody>
</table>
6.5.2. To summarise Table 10, eleven of the twenty projects have been completed and have been given a rating. Of these eleven projects, ten have received a highly satisfactory (6) or satisfactory rating (4), giving 91% with a positive rating.

6.5.3. More subjectively we comment that the remaining nine incomplete projects show a similar pattern of very positive attributes (design, progress, early achievements). Only one of the projects would appear to be questionable in terms of choice of implementing partner and with the potential to fail (4).

6.5.4. We similarly ranked the projects reviewed during field visits as shown in Table 11:

<table>
<thead>
<tr>
<th>No</th>
<th>Country</th>
<th>Title</th>
<th>Rating</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>211</td>
<td>Macedonia</td>
<td>Support for Post-Conflict Transition</td>
<td>3</td>
<td>Seriously late owing to lack of government commitment, 2nd tranche cancelled.</td>
</tr>
<tr>
<td>300</td>
<td>Sri Lanka</td>
<td>Well designed and achieved objectives but limited or no impact owing to long time frame between data collection and dissemination of publication.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>306</td>
<td>Kosovo</td>
<td>Youth Development Grant</td>
<td>n/a</td>
<td>Well designed project but with over-ambitious objective. Excellent partnership with stakeholders. Four month delay in initial disbursement.</td>
</tr>
<tr>
<td>311</td>
<td>Sri Lanka</td>
<td>Sound project but limited relevance to PCF mission and conflict generally.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>333</td>
<td>Kosovo</td>
<td>Supporting Conflict Prevention and Social Cohesion through Early Childhood Development</td>
<td>n/a</td>
<td>Project is extension to PCF grant no. 201b and is awaiting implementation. Long delay in notifying implementing agency of approved extension.</td>
</tr>
</tbody>
</table>

6.5.5. In total therefore eleven, of the thirteen completed projects have been assessed as highly satisfactory (quantity 6) or satisfactory (quantity 5), giving a very creditable 85% with a positive rating. As per the previous evaluation it is not unreasonable for the expectation of success in PCF projects to be lower than for the Bank’s other portfolios – a view with which we would concur. However, the assessment of this 15% sample53 is so positive, we conclude that it is not necessary to make any allowances.

6.5.6. Currently external evaluations of sub-grants are not required to provide within the narrative an overall rating statement or number/score. It is understood that this is because of concern that with various external evaluators the results would not be sufficiently comparative. However, if a ranking based on achievement of purpose/objectives were used this would be sufficiently objective regardless of the evaluator. We would recommend for the future that a score/rating based on achievement of purpose/objectives is introduced for evaluation reports.

Design

6.5.7. Given the problems that all projects face (from identified risks to other problems experienced during implementation), the quality of design needs to be high if reasonable success in a project portfolio is to be achieved. The success at the level of outcome described above would suggest that design is invariably of high quality. However, this was not our finding. There may be several reasons for this:

(i) The proposals do not necessarily articulate the full problem analysis and understanding of context;

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53 Detailed assessment of 13 completed projects out of a total of 87 in the evaluation period – sample size of 15%.
(ii) Similarly with risk analysis, these may have been considered but not documented;

(iii) Some proposals contain project concepts as opposed to fully designed projects, with measures to finalise design included in implementation (survey, needs assessment, etc.).

6.5.8. This view on design is supported by the survey (see Table 12) where 78% cited understanding/expertise as a medium to high cause for country teams being less well placed to sponsor proposals.

<table>
<thead>
<tr>
<th>Cause</th>
<th>Low cause</th>
<th>Medium cause</th>
<th>High cause</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Relevance to bank role</td>
<td>20</td>
<td>20</td>
<td>8</td>
<td>48</td>
</tr>
<tr>
<td>Understanding / expertise</td>
<td>11%</td>
<td>20%</td>
<td>19%</td>
<td>50</td>
</tr>
<tr>
<td>Budget / financial resources</td>
<td>6%</td>
<td>28%</td>
<td>22%</td>
<td>56</td>
</tr>
<tr>
<td>Senior management recognition</td>
<td>8%</td>
<td>57%</td>
<td>35%</td>
<td>49</td>
</tr>
</tbody>
</table>

6.5.9. In particular, we found a lack of clarity in purpose and objectives and poor indicators by which to measure success in many of the projects. Many had high expectations or were ambitious, defining the purpose (overall objective) more in terms of a goal; i.e. confusing that to which the project may contribute (goal) with what it is designed to achieve (purpose). Projects with sets of objectives or compound statements of purpose had no hierarchy of objectives. Therefore, if objectives are partially met it is difficult to discern if the project has actually achieved its prime objective or purpose (see Box 10).

Box 10 Developing the hierarchy of objectives

Kosovo: Youth Development Project
PCF No. 306
The Kosovo Youth Development Project is being implemented by the Youth Department of the Ministry of Youth, Culture and Sport. The project components are well conceived and designed. The majority of stakeholders were very positive about the potential of the project. However, in the project design there is a disconnect in the hierarchy of objectives - specifically between the four project components and the overall objective. The overall objective of the project is “to increase the social cohesion and inter-ethnic interaction and cooperation among young people with different ethnic backgrounds in Kosovo, with special emphasis on the relationship between young Albanians and Serbs.” The project components though are not structured in a way that will achieve this objective and whilst it is understood that the inter-ethnic dimension must remain implicit (the project is a contribution thereto and cannot “shout” about inter-ethnicity), it is nevertheless, overly ambitious given the resources available for project delivery. Whilst there is now some anecdotal evidence of ethnic inter-action (a baseline survey is currently being analysed), the stakeholders we interviewed, reported that most of the youth centres in Kosovo are made up of only one ethnic group. Although the project will support both Albanian and Serb youth centres the planned initiatives do not specifically encourage inter-ethnic interaction. This does not detract from the project’s ability to deliver important support to the youth centres, but the project remains over-ambitious in purpose.

6.5.10. The use of logframes was erratic: either they were not present (see Box 3) or, where present, were poorly presented and often inconsistent with what was described in the text (and again in reports during implementation). Lack of clarity of purpose extended into confused use of terminology, such as objectives, outputs and indicators. Indicators were rarely measurable or quantifiable (for example using a circular statement that measures achievement of an output by the output being achieved!). An example of this is shown at Table 13 which extracts the matrix presented in the Macedonia proposal (Box 2):

Table 13 Example of logframe matrix presented in a proposal
### Outputs by Component

<table>
<thead>
<tr>
<th>Outputs by Component</th>
<th>Output Indicators</th>
<th>Outcome/Impact Indicators</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Pilot Activities</strong>: pilot subprojects carried out at five pilot sites.</td>
<td>Disbursements for pilot activities.</td>
<td>Qualitative self-assessment and beneficiary assessments by recipients.</td>
</tr>
<tr>
<td><strong>Social and Conflict Assessment</strong>: assessment carried out.</td>
<td>Assessment delivered to Government and Bank.</td>
<td>Qualitative assessments by stakeholders (international agencies, government agencies, NGOs).</td>
</tr>
<tr>
<td><strong>Project Preparation and Grant Implementation</strong>: (a) PIU established and operational; (b) critical project preparation activities carried out; and (c) independent evaluation carried out.</td>
<td>Disbursements for PIU staff and technical assistance and documentation delivered to Government and Bank.</td>
<td>Qualitative self-assessment by PIU.</td>
</tr>
</tbody>
</table>

#### 6.5.11
As presented this is not a logframe matrix in the format required by the PCF application form. Admittedly, in this example the pilot sub-projects had not been identified at the time of proposal preparation and in those circumstances it is difficult to define indicators. But the matrix attempts to define some outcome/impact indicators, but does not say what these outcomes or impacts would be, making it impossible to have indicators. Further, the indicators have no quantitative or qualitative dimension\(^{54}\) making it hard to conduct meaningful monitoring and evaluation. Finally, the matrix does not define the project purpose overall. That is perhaps most significant because although these outputs were indeed produced (and the sub-projects broadly beneficial) we still conclude that the project was unsatisfactory (rating 3) because it failed to target the immediate post-conflict multi-ethnic tensions described in the narrative to the proposal (see Box 2).

#### 6.5.12
The importance of clarity of purpose is particularly important where a decision to approve concept projects is required (see paragraphs 4.3.6 and 4.3.8).

#### 6.5.13
Given the sub-section on achievements and our findings on outcomes, it is perhaps unnecessary to focus too much on the question of design. It may be that it is as much a question of articulation and that a sound choice of implementing partner is as much a guarantee of success. Nevertheless, clear articulation of proposals matters and we would recommend that the secretariat works over time towards an improvement in proposals in terms of clarity of purpose and the use of the logframe, perhaps by including a glossary of terms for use in proposals. Further, reviewers should be given a template to guide their assessment of proposals, easing the job of the secretariat and assisting the committee in their deliberations on quality, relevance etc. We discuss elsewhere the level of technical support the secretariat is able to give to design and the lack of a formal role for the CPRU conflict specialists (see sub-section 5.5 above).

### Supervision, Monitoring and Reporting

#### 6.5.14
We were less able to assess supervision, monitoring and reporting, partly because the frequency and content can be so variable. However, we would categorise this as relatively weak. This can be attributed to a number of factors.

(i) Firstly, for some projects there is the lack of evidence available. This is not just that the reports were missing from the MIS but that the reporting is not being produced by the implementing agencies / TTLs\(^{55}\).

(ii) Secondly, reporting lacked a monitoring component or just reported on financial transfers rather than on progress (output to purpose etc.) i.e. the reports do not

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\(^{54}\) Indicators need to be SMART – Specific, Measurable, Achievable, Realistic and Time-Bound

\(^{55}\) Though it could be a case of the secretariat not following up or not storing reporting on the database but there is evidence of follow up in various emails and it seems most likely that the reporting was not done.
contain the information necessary to make a determination on the progress of the project.

6.5.15 A third factor we suggest is that it may, at least partly, be connected to design. Though several projects identified clear, measurable (SMART) indicators as well as catering for evaluations in the budget, attention to M&E was not always adequate. There was also evidence of a lack of resource and follow up by the TTL, reflecting budget constraints.

6.5.16 More consistent use of logframes in the design phase along with linking reporting to disbursement may help to improve, not only the monitoring and reporting, but also success in implementation. We acknowledge in saying this that some of these grants are of very low value, which together with budget constraints means that anything more than a six monthly supervisory visits by a task manager would be unrealistic. Table 12 shows that 89% of the survey respondents give budget constraint as a high to medium cause of being less than well placed to sponsor and manage PCF grants.

6.5.17 The topic raises an issue for the secretariat’s consideration. A significant effort has been made in the last 12 months to ensure the electronic records are comprehensive. Further effort is expended in reviewing periodic reports and in follow-up activity to chase for missing documentation. The secretariat also conducts monitoring country missions, closely related to the knowledge management function. Although overall responsibility rests with the task manager/ country team, this secretariat activity is part of a role to monitor the performance of the PCF portfolio on behalf of the committee. Given the capacity constraint in the secretariat we would recommend that the extent of the monitoring role and the scope of follow-up action (for example, issues of conditionality on sub-grant approvals) are defined more precisely.

6.6 IMPACT AND SUSTAINABILITY

Summary

6.6.1 In this sub-section we consider project impact at project purpose and goal and in terms of impact on conflict (at local and country level). We are unable to make to make substantive comment as impact assessment is not within the scope of these TORs and, beyond an assessment of impact during evaluation at project completion, no M&E follow-up action is carried out as part of the PCF procedures. Information on roll-out/ replication is also not necessarily available.

6.6.2 We argue that at the sub-grant level many projects are small, one-off interventions with limited prospects for impact and sustainability, certainly beyond outcome. This is not to say that there is no impact (there being a difference between a possible impact and a measurable or attributable impact) and we identify projects throughout this report where the impact exceeded expectations or was significant, as well as noting one or two grants that brought about unintended benefits. But the size of the grants make impact above project level (e.g. at goal or sector level) unlikely or unlikely to be measurable.

6.6.3 At the local/country level the grants are too small in number and value to have a measurable and/ or attributable impact on conflict. Country teams may be more aware of impact, particularly where a PCF grant has provided analytical input to an ISN or CAS or other level of country understanding but the survey result on this
question was mixed. However, one grant was used as a catalyst to establish a multi-
donor trust fund (see Box 3). This was an example of the Bank using its comparative
advantage to maximise the benefit and where impact potential is significant, possibly
rising to a regional/country level impact on conflict.

Analysis

Sub-Grant/project Impact - Purpose Level

6.6.4. Not all PCF projects are necessarily designed to achieve sustainability. Watching
briefs, conferences, relief type projects (feeding, equipment provision) and other
similar one-off inputs are not by definition sustainable, nor are they intended to be
(i.e. they have an expected outcome but little or no longer-term impact). In contrast,
projects aimed at reducing the number of child soldiers, income generation and CDD
projects are expected to be sustainable, despite difficulties related to the context.
More than half the projects reviewed would not expect to be sustainable. Of the
remainder, the evidence of sustainability is limited, insubstantial or absent. This
reflects, time delays necessary to gauge longer-term sustainability and the lack of an
attempt to assess it.

6.6.5. Within the PCF standard documentation, the evaluation report format requires the
external evaluator to consider both outcome and impact and sustainability, assessed
shortly after project completion. At this point the delivery of outputs and an outcome
at the level of purpose should be clear. Comment on impact and sustainability would
be more speculative, even at the level of purpose.

6.6.6. Nevertheless, we did identify projects that achieved at the level of impact (see sub-
section 6.3 the various boxes illustrating projects). For two of these the scale of the
impact between the two projects is very different:

- Example of project link to conflict reduction/prevention, Box 11;
- Empowering Women: Socio-economic Development in Post-conflict Tajikistan,
  (Box 3), which also achieved unintended benefits.

Sub-Grant/project Impact - Goal Level

6.6.7. As noted at paragraph 6.1.2 above, impact can be assessed either at the level of
purpose or at the level of goal. In program management terms a project can be part of
a package of measures contributing to a goal. However, as interventions do not take
place in isolation, to what extent can the achievement of a goal be attributed to a
project intervention? Do other factors play a part in the achievement (or failure), and
to what extent? An impact assessment must therefore, consider “attribution”.
Attribution to a project is complex and difficult to measure. Often the most that may
be done is to argue that a given input and output leads logically towards a given
change, even if this cannot be proven definitively. This is an accumulation of
circumstantial or tangential evidence connecting the project to the change.

6.6.8. We believe this difficulty of attribution to be particularly difficult given the context
and nature of PCF projects and the range of other interventions, influences and
stakeholders involved. Firstly, a PCF project has been unlikely to be a part of a
package of measures (a program): projects have tended to be more stand-alone or ad-
hoc rather than part of a whole. Secondly the goal is often articulated at such a high
level, e.g. conflict prevention, as to make any assessment of impact too indirect.
**SubGrant/project Impact – on Conflict**

6.6.9. A project designed to contribute to conflict prevention at the higher level of goal, may not have a measurable impact (given that the reoccurrence of conflict is not a corollary and cannot be an indicator for a project). Which is not to say that conflict is not measurable: death rates, arms traffic, displaced populations, destruction of infrastructure, numbers of prisoners, hospital activity etc. are all measurable elements of conflict. Some or all of these or other identified aspects of conflict ought to reduce in the face of concerted peace-keeping and peace-making interventions. However, in order to demonstrate an impact, clear base lines would need to be created in order to measure a change. Of course the cause of any change may not be the direct result of interventions, but at least it is possible to identify change and to extrapolate that interventions are having a positive impact.

6.6.10. However, the PCF is not operating at this level of impact. Its scale is too small and its activities usually too removed from conflict. No effort is expended in design or M&E terms to achieve this. In several cases we would suggest that proposals had been written to emphasise the conflict agenda (rather than having a direct relevance to reducing/preventing conflict) and several had an overt objective of reducing conflict.

6.6.11. Although many of these projects have clearly been worthwhile (see sub-section 6.3), bearing in mind the foregoing, the degree to which this has had an impact on conflict is not readily apparent. None of the 20 projects reviewed produced any results that showed conflict had been reduced or prevented. Perhaps one project could have had a logical link to conflict reduction/prevention (see Box 11). But we are not convinced, in the context of the PCF, that this is at all measurable. Therefore, whilst conflict is the context in which the sub-grants are made and conflict mitigation could be set at the level of “goal”, we would argue that impact on conflict is not a realistic measure of sub-grant achievement and project proposals should not include as an objective/goal.

**Box 11 Example of project link to conflict reduction/prevention**

Mindanao Reconstruction and Development Fund (MRDF)
PCF File No.: 278

Scaled down by the committee from USD2M this grant provided USD650K to prepare for the establishment of a MDTF. The original proposal contained a development objective that is closer to a statement of goal: assisting “former combatants and... conflict affected communities to rebuild their interrupted lives thereby promoting human security”. This was modestly redefined as enabling “the needs assessment and preparatory activities”. The original outputs were stated as the needs assessment, capacity building, awareness and understanding (through a communication program) and high priority sub-project activities (basic services and security). These were reduced to a simple objective “enable the needs assessment in a timely and coordinated manner”.

The country team had developed an understanding of the conflict drivers and used the grant to build on understanding. The approach was sensitive, participatory and collaborative. Whilst only a preparatory phase, it met its purpose with outputs rated from satisfactory to highly satisfactory and the same for relevance, efficacy, efficiency, and performance (Bank, donors, country). The methodology is rated sound and sustainable outcomes as likely. The project is credited with improved social cohesion, higher levels of social capital, increased awareness of the role of women and prejudices against Muslims and shared values amongst communities. Donor contributions have been realized, with the added benefit of donor coordination around a shared program. The model was rated highly by the evaluator with the community driven approach noted as in line with emerging best practice and providing a model for replication elsewhere.

In many PCF projects the Bank’s role is limited. Here the Bank’s performance is rated highly satisfactory and the TTL individually praised for maintaining “quality and timeliness”. Additionally it had relevance to the Bank’s comparative advantage:
- a neutral and trusted partner with high credibility for country/government, extending to the trust of the MILF;
- analytical expertise and country knowledge;
- a leading convening role. The Bank is possibly the only donor that could have mobilized such an initiative.

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56 Although PCF does not require that projects have an impact on conflict.
57 317 – the Philippine Mindanao Reconstruction and Development Fund (MRDF). The external evaluation of outcome attempted to evidence a significant reduction in security incidents to the PCF project in a way that was not convincing.
Conclusion

6.6.12. This is not to say that the PCF projects have not been worthwhile or, indeed, that they have had no impact or impact on conflict (there being a difference between a possible impact and a measurable or attributable impact). Its use in catalytic activity (e.g. potential for replication of pilot activity and attracting additional funding), strengthens the argument that the PCF can have an impact. But given the size of the fund, the average grant size and the relatively modest purpose/outcomes being sought by the projects plus the lack of resource to both design-in impact and to monitor impact (over the longer term) we do not think it is realistic to measure the PCF projects in terms of overall impact on conflict.

6.6.13. At a different level of impact, that of responding to needs in conflict-affected countries - mainly in mitigating the effects of conflict (livelihoods, vulnerable groups, access to basics services) – impact is likely to be more measurable. However, there are again two issues that lead to us to suggest that the level of impact may be difficult to measure:

(i) Firstly, and again, the scale is small: for example, (albeit as pilots) the creation of a single women’s association; or, support to 2 youth centres;

(ii) Secondly, generally there has been no coherence or package of measures to which a PCF project contributes.

6.6.14. It is this that leads us to conclude that the PCF should be reconsidered strategically both in its use at the country level and in terms of its overall purpose.

6.7. Overall Impact on Conflict

6.7.1. The TORs require an assessment of the achievement of PCF objectives, which includes the objective of reduced “impact of conflict and prevention of recurrence”. Although a PCF objective, we argue that at this global/macro-level the PCF is far too small to have any measurable impact on conflict or prevention. The PCF is not a coherent program but a flexible instrument. It would be possible to determine objectives and indicators that might measure its impact more as program but not in its current position.

6.7.2. Similarly, we have not determined that the PCF activity has made a significant contribution to global understanding during the period under evaluation. In terms of contribution to Bank understanding of conflict, the survey suggests:

(i) that learning events, dissemination notes, thematic reports and the website were a small contributor to the country team’s awareness of the PCF, perhaps reflecting the limited knowledge management activity arising from staff constraints;

(ii) similarly, that the PCF’s contribution to raised awareness and understanding of conflict within the Bank is not clear cut.

6.7.3. In view of this we discuss elsewhere (section 3 above) whether reduction of conflict should be an objective of the PCF – in a hierarchy of objectives we argue that it should be at the level of “goal”.
6.8. **Future Evaluations**

6.8.1. The previous external evaluation of the PCF suggested that “one-time end-of-project evaluations may be insufficient for drawing… reliable lessons”. It went on to propose that a “conflict-related evaluation program should include revisits to selected projects one or two years after completion” suggesting that it would be pertinent to know for example, whether a peace process turned out to be disappointing or a failure despite PCF and other Bank/donor interventions having been judged satisfactory.

6.8.2. Whilst we would concur with the first part of the statement re the limitations of end-of-project evaluations and we also agree that more analysis of the success or failures of donor interventions would be valid, we cannot see, given the scale of the PCF, that such analysis should form part of the PCF periodic evaluation framework. Instead, we would *recommend* that future evaluations of the PCF should focus more on the use the country team makes of the PCF instrument in terms of supporting their program and the degree to which it assists Bank engagement, coordination across stakeholders and bringing the Bank’s development perspective to the conflict situation (possibly thereby spending less effort within the evaluation on examining individual projects).

7. **Knowledge Management**

7.1. **Summary**

7.1.1. Since the last evaluation the secretariat have made a considerable effort to improve management of information. This included putting in place a knowledge management strategy. This is a solid strategy if a little limited or one sided, concentrating as it does on information management, with KM responsibilities concentrated in the secretariat, without their engagement with conflict networks or “communities”.

7.1.2. In line with an updated PCF strategy we recommend a new strategy that would determine what knowledge sharing is most useful as well as determining the secretariat’s role in a wider knowledge network but also recognising the limitations that KM may have in terms of a contribution to mainstreaming conflict awareness and understanding.

7.2. **Definition**

7.2.1. For consistency, this evaluation uses the phrase “knowledge management” (KM). Elsewhere in the Bank, “knowledge sharing” or “knowledge and learning” are used interchangeably. KM may be understood broadly as encompassing the generation, marshalling and dissemination of information but the term itself has no universal definition and may mean different things to different people. As the PCF strategy document identifies (see Table 22), there are also differences to the internal and external dimension of knowledge management.
7.3. INTRODUCTION

7.3.1. One of the key aims with which the PCF is associated (or associates itself) is innovation. As we argue elsewhere in this report innovation should not necessarily be an objective in and of itself (tried and tested methods may be just as valid). But learning about what works and what does not in conflict environments is, quite rightly, considered valuable. With this in mind, as recommended in the previous independent evaluation, the PCF secretariat made significant efforts to improve management of information. In particular the following has been achieved:

- creation of a database which, in the last year in particular, has become increasingly populated with relevant project documentation;
- more certainty of independent evaluations being conducted at project end;
- more monitoring visits from the secretariat;
- creation of a web-site (including a “learning from the field” page); and,
- development of a knowledge management strategy.

7.3.2. The secretariat should be commended for taking these actions (and, it should always be remembered that the PCF is only a small instrument – so there is a corresponding limit as to what it should be expected to achieve). However, it appears that insufficient information has been gathered in a systematic way to bring about Bank wide lessons. Undoubtedly, for selected TTLs, some country office staff and the PCF secretariat, lessons have been learned but there was no significant evidence of systematic knowledge management impacting on downstream Bank understanding.

7.3.3. Therefore, if the PCF wants to have a substantial influence on the way the Bank, individual countries and the international community addresses conflict, there is much more that would need to be done.

7.3.4. The focus of the secretariat thus far has been mostly on capturing explicit information. This is a good start, but knowledge management is much more than just information management. We consider there are three key issues currently constraining the PCF from delivering more in terms of knowledge management:

- the KM strategy has a bias towards information management;
- KM responsibilities are centralized within the secretariat;
- the secretariat is not fully active in any conflict networks or communities, either within the Bank or outside.

7.4. STRATEGY

7.4.1. We note that the three year strategy developed for the PCF in 2002 has not since been updated, although two iterations of the knowledge management strategy have been produced (Nov 2002 and Sep 2005). Our difficulties with identifying the definitive purpose/objectives of the PCF (see sub-section 3.2) make it equally difficult to determine the appropriateness of the knowledge management strategy. Although it is possible that the September 2005 strategy is predicated on there being no change in the overall PCF strategy, we would have expected an updated knowledge management strategy to follow the development of a new or revised PCF strategy.
7.4.2. In reviewing the strategy, we note that the activities to be undertaken are solid, if a little limited. This may reflect the demand driven nature of the fund and the decisions pending on stimulation or advocacy (see earlier discussion at subsection 5.4). Whilst it is possible that the approach to knowledge management is being viewed from a particular perspective we would comment that it is perhaps a rather one-sided, strategy. In particular:

(i) the strategy is notably formal and centralised, rather than being based on people, particularly the users of the knowledge;

(ii) the emphasis is on capturing explicit knowledge versus creating or working with networks to share knowledge (including tacit knowledge) and all the activities are aimed at documenting lessons learnt and then disseminating them;

(iii) there does not seem to be any mention of connecting people (apart from the annual event) - allowing people to exchange experiences as they work (in knowledge management parlance), through communities.

7.4.3. The ultimate result of this is that the strategy may aid the PCF to capture, store and publish certain findings, but it is unlikely to empower the PCF to genuinely influence approaches to conflict (either within the Bank or outside it).

7.4.4. A more proactive strategy would determine what knowledge sharing is most useful (both the kind of topics and the form in which it is to be shared). Again, this may better flow from clarity in the PCF overall strategy as this would help set the:

(i) Agenda - determine how topics are chosen, and who is involved/decides (for example, the central team - including the CPRU - rather than the people who might make use of the knowledge);

(ii) Priorities;

(iii) Objectives for knowledge sharing (i.e. the aims), not just topics/themes to ensure it will really improve the way people do things (rather than provide a collection of interesting information);

(iv) Intended audience – whose behaviour does the PCF want to influence?

7.4.5. Similarly, at present there is little in the strategy on evaluating how well/much knowledge has been generated or shared. Knowledge management is notoriously difficult to evaluate (how can you tell if someone has learnt something or acted differently than they might otherwise had the PCF not existed?). All the same, most KM strategies – particularly in the private sector – contain some element of monitoring and evaluation. Often this takes the form of intermediate indicators:

- how many people have visited the web-site and how long did they stay?
- was there positive feedback from the conference attendees?
- how many articles have been published and what audience did they reach?

7.4.6. We **recommend** that the PCF’s knowledge management strategy be updated in two respects, to include:

(i) A medium-long term aim to improve the PCF’s ability to facilitate the sharing of tacit knowledge (as well as specific); and,
(ii) A plan to monitor and evaluate the secretariat’s knowledge management function.

7.5. **KNOWLEDGE MANAGEMENT AS A CORE PROJECT ACTIVITY**

7.5.1. At the moment, responsibility for knowledge management/sharing rests with the secretariat rather than with the task team leaders or implementing agencies. This centralization has benefits in the sense that the secretariat is in a position to take a broad view of all PCF projects and thus see common lessons emerging over time. But there are also disadvantages. It is the task team leader, country team or implementing agency that is “closest” to the project. They are the people responsible for the original conception of the project, and it is they who can see in day-to-day implementation what is working and what is not.

7.5.2. We consider there is merit in conceiving of knowledge management as a core project activity. This, in practice, would mean making KM integral to the design and proposal stage and delegating the responsibility for a project communications/dissemination strategy to the grantee and/or the task team leader. This would have particular relevance for projects with a regional or global dimension where grantees with a better communications track record or proposal (setting up web-sites, involving local media, establishing links with other institutes, etc.) may be favoured.

7.5.3. This would also play to the argument in research circles that knowledge sharing and dissemination is much more effective if it is planned for at the beginning of a project (and factored into implementation) rather than simply treated as an add-on at the end. For many projects actual implementation may change as a result of ongoing dialogue with peers and interested parties (through whatever means – conferences, journal/magazine publications, web-sites, etc.). Even if this does not happen, many projects produce substantial amounts of information useful to others during implementation, but it is never shared beyond those directly involved in project implementation. In this context it may be worth considering grant applicants being evaluated against their plans/ability to take on knowledge sharing or communications themselves.

7.5.4. It is important to recognize that there may be a drawback here – integrating knowledge management activities with project management could prevent projects from being as quick and flexible as they might otherwise be. Again here we return to the issue of what the PCF is for. If it is to test innovative approaches, then establishing shared knowledge as a project output/outcome would seem logical. However, if it is to provide quick, flexible funding for urgent interventions, then requiring project managers or task team leaders to produce results in terms of knowledge would perhaps not be as appropriate.

7.5.5. Even if some KM activities were delegated to task team leaders or implementing agencies, there would still be a role for the secretariat. Some of the most useful observations on project implementation have come from secretariat mission visits (e.g. the joint PCF/LICUS Haiti visit in July 2006). But perhaps the secretariat’s role should be as a focal point for wider activities rather than the sole actor itself.

7.5.6. We recommend that where a project has prioritised innovation that the secretariat require potential grantees to demonstrate in their proposals how they might tackle the
issue of knowledge management (including how much it would cost) – but only if the PCF wishes to continue to prioritise innovation (and potentially at the expense of speed and flexibility).

7.6. **CONFLICT NETWORKS AND MAINSTREAMING CONFLICT WITHIN THE BANK**

7.6.1. Much of the Bank’s work on knowledge management over the last decade has focused on the importance of the network. Networks are important in any attempt to share knowledge, as they represent the “who” to go with the “what”. It is important to have both, because knowledge that is not acted upon or used somehow, is not knowledge at all, just information.

7.6.2. It is important to note that there is no established conflict network in the Bank at present – conflict is only a small part of the much bigger social development network. The CPRU was designed to act as a focal point for conflict issues but its staff numbers have dwindled in recent years. This is despite (or perhaps because of) the fact that, at the country level, there is continuing uncertainty as to how the Bank should address ongoing conflict (particularly its political dimensions). This has implications for one of the PCF’s possibly un-stated agendas – to “mainstream” conflict issues within the Bank.

7.6.3. The Bank is an unusual organization. It has a huge amount of expertise in an extraordinary range of disciplines. Outsiders are often surprised by the sheer clamour for attention and recognition of ideas – a melee of influences. And yet there is recognised institutional inertia. One interviewee we spoke with likened the Bank to a marketplace, with vendors competing to sell their wares – but buyers only using what is useful to them! Within this marketplace, conflict is recognized by many to be important, but to an extent its value remains limited. Disseminating knowledge does not necessarily mean that anyone is going to “buy” it. How is this overcome? In this context we discuss elsewhere the idea of incentivising TMs and country teams to seek the knowledge for example by the PCF providing funding for a CPRU input to each project (see sub-section 5.5).

7.6.4. It is perhaps too ambitious to ask the PCF/secretariat to take on the responsibility of addressing this, for example by starting or re-energising a “conflict” network. But it is important for the secretariat to understand the context in which it is working. Without significant resources to compete for the attention of key players within the Bank, the idea of mainstreaming conflict will be less effective and should be seen as a long-term aim.

7.6.5. With that in mind, the secretariat could perhaps focus its networking efforts to achieve real impact in limited areas. It could, for example:

   (i) Focus on key countries where conflict is an important, perhaps problematic, issue and where there is demand from the country team (Sri Lanka, Colombia, Cote d’Ivoire)\(^58\);

   (ii) Focus on specific themes or topics that PCF projects have covered, such as peace building through national NGOs (Sri Lanka), or aid co-ordination in conflict affected environments (Philippines)\(^59\);

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\(^{58}\) A good example of this is a conference DFID hosted on conflict in Afghanistan, Sri Lanka and Nepal while the evaluation team members were in Sri Lanka: see [http://www.dfid.gov.uk/news/files/conflict-conference.asp](http://www.dfid.gov.uk/news/files/conflict-conference.asp)
(iii) Establish selected linkages with agencies or fora outside the Bank where there are shared objectives (rather than competing objectives as within the Bank), such as the UN agencies or selected research institutes

7.6.6. We recommend that, through the updated KM strategy (above), the PCF make clearer its objectives with regards to ‘mainstreaming’ conflict within the Bank, but remain realistic about what it can achieve with limited resources by focusing on building smaller, working networks in specific areas.

8. Governance, Management and Administration

8.1. Roles, Responsibilities

8.1.1. The roles and responsibilities of the parties involved in the PCF are well structured and clear. In broad terms:

(i) Proposals for funding originate with the country teams and “management” of sub-grants remain the responsibility of the task manager appointed, with line management and accountability through the country team management;

(ii) The committee, largely through the secretariat, has overall fiduciary responsibility to the DGF for the PCF trust fund, including oversight, strategy and sub-grant approval;

(iii) The secretariat performs a largely administrative role by reviewing, screening, and making recommendations to the committee on sub-grant approvals. In doing so they support the task manager in preparing proposals for submission and, after approval, monitor progress and organise knowledge management, carrying out periodic missions for monitoring and knowledge management purposes.

8.1.2. The secretariat is located within the social development network, co-located with but not an integrated part of the CPRU. Within this structure there is clear accountability. In the following subsections we examine these roles in more detail and the processes that are followed, drawing attention to some particular issues.

8.2. Country Teams

8.2.1. The performance of the country teams (TTLs) is assessed indirectly through the outcomes/impact section of the report (section 6 above). Their capacity was also self-assessed through the survey. The majority of respondents indicated that they believe country teams are well placed to sponsor high quality proposals (55% scoring 1 or 2). Although a majority it indicates too that a significant minority of country team staff feel they are less than well placed or not well placed, for varying reasons. The design stage appears to be of importance as a higher percentage (62% scoring 1 or 2) believe that country teams are well-placed to “manage” PCF grants.

8.2.2. In terms of the reasons given for being less than well placed, budget/financial resources was the most frequently cited reason (89% a high or medium cause). This

59 The first independent evaluation similarly recommended conducting evaluations by theme rather than just by project. This we understand has not occurred but in our view it remains a valid recommendation.

60 This could also improve the PCF’s ability to attract outside funding, but also raises the question of purpose once more – is the PCF just an internal Bank instrument?
is unsurprising given the fact that country teams must find the funds to manage the
grants out of their own budget. Senior management recognition at 35% (as a high
cause, rising to 92% as a high/medium cause) is a surprisingly high percentage for
being less than well placed!

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8.2.3. Understanding/expertise was also cited as a high cause (38%), with 78% citing it as a
high/medium cause, which suggests that there is a perceived need for conflict
specialist expertise input to PCF grants.

8.2.4. Of the “other” responses, these can be separated into non-financial resource
constraints (staff time), administrative constraints (e.g. internal procedures) and
external factors (e.g. no government clearance). One respondent indicated that they
saw the non-standard internal procedures as a constraint whilst another felt that there
was not enough understanding at senior management level of the difficulties of
working in post-conflict situations, saying that “Not enough attention at senior
management level to the difficulty of working in fragile/conflict/post-conflict
environments, most in the Bank think of it as business as usual”.

8.3. SECRETARIAT

8.3.1. The secretariat is set up with an administrator and assistant, a knowledge management
specialist, an operations analyst and two further generalist support staff. They
administer both the PCF and the LICUS trust funds, which ensures that, at least at the
administrative level, some complementarities between the two funds are maintained.

Administrator

8.3.2. Over the evaluation period, the secretariat has seen a change in administrator.
Unfortunately, the appointment was a drawn-out process with a gap of 19 months
before the new administrator was in post. The reasons for this delay are not entirely
clear but appear to be related to uncertainty over the appointment of an external
candidate and possible uncertainty of future direction for the PCF itself, these
uncertainties in turn reflecting debate amongst senior management.

8.3.3. The new administrator has been in place since June 2005 and brings a perspective
from outside of the Bank (UNCHR). This has brought a degree of openness to new
approaches, supporting the PCF objective of encouraging innovation and a
willingness to reconsider the demand-led nature of the fund. In addition, there are a
number of networks that he is able to draw upon in advocacy work. Inevitably there
has been a learning curve as the administrator developed an understanding of this
large and complex organisation.

Secretariat Staffing Levels

8.3.4. The result of the significant period without an administrator was a lack of leadership
and an uncertainty of direction and, we would suggest, some disillusionment within
the secretariat team. It is not clear why this was allowed to persist. The staff should
be commended for keeping “their heads above the water” but as a consequence, despite recruiting to the secretariat a staff member to handle knowledge management\textsuperscript{61}, this aspect has been largely neglected for a significant period and lesson-learning has suffered.

8.3.5. More generally the unit has been understaffed with the incoming administrator supported until recently only by a knowledge manager, operational analyst and personal assistant. The understaffing has now been addressed with an additional two staff having been approved and now understood to be in post. We regard this current establishment as a suitable staffing level for maintaining the current functions of the unit.

8.3.6. The lack of administrator does not appear to have negatively affected the quantity, quality or timeliness of the grants approved but it did place strain on the members of the secretariat. Resource was mainly diverted from the knowledge management and monitoring roles with an inevitable reduction in attention to this area (see section 6.2). Clearly it also affected the ability of the secretariat to work with partners and address the global dimension to their brief. We would argue also that the staffing issue affected the strategic direction of the PCF, exacerbating the passivity of the fund.

Support to Task Managers

8.3.7. In interviews almost without exception, the TMs commended the level of support in terms of guidance on readying proposals for consideration by the committee, improving project design, using experience and lessons from other projects, and in ensuring readiness in terms of legal, financial, procurement and other procedural aspects. As noted in paragraph 4.2.13, the move to LOA procedures is likely to require more support from the secretariat if the PCF is to maintain its key advantage of being timely.

8.3.8. In terms of secretariat performance the country teams were asked via the survey to what extent the PCF technical support and advice is valued. The result shows the secretariat is generally valued by those country team members who responded. Perhaps there is still work to be done however, with 15% of respondents indicating that the secretariat is not valued, as indicated in Figure 1 below.

Figure 1 Extent technical support and advice is valued by country teams (1 = highly valued, 6 = not valued)

\textsuperscript{61} In accordance with the recommendations of the previous independent evaluation (2002).
8.3.9. These performance related figures perhaps need to be treated a little carefully as there are indications that some country team members regarded CPRU team members as part of the secretariat.

**Impact of a New PCF Strategy**

8.3.10. If the PCF were to more actively stimulate demand, undertake advocacy to country teams, foster relationships with external partners and raise the profile of conflict and development throughout the Bank, this would place a heavy demand on existing resources. Some scope exists within the current establishment for these activities but to fully address these issues whilst maintaining high quality and ensuring the PCF remains timely, there may need to be an increase in the resources available to the secretariat.

8.3.11. The previous independent evaluation, in addition to comments on understaffing, recommended the addition of social science position. This has not happened and the staff within the secretariat remain as generalists. They have access to specialists for proposal review etc. but we question whether the adoption of a more strategic role for the PCF can be accomplished without specialists either as part of the secretariat or via more formal input from the CPRU.

8.4. **PROPOSAL PROCESS**

**Application Form**

8.4.1. Our analysis suggests (see Box 12 as an example) that some small improvements could be made to the application form:

- the adapted budget form many consider not to be user friendly;
- the proposal format should include a section where the sponsor demonstrates their analysis of risks and steps taken to mitigate (drawing a link to the critical assumptions within the logframe matrix).

**Box 12 Use of the logical framework in the proposal application form**

<table>
<thead>
<tr>
<th>Emergency Health Interventions in Haiti</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCF No. 243</td>
</tr>
</tbody>
</table>

This project, implemented by the Pan American Health Organisation (PAHO), is a good example of quick, flexible PCF funding that was invaluable to the beneficiaries at a time when government in Haiti was barely functioning. However, it is also a good example of how the application form (Project Design Summary) design can cause difficulties for proposal authors.

The initial proposal – not in the PCF format – contained a comprehensive hierarchy of objectives. It clearly elucidated an overall objective, and three specific objectives that would contribute to the achievement of the overall objective, as well as outputs and output indicators and supporting activities. However, by the time the proposal was in its final format (i.e. the standard PCF format) the logic of the project had been lost. In particular the project design summary was:

- far less detailed (only a tiny proportion of the information contained in the initial proposal remained);
- confusing, in the sense that the terms outputs, outcomes and objectives were used interchangeably (the author seemed unsure how to include an overall objective and the component specific objectives); and
- incomplete, as the section on ‘activities’ was empty and just referred the reader to the section on project development objective again.

Box 12 Despite this, the project was approved – and it turned out to be a satisfactory project. But the fact that the original free format proposal was a much stronger document than the final proposal remains. This does not help the Committee to make fully informed decisions.

**Independent Review**

8.4.2. Independent review of proposals is carried out both by Bank staff and external consultants/organisations. This arrangement appears to provide a thorough and
considered discussion of the proposal as a stand alone document (from the external reviewer), coupled with a suitable analysis of the implications for Bank involvement (from the Bank staff member).

8.4.3. From our review the following points have emerged:

- The budget sheet is not detailed enough for the external evaluator to understand the full range of tasks in the proposal;
- The different reviewers can present conflicting or opposing recommendations and the external evaluations can provide fundamental challenges to the projects which may or may not be accepted by the applicant team;
- The extent to which the points that may lead to improvement to proposals are addressed is not well documented.

8.4.4. We accept that there is a need for balance between “lean” procedures and an exhaustive attention to detail, particularly for relatively low value grants but a failure to take full advantage of the reviews negates their purpose. In Box 13 we give an example of where this review process has not led to project improvements.

**Box 13 Review process not leading to project improvements**

| African Peace and Security Agenda Support Program  
<table>
<thead>
<tr>
<th>PCF No. 324</th>
</tr>
</thead>
<tbody>
<tr>
<td>The African Peace and Security Agenda (APSA) Support Program was one of the biggest grants in financial terms awarded during the period of this evaluation – over USD2M. Still ongoing, it seeks to support the secretariats of the African Union (AU) and NEPAD in developing a coherent continental policy framework within which to approach post-conflict reconstruction and development.</td>
</tr>
<tr>
<td>The grant is somewhat unusual, however, in that it was awarded not to NEPAD or the AU, but to a peace-building focussed NGO called SaferAfrica. Their proposal contained a letter of reference from the African Union, but did not address why the grant was to be awarded directly to them and not to the recipient (an obvious owner) of the services, AU/NEPAD.</td>
</tr>
<tr>
<td>One of the two peer reviewers assigned to assess the proposal noted this, and observed that: “There is a risk that:</td>
</tr>
<tr>
<td>- the process will get monopolised by one organisation [SaferAfrica];</td>
</tr>
<tr>
<td>- the partner for backstopping is geographically and thus politically not representative in the African context;</td>
</tr>
<tr>
<td>- SaferAfrica owns too many roles within the process;</td>
</tr>
<tr>
<td>- The process will be owned by SaferAfrica rather than by the AU or NEPAD.”</td>
</tr>
<tr>
<td>However, despite these concerns, the grant was awarded with no appreciable changes to the proposal. We were unable to assess the success of the grant thus far as it is still at a relatively early phase in implementation, but we would observe that for such a big risk to have been observed but not acted on suggests the opinions of the peer reviewers are not always being given the attention their comments deserve.</td>
</tr>
</tbody>
</table>

8.5. **The Committee**

8.5.1. The committee is a suitable and strong governance arrangement. Although the committee members must give of their time, the director-level members are strongly engaged and bring a robust and independent minded attitude to their approvals role, helping to ensure the quality of projects, whilst reducing risks. Many committee members expressed their enthusiasm for the concept of the PCF, with two remarking “that if it did not exist we would have to invent it”.

8.5.2. The DGF board paper states only that the committee would review grant proposals within the priority guidelines set out in the framework, and within the context of the DGF. Current statements on the Bank intranet on the other hand, describe the role of the committee as a governing board, overseeing policy for the PCF, setting priorities for PCF support, as well as deciding on individual sub-grants. The committee is said to meet annually to discuss performance and emerging strategic or policy issues.
8.5.3. However, as discussed elsewhere, in our view the PCF lacks a clear purpose and strategy and three of the members of the committee we spoke to expressed a view that they would like to see more clarity and for the fund to be used in a more focused and strategic manner. This suggests that whilst in theory the committee has a wider oversight responsibility, these committee members have been unable to exercise this role and that, in the absence of any serious operational issues, the committee does not exercise the full oversight function but serves more as an approvals committee.

8.5.4. This is further suggested by the fact that several committee members indicated that they were both unclear on the purpose of the PCF (for example in its differentiation from the LICUS trust fund) and of their role in its oversight. No briefing or guidance has been provided to newly joining committee members and we have not seen documents that define the terms of reference other than in the high level way described above. They also expressed some uncertainty on the criteria for grant selection/approval (discussed at paragraph 8.8.12). All this is not perhaps too significant, given the seniority of the members and their knowledge of the Bank but terms of reference should be provided as good practice to ensure both the proper exercise of responsibility and of their rights as members and it is therefore, recommended.

8.5.5. Given the size of the fund and the value of grants, the quorum (50% plus 1) arrangements and the no-objection decision basis for low value grants are pragmatic arrangements and deemed sufficient.

8.5.6. In terms of the constitution of the committee, there are two other issues (resulting from points discussed in more detail elsewhere) that may need to be considered. The first is the possible need to bring in external committee members were the PCF to attract significant funding from other donors (see paragraph 5.3.2). This could risk less efficient and focused committee deliberations with experience from elsewhere suggesting a risk of a tendency to micro-manage on the part of those in the external governance role. It may be possible to limit this representation to a high-level oversight role, in which case the external involvement could be of benefit, bringing partnership and a different perspective. However, at the moment the PCF is very Bank centred and whether the external committee membership would be positive may depend on what type of fund was wanted for the future.

8.6. **Chair**

8.6.1. The second issue relates to the chair. Although the administrator has reporting lines to both the head of the CPRU and the director of the social network who acts as chair of the committee, we would see no difficulties as the chair arrangement is seen to be working well. However, were there to be a more formalised role for the CPRU in PCF grants to the extent of the PCF acting more as a tool of the CPRU (see sub-section 5.5), then the issue of a conflict of interests may need to be considered.

8.7. **Proposal Approval**

8.7.1. We would characterise the committee arrangement as working well with many examples of the committee questioning aspects of proposals and picking up on risks to the Bank (mainly issues of legality). The secretariat make recommendations (having pre-screened grants, and obtained independent reviews). Whilst the
committee may raise questions, require adjustments to components (typically to components involving communication) or make conditions (e.g. phased disbursement), there are very few proposals rejected. Given that we would not characterise PCF projects as being invariably clear of purpose or well designed this suggests the committee is relying heavily on the secretariat; in effect the secretariat performing their quality assurance role diligently and the process functioning as it should.

8.7.2. However, from the review of files we would comment that:

- reviewers concerns (even negative comments) are not necessarily brought to the attention of the committee (see Box 13);
- some poorly or sketchily designed projects have been given approval (see Box 3 and Box 13);
- it is also difficult to tell from the committee minutes whether the issues of concern raised by committee members are adequately resolved during the meeting before approval is given (although we understand that the teams have to address all questions raised by the committee);
- finally there were one or two examples where the committees concerns were not necessarily adequately resolved by the task manager post the committee meeting (see Box 3).

8.7.3. This sounds highly critical while it is not intended to be, just that having identified the examples we are obliged to comment. Clearly there is a balance, given that the PCF is intended to allow innovative, even risky, projects. To balance these points we would also say that:

- there were several projects where the committee gave approval conditional on improvements or addressing of risk;
- approval for a first phase or tranche of funding was given so that the project could be trialled;
- we witnessed the committee in process when the committee criticised the coherence of a batch of seven current projects for Sri Lanka, rejecting one as too risky to the Bank’s reputation.

8.7.4. Some committee members expressed concern that the level of scrutiny given to each proposal during a committee meeting is not consistent and depends on the number of grants to be considered and the order in which they are addressed\(^\text{62}\). As such, the first proposal in a meeting typically gets a higher degree of scrutiny than the last (if it is discussed at all). Whilst all committee members will have read the proposal in advance of the meeting and any concerns can be raised via virtual meetings, there is reduced scope for discussion. This approach does, however, allow more time for a considered response from the relevant task manager.

8.7.5. Other committee members expressed the following concerns:

(i) There is a lot of correspondence before a proposal is given to the committee for consideration and these exchanges may assist in the decision-making process.

\(^{62}\) It has been suggested that this may apply more to LICUS grants than PCF, although it would apply to a degree to the recent batch of Sri Lanka grants.
The ‘technical summary’ highlights some of the issues but is not always sufficient. It is understood the secretariat has revised the format for technical summary to indicate the key points of reviewers, whether these have been addressed and any remaining issues.

(ii) The objectives of the PCF are unclear and it is difficult to identify what criteria are used to assess whether projects should be accepted (see 8.8.12 below).

(iii) When comments are given to the TM, the committee is unable to determine what follow-up action is taken to check that the points have been addressed sufficiently (we are satisfied this follow-up is conducted by the secretariat on the committees behalf).

8.7.6. TMs generally felt that the comments received from the committee were constructive and contributed to the high quality of their proposals.

8.8. THEMES AND SELECTION CRITERIA

Priority Themes

8.8.1. The PCF guidelines state that, to be eligible for funding, projects must fall within one of eight priority themes (these themes have evolved over the period of the evaluation – in 2002, for example, there were only six63):

- Needs analysis (socio-economic/conflict);
- Conflict prevention/mitigation;
- IDP/refugee support/resettlement;
- Social sectors;
- Economic recovery/private sector;
- Mine action/demobilisation;
- Security sector/governance;
- Generic/research/policy study.

8.8.2. However, they would not appear to represent an attempt to be more pro-active and strategic in shaping the use of the fund as the extent to which the secretariat or the committee uses these themes as filters through which to approve projects appears very limited. For the most part, flexibility applies and the secretariat continues to place more emphasis on the perceived quality of a proposal than its relevance to any of these themes. This is borne out by a statistical breakdown of the projects approved in the evaluation period, which shows that 16 out of 87 projects (or 18%) were approved without being allocated to a category at all (see Table 15 - either that or the category data was just not captured):

<table>
<thead>
<tr>
<th>Theme</th>
<th>Africa</th>
<th>EAP</th>
<th>ECA</th>
<th>LAC</th>
<th>MENA</th>
<th>South Asia</th>
<th>Global</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Needs analysis (socio-economic / conflict)</td>
<td>4</td>
<td>0</td>
<td>0</td>
<td>1</td>
<td>3</td>
<td>0</td>
<td>1</td>
<td>9</td>
</tr>
<tr>
<td>Conflict prevention / Mitigation</td>
<td>4</td>
<td>2</td>
<td>3</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>10</td>
</tr>
</tbody>
</table>

63 See Post Conflict Fund Guidelines and Procedures December 2002
8.8.3. This approach is in keeping with the demand driven nature of the fund and does have its benefits. It enables the PCF to be used flexibly in response to genuine need and it allows project proposals to be unconventional and innovative in nature. In usage therefore, the purpose of the themes is not to act as approval filters but to allow statistical analysis that could identify patterns and trends in PCF funding over time.

8.8.4. However, we would suggest that if the themes are not being used pro-actively to filter project proposals (as appears to be the case), they ultimately have little utility. Even if they did enable the identification of a discernible trend or pattern in sub-grants approved, the flexible demand-led nature of the approval process means that no action is likely to be taken to alter the trend in response.

8.8.5. We recommend that the secretariat make clear the purpose behind the priority themes. If they are to be used as filters in the approval process, then this should be clearly stated in PCF guidelines and, perhaps, in terms of reference for the committee. If they are not serving this purpose, the secretariat should make clear exactly what purpose it intends them to serve.

**Theme typology**

8.8.6. As well as an unclear purpose for the themes, the themes themselves appear to be a mixture of general sector, sub-sector and activity type that have been grouped together without any coherence or logical hierarchy, as demonstrated in Table 16:

<table>
<thead>
<tr>
<th>General sector</th>
<th>Sub-sector</th>
<th>Activity type</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social sector</td>
<td>Conflict/prevention/mitigation</td>
<td>Needs analysis (socio-economic/conflict)</td>
</tr>
<tr>
<td>Economic recovery/private sector</td>
<td>IDP/refugee support/resettlement</td>
<td>Generic research/policy study</td>
</tr>
<tr>
<td>Security sector/governance</td>
<td>Mine action/demobilisation</td>
<td></td>
</tr>
</tbody>
</table>

8.8.7. One consequence of this is that it is possible to allocate a project to a heading but not to really know anything about it. “Economic recovery”, for example, is a very broad term that could really cover any activity that might be deemed to have positive economic consequences. “Generic/research/policy study” appears to allow a project to belong to any sector so long as it is somehow related to policy or research.

8.8.8. We would recommend the categories be re-considered and formulated within a logical hierarchy. One way to do this might be to adopt something similar to the
network-family-thematic group hierarchy used throughout the Bank. Table 17 displays a sample of this hierarchy to show how it works.

### Table 17 Categorising by hierarchy of network-family-thematic group

<table>
<thead>
<tr>
<th>Network</th>
<th>Family</th>
<th>Thematic Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable Development</td>
<td>Rural development</td>
<td>Land policy and administration</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Natural resources management</td>
</tr>
<tr>
<td></td>
<td>Transport</td>
<td>Urban transport</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Roads, highways and rural transport</td>
</tr>
<tr>
<td>Human Development</td>
<td>Education</td>
<td>Secondary education</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Tertiary education</td>
</tr>
<tr>
<td></td>
<td>Social protection</td>
<td>Disability</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Child labour</td>
</tr>
<tr>
<td>Poverty Reduction</td>
<td>Economic policy</td>
<td>Anticorruption and governance</td>
</tr>
<tr>
<td>&amp; Expenditure Management</td>
<td></td>
<td>Migration and development</td>
</tr>
<tr>
<td></td>
<td>Public sector</td>
<td>Public finance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Law and justice institutions</td>
</tr>
</tbody>
</table>

8.8.9. Note the hierarchy demands that projects belong to a branch (e.g. human development-education-secondary education) rather than just to one area of the hierarchy in isolation (e.g. social development). This has several benefits in that it:

(i) Forms a more direct link between the lowest level specialism and the higher level development objective (e.g. “urban transport” improves “transport” which in turn supports “sustainable development”);

(ii) Ensures like is compared with like (instead of “social sector” projects being categorised with “mine action” projects for example – a not very valuable comparison);

(iii) Encourages more specificity in terms of what the project is actually trying to do.

8.8.10. It should also be noted how “activity type” (e.g. policy study or conflict analysis) does not feature in this hierarchy. That is because “activities” remain fundamentally different from “sectors” and should not be grouped together (in the same way that, for example “country” is fundamentally different to “year”).

8.8.11. Should the secretariat wish to use themes as filters for project eligibility, we would recommend that another set of categories is layered over the statistical categorisation and that activity type categories be separated from the list of PCF priority themes.

**Selection Criteria**

8.8.12. We have mentioned previously the PCF objectives of innovation, piloting, early and risky investment etc., which together with the DGF criteria appear to be the basis for selection. However, it is probably more correct to say that selection is intended to be entirely flexible and that it is the intention not to tie the committee. Even if the priority themes were originally intended to guide selection they are so broad

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64 This particular hierarchy is only presented as an example. The secretariat may feel that these categories do not adequately serve the PCF’s purpose. In this case, they may wish to define PCF-specific categories. The key principle should always be, though, that there is a logical hierarchy to ensure the themes do actually add value to the approval process.

65 It is of course possible for projects to be relevant to more than one ‘branch’ of the hierarchy – in which case, the PCF could introduce prioritisation – e.g. a project is primarily about ‘anticorruption and governance’, but as a secondary impact will also affect ‘law and justice institutions’.

66 Thus table Table 15 is dominated by social sector projects – but it is impossible to judge whether that actually means the PCF is biased towards social sector grants or just that ‘social sector’ has a much wider definition than the other themes.
(including as they do “development initiatives that minimize potential causes of conflict” and “recovery measures”) as to be almost meaningless.

8.8.13. It is our understanding that proposals do not necessarily need to state their conflict specific relevance. Proposals can have a reconstruction objective (e.g. infrastructure rehabilitation like roads) or any other developmental objective (such as job creation, micro-credit), without explicitly stating or aiming at conflict management or prevention. They are conflict related by mitigating the consequences of conflict. Therefore, conflict may not be explicit but will be the context in which proposals are considered.

8.8.14. Another dimension is not necessarily what is done but how it is done. This means that a road reconstruction project with very limited relevance beyond the transport sector can still be conflict sensitive if it is using ex-combatants, or targeted at a disadvantaged ethnic minority community or, more indirectly, through a conflict sensitive approach, avoids fuelling tensions. Therefore, all development/reconstruction projects in post-conflict or conflict-affected contexts can be understood as mitigating conflict or have a link to the causes of conflict (where these are poverty, exclusion, lack of services, poor governance, etc.), although the committee clearly ask questions if the link is not evident.

8.8.15. There is difference between being sensitive generically to issues in conflict and displaying understanding of the country/conflict context, which for several of the projects reviewed this was not necessarily apparent. It is this level of flexibility (or lack of criteria) which leads to criticism of the fund as being discretionary, i.e., it can do anything you want it to.

8.8.16. Proposals can be made to be more conflict relevant via other means, for example:

- consistent with a conflict analysis;
- more strategic;
- applying lessons;
- the “how” not the “what”;
- through knowledge management and publicity - the message getting out there is sensitising.

8.8.17. Again, all these questions of criteria relate back to what is the PCF for – “engaging”, “sensitising”? We would recommend therefore, that criteria for grant selection should be developed, even if the criteria still reflect an emphasis on flexibility. We would also suggest that these should be developed as part of a wider business plan for the fund.

8.9. Transparency

8.9.1. As would be expected the governance/management is transparent. Efforts have been made to capture management information comprehensively and decisions, such as sub-grant approval, are documented. Efforts are made to share information and lessons. Involving external parties in proposal review and evaluation increases transparency. A record is made with reasons of those proposals that do not reach the
approval committee or that are rejected. Full access and disclosure was provided for this evaluation.

8.9.2. There is some evidence of proposals being written up to stress or overstate their relevance and conflict eligibility. This is understandable but probably unnecessary given the flexibility in selection. Some committee members felt that they perhaps did not have all the facts on which to base judgements. We are satisfied that this results from the secretariat functioning on behalf of the committee and that information is available on request. We would further comment that:

- terms of reference for the committee should be drafted;
- criteria for proposal deliberation should be defined (and revised over time as circumstances change);
- Greater clarity of the purpose/objectives of the PCF purpose would bring greater transparency throughout – from mission, through to selection criteria.

8.10. DIFFERENT/EXPANDED GOVERNANCE STRUCTURE

Impact on Speed, Flexibility, Partnership

8.10.1. The TORs require comment on whether a different or expanded PCF governance structure would have an impact on the speed, flexibility, and partnerships for the PCF. We believe that potentially it could, given that there is a trade-off between speed, quality and efficiency/economy – generally speaking two of the three are achievable.

8.10.2. The function of the committee is effective but minimalist. Supported by the secretariat it exercises its grant approval role in an administratively efficient manner. We discuss elsewhere the need for an expanded role in terms of strategic and management oversight. This could be achieved with some loss of economy of effort but without impacting on speed or flexibility for sub-grants.

8.10.3. Experience from elsewhere (UN) suggests an expanded governance structure involving, for example external oversight, could impact adversely on speed and flexibility as the members may seek to micro-manage, have differing agendas or just differing constituencies to satisfy. It may be beneficial for partnership and actually be essential in the circumstance of significant external funding. But it could change the nature of the instrument as it may mean the PCF could no longer be a Bank-centric instrument, giving Bank country teams a means of engagement. If, as we argue, the PCF should be mostly about Bank engagement, a changed membership of the oversight committee could affect this purpose.

Efficiency of Resource Allocation

8.10.4. The TORs also require comment on the efficiency of allocation of resources and to make comparisons to similar bilateral programs. A basis for assessing this is very difficult, even if comparable programs could be identified as bilateral organisations have a different cost base. Efficiency is defined as the maximisation of output relative to input - the extent to which objectives are achieved at minimum cost. Quantifying this would be a major effort. Certainly the PCF process is streamlined compared to most Bank business but equally, small grants require a disproportionate effort to achieve limited output and the PCF can be no exception to that, given the size of the fund overall and the size of the sub-grants. Some TMs speak of PCF being
burdensome (see the current set of “strategic menu” projects in Sri Lanka, Box 9) and some say that although that they are willing to do so, they spend a disproportionate effort.

8.10.5. We would judge however:

(i) subject to some of the comments in this report the current balance of arrangements to be broadly correct;

(ii) given the flexibility of some bilateral donors including their fiduciary flexibility we would judge the PCF as not being efficient comparatively. However, they would make a different judgement of fiduciary need for a program being handled internally compared with one entrusted externally. We would judge that depending on the scale and frequency of contribution, most donors would be satisfied with their funds being handled through the PCF.

(iii) Given comparable instruments within the UN67 we would judge the PCF efficiency to be comparable or perhaps more efficient.

8.11. ACCOUNTABILITY

Internally

8.11.1. As indicated in the foregoing we regard the governance structure to be satisfactory in fiduciary terms providing good accountability. However, we discuss elsewhere (paragraph 6.5.9) the issue of a lack of clarity of purpose in many of the projects, the poor indicators for measuring success and the difficulty in determining achievement of outcome/impact. This undermines overall accountability.

To Donors

8.11.2. External contributions have to date been less than 10% of the total funds available. The Bank is generally regarded as having the highest fiduciary standards and in our judgement those donors would be satisfied. However, the fund is Bank-centric. In the event of more donors providing a greater proportion of funds there may be a need to open oversight to a body with donor representation.

Client Governments

8.11.3. Sub-grants in Bank client countries are accountable to client governments either:

(i) Directly where the government is the implementing agency and the respective roles are clearly defined in the agreement; or,

(ii) Indirectly where non-government agreements are entered into by the Bank this is only after the government has indicated their acceptance. The Bank takes its mandate of responsibility to client governments extremely seriously, avoiding funding activity that would be unacceptable. There are several examples on file where this risk has been identified through the review and approval process.

Partners

67 The United Nations Trust Fund for Human Security, administered by the Human Security Unit within the Office for the Coordination of Humanitarian Affairs (OCHA), which has an advisory board made up of external members, including representation from government contributors.
8.11.4. Accountability to implementing partners is accomplished through legal agreements. Wider accountability to Bank partners is more problematic as the fund is used predominantly for those projects sponsored by Bank country teams and there is little or no accountability to global partners at the project level.

8.12. **CONFORMITY WITH BANK’S MANDATE/ ARTICLES**

8.12.1. The TORs require an assessment of whether the PCF objectives and procedures are in conformity with the Bank’s mandate/ articles and policy on conflict. This is a big question that is arguably beyond the scope of an evaluation of this type, particularly as the Bank is recognised for the care with which it develops its policy positions and has legal counsel closely involved in developing Bank policy and advising at an oversight level, ensuring compliance.

8.12.2. Nevertheless, in attempting to answer we discuss development of the Bank’s position on conflict at subsection 2.2 above. The document Post Conflict Reconstruction: The Role of the World Bank (1998) is an impressive document. The operational policy statement based on this OP 2.30 – Development Cooperation and Conflict (and BP 2.30), articulates this into policy. We discussed OP/BP 2.30, with several Bank staff. Its high level treatment of policy allows a great deal of flexibility in operation providing the context within which the PCF operates. We believe the PCF objectives are consistent with that policy, allowing as it does:

- Close partnership with bi-lateral and multi-lateral agencies, particularly the UN, client governments and NGO/CSO and private sector entities;
- Analytical work in the area of conflict, including country specific conflict analysis;
- Initiation of watching brief and preparation of an Interim Strategy Note (ISN[^68]);
- Support additional activities, at the countries request[^69].

8.12.3. The provisions of OP 2.30 are also applied at the operational level with the committee responsible (particularly legal counsel) for ensuring that individual sub-grants are legal and in compliance with policy.

8.12.4. One area of particular focus for counsel is the need for all Bank activity in a country to be agreed by the government[^70]. Given that dealing with conflict involves difficult and highly political issues[^71] this represents a constraint on the Bank, that members of the UN or bilateral donors do not necessarily face to the same extent. Of particular focus in the political context are: some of the communication and awareness raising activity[^72] (which do not fall under “additional activities” as defined by OP2.30), outreach programmes, and areas of sensitivity such as training and awareness raising in the context of gender and religion.

[^68]: OP2.30 was revised in June 2005 - formerly a Transitional Support Strategy.
[^69]: We are making the assumption here that where OP2.30 states that additional activities are subject to the prior approval of the Board that the committee’s function here is formally delegated and that the necessary Board approval for exceptional financial assistance is similarly delegated.
[^70]: The Bank’s Articles of Agreement explicitly prohibit the Bank from interfering in the domestic affairs of a member... Thus, the Bank does not operate in the territory of a member without the approval of that member.
[^71]: …or from questioning the political character of a member...
[^72]: For example in Philippines where the liberation front also had involvement in the process.
8.12.5. We conclude therefore, that it is axiomatic that conflict is a major constraint to the Bank meeting its mandate and given the risk that conflict represents we would have little hesitation in agreeing that the PCF facility has relevance to the Bank’s mandate. The Bank’s position on conflict has been carefully constructed over time and the PCF would appear in conformity with OP 2.30. Beyond that, given the legal complexities, opinion and precedents that determine this conformity, we believe it would be beyond the scope of this study to determine definitively the PCF’s conformity. In any event this is an issue for consideration on a case-by-case basis.

8.12.6. We have reviewed consistency of the PCF operation to the following policy documents and found it consistent either by design or by case-by-case consideration within the governance framework:

(i) OP/BP 8.50 – Emergency Recovery Assistance,

(ii) OP/BP 14.40 – trust funds (to the extent that this is applicable given PCF is funded by DGF from Bank surplus – i.e. there is no external donor);

(iii) OP/BP 8.45 – grants - in that the PCF:

- Does not compete with or substitute for regular Bank instruments;
- Uses Bank comparative advantage;
- Includes multi-country benefits, although not in a major way;
- Encompasses capacity building;
- Provides leverage for generating financial support;
- The record of achievement and financial probity of the recipient is assessed;
- Management of the recipient is independent of the Bank (although Bank implemented projects are performed with PCF funds, consistent with OP 8.45);

(iv) the Trust Fund Handbook – in as much as we were able in an evaluation of this type we are satisfied that PCF management and administration is consistent with this handbook and:

- with the Bank’s strategic development priorities for which the funds are mobilised;
- safeguards against reputational risk;
- does not substitute for regular administrative budgets;
- avoids conflicts of interest;
- avoids Bank executed projects that conflict with the need for an independent Bank view during appraisal, supervision or cause potential liability for the Bank;
- involves appropriate Bank departments – LOA, LEG, ACTTF (as it now does).

(v) the Op memo – Application of Procurement Plans to Trust Fund Grants.
9. **Recommendations from the 2002 Evaluation**

9.1.1. We have examined the degree to which the secretariat has addressed the recommendations contained in the previous independent evaluation\(^{73}\) of the PCF in 2002. This report contained a lot of comment and observations but only a few of which were described as recommendations or carried forward to the summary. In the following table (Table 18) we have included both recommendations and those points where the comment or observation seems to expect some corrective action:

<table>
<thead>
<tr>
<th>No</th>
<th>Recommendation</th>
<th>Whether Addressed (and comment)</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Shift from… demand driven model to one more proactive</td>
<td>This has not occurred and the PCF has remained essentially demand driven following deliberation by the Committee. Now under consideration - discussed more fully at 5.4</td>
</tr>
<tr>
<td>2</td>
<td>Knowledge… management… need[s] significant strengthening</td>
<td>A knowledge management post was added to the secretariat but owing to staff levels the function has not received priority. See discussion on knowledge management at 7.</td>
</tr>
<tr>
<td>3</td>
<td>Potential as a channel for bilateral donors - increased participation</td>
<td>Until recently no emphasis has been placed on attracting non-Bank contributions to the PCF owing to the head of resource mobilisation previously indicating that it was inappropriate to be seen to fund raise for PCF in apparent competition with IDA fundraising. See discussion on the potential for this 5.3.1</td>
</tr>
<tr>
<td>4</td>
<td>Strengthen its management information system</td>
<td>The secretariat’s record keeping appears to be very much more up to date than previously. Its structure was revamped, database created, website updated, learning from the field page created and efforts made to track (and update) all information regarding grants. Big effort put into scanning all hardcopy documents Certain of the tables referred to are no longer relevant as Bank policies have changed. In the process of revising the categories for classification (themes) used in the MIS.</td>
</tr>
<tr>
<td>5</td>
<td>TMs be a part of a Bank unit, not a PCF/CPR team</td>
<td>With a few early exceptions this has been the case and continues to be the case</td>
</tr>
<tr>
<td>6</td>
<td>A more active approach to screening</td>
<td>Screening has remained passive, rather than part of strategy with efforts directed at improving quality and relevance to enable a grant to proceed. Emphasis has changed over time with the introduction of LICUS and the creation of the IDA post-conflict allocation. Now countries with fewer resources may receive a more lenient treatment. For other countries, pre-selection is based on quality and how the proposal performs against broad criteria (innovation, piloting, early and risky investment, donor coordination and resource mobilization). The committee want to leave room for judgment calls on high risk ventures in cutting edge activities. Managed with discretion and flexibility by the secretariat. Although a knowledge management position was filled overall staff levels meant that knowledge generation has not been emphasised after the first administrator left. We would characterise support as diligent rather than cutting-edge and would suggest more needs to be done – see our comments on links with CPRU, section 5.5</td>
</tr>
<tr>
<td>7</td>
<td>Rejections - Reasons… should be fully documented</td>
<td>A table of “rejections” is maintained with reasons. There are a number of projects that do not move forward for a number of reasons (lack of support by government and/or country team, implementing agency finds another source of funding, the issue is no longer relevant, etc). Secretariat discourages those projects it feels won’t be approved by the committee. Number of rejections by the committee is very low given the flexibility and the broad criteria for eligibility. Good proposals have almost never been turned down for lack of money.</td>
</tr>
<tr>
<td>8</td>
<td>Introduce some type of heads-up reporting requirement to inform of significant expenditure lapses</td>
<td>A stronger focus was put on knowledge, including improving the quality of the proposals, strengthening M&amp;E, secretariat participation in supervision missions, extracting lessons, etc. A mission program was put in place. Management of grants remains the responsibility of the TM, while the secretariat has fiduciary responsibility for the trust fund, thus the secretariat is involved in monitoring not management, in a selective way given capacity constraints. Monitoring activity is expected to increase with full staffing contingent finally in place. Nevertheless, the most valid monitoring activity for the secretariat would relate to any conditionalities on release of funding and this aspect should be monitored by the secretariat.</td>
</tr>
<tr>
<td>9</td>
<td>Implementation monitoring…</td>
<td>In 2002, in preparation for the KM strategy, the secretariat invited M&amp;E</td>
</tr>
</tbody>
</table>

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9.1.2. All the recommendations appear to have been carefully considered. We would regard the degree of effort to address the recommendations as very satisfactory.

10. CONCLUSIONS

10.1. INTRODUCTION

10.1.1. The previous evaluation was undertaken when the PCF had been operating for 4½ years (approximately), when it could be regarded as emerging as an established program. It concluded, inter-alia, that the PCF broke new ground in a key area for the Bank, that it had created a number of successful partnerships and had potential to
attract bilateral funding. Since that time additional instruments have been introduced, principally the LICUS trust fund and the IDA grants for post conflict countries. Although these additional instruments do different things, to some degree the context in which the PCF was seen as a unique mechanism for use in conflict affected or fragile states, has changed.

10.1.2. The PCF is still relevant. Indeed, committee members remarked that if it did not exist it would have to be created. We agree. It has a greater degree of flexibility than other instruments and offers country teams (and others) an option that would not otherwise be available. It does mean however, that in what is otherwise a mature program, there are one or two fundamental issues for consideration.

10.1.3. We found the PCF purpose ambiguous. In various documents there are subtly different statements of its objectives. This makes it difficult to measure its achievements. Given the changed environment within which the PCF operates we conclude that it needs to devise a new strategy and business plan. In examining what its purpose might be we discuss three alternatives:

(i) A niche role for innovation – we decided this was bit narrow. The PCF can still emphasise innovation, whilst having a wider purpose;

(ii) A tool for the CPRU/ social development network. Whilst it is true social development/ CDD type projects predominate, this role might have excluded some important projects. Again it might narrow its purpose and perhaps create some governance issues. We argue that the CPRU should have a more formalised role in shaping the PCF and its sub-grants without the PCF being limited to a CPRU tool;

(iii) A tool to enable Bank engagement in accordance with the DAC principles.

10.1.4. We opt for the latter, concluding that a purpose statement for the PCF should be constructed around Bank engagement with conflict in a timely and flexible way. This provides the country team with an instrument by which they can become involved at the various levels of country status. Impact on conflict or conflict prevention is raised to “goal” and innovation and learning are valid but expressed as a sub-objective, where applying conflict understanding to the country context is just as important.

10.2. ACHIEVEMENT OF OBJECTIVES

Timely and Flexible

10.2.1. We see the objective of timeliness as achieved. The PCF provides a tool for the country teams to respond quickly and opportunistically, with grant availability capable of being measured in days rather than weeks and certainly significantly more quickly than standard credit/loan facilities and indeed other grant instruments such as IDA grants. The secretariat involvement supports this timeliness and the committee process is responsive and flexible. We identified projects that experienced delay; for certain examples, significant delay. A variety of reasons were evident but these reasons were beyond the scope of the secretariat or committee to influence, a significant reason being the need to get client government approval (an inevitable constraint for Bank business).
10.2.2. The objective of flexibility is also achieved both in terms of process and what is allowed for funding. Both provide the flexibility appropriate to an instrument of this type for relatively small sub-grant values allowing, we believe correctly, latitude in terms of innovation and risk. Inevitably there is some trade-off in quality (discussed below) but minimised by the review and approval process. Having said which, it is almost too flexible being capable of being used for almost anything and perhaps limiting its impact as an instrument. We conclude that criteria for sub-grant eligibility should be reconsidered together with consideration of the funds purpose.

10.3. OUTCOMES AND IMPACTS

Outcomes

10.3.1. We have rated the projects based, substantially, on the achievement of objective[s] (outcome). Given the nature of the fund it is not unreasonable for the expectation of success to be lower than for the Bank’s other portfolios. However, we examined completed projects that represented 15% of the projects covered by the evaluation period. Of this group we concluded that 85% achieved highly satisfactory or satisfactory outcomes, a creditable level of performance. More anecdotally we reviewed a number of worthwhile aspects of projects and we highlight of a range of positive achievement.

10.3.2. In terms of quality we note the context, which includes the need for flexibility, approving project concepts and for elements of design to be achieved during implementation (e.g. analysis, survey). The positive findings on outcome suggest that design is satisfactory. Nevertheless, we feel that there could be improvements in design, partly around understanding of context and applying understanding (or at least in its articulation) but particularly in clarity of purpose, hierarchy of objectives and indicators by which to measure achievement and clearer use of terminology and in the more effective use of the logical framework matrix.

Impact

10.3.3. In terms of impact we are unable to make substantive comment. At the sub-grant level projects are small, one-off interventions with limited prospects for impact and sustainability. Further, no M&E follow-up action is made beyond the evaluation at completion. Information on roll-out/replication of pilots is not always available. The size of the grants in any event make impact above project level (e.g. sector level) unlikely or unlikely to be measurable. However, one or two grants did exceed expectations by bringing about unintended benefits.

10.3.4. At the regional/country level the grants are too small in number and value to have a measurable and/or attributable impact on conflict. Country teams may be more aware of impact, particularly where a PCF grant has provided analytical input to an ISN or CAS or other level of country understanding but the survey result on this question was mixed. However, one grant was used as a catalyst to establish a multi-donor trust fund (see Box 3). This was an example of the Bank using its comparative advantage to maximise the benefit and where impact potential is significant, possibly rising to a regional/country level impact on conflict.

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74 i.e. almost anything in a conflict affected country such that the relevance to conflict is not apparent, e.g. a socio-economic project in a region away from conflict and where tensions do not exist – i.e. a development project.
10.3.5. At the global/macro-level we again argue that the PCF is far too small to have any impact on conflict or prevention. Similarly, we have not determined that the PCF activity has made a significant contribution to global understanding during the period under evaluation. In terms of contribution to Bank understanding of conflict the survey suggests that learning events, dissemination notes, thematic reports and the website were a small contributor to the country team’s awareness of the PCF and conflict issues, perhaps reflecting the limited knowledge management activity arising from staff constraints.

10.3.6. This view on impact contributes to our conclusion on Strategy and Purpose in subsection 10.4 below

10.4. **STRATEGY AND PURPOSE**

**At the Country Level**

10.4.1. The word strategic is contained within the first of the four statements of PCF objectives. This is referring to the manner of its use by the country team to meet country needs. There are different levels of strategic and whilst sub-grants are used in a strategic manner (for example to carry out conflict analysis, support the creation of an ISN, as a catalyst or to mobilise stakeholder/government buy-in), many are not. Instead the PCF has allowed the country team to meet a demand for useful but more ad-hoc socio-economic project activity and/or to mitigate the impact of conflict.

10.4.2. A recent attempt has been made to use the funds at the country level in a more coherent way (Sri Lanka, see Box 9) and whilst this may have not produced a fully coherent set of proposals the approach is interesting and could be developed further.

**At the Fund/Instrument Level**

10.4.3. Additionally however our TORs, ask for an assessment of the use of the fund itself in strategic terms, i.e. the extent to which the PCF has been used (by the secretariat) to:

- shape the Bank’s post-conflict approach or mainstream conflict understanding;
- advocate approaches or shape the way the Bank responds at the country level;
- make an impact externally, either in influencing the international agenda or creating strategic linkages/partnerships.

10.4.4. Here the secretariat has attempted through knowledge management to share information on interesting projects and thereby to increase understanding within and beyond the Bank but this activity has been limited (only 11% of the respondents to the survey became aware of the PCF from knowledge management activity). Partly owing to staff constraints and to a decision by the committee not to make research a priority, the fund has been rather passive, has not emphasised global or regional research projects nor has the secretariat acted, as our TORs suggest, as an interlocutor for the Bank on conflict issues. Instead the fund has been almost entirely demand led by the country teams.

10.4.5. 65% of the country team members responding to the survey felt the PCF had a significant impact on Bank engagement. However, whilst we agree that engagement should be a large part of what the PCF is for and it provides a tool to support the
CMUs, we suggest that, with one or two notable exceptions, it has not achieved this. It has not been used extensively for:

- Watching briefs;
- Conflict analysis or for creating transitional support strategies;
- Bringing the Bank’s comparative advantage to the conflict situation;
- Supporting the Bank in applying the DAC principles of donor coherence and coordination and enabling a focus on state building as a long-term vision.

10.4.6. We would **recommend** therefore, to remove ambiguity of purpose and to be able to define clearer and more meaningful measures of outcome and impact for the fund as a whole and as part of a wider business plan for the fund:

(i) that the purpose of the PCF be reconsidered and that its contribution to reduced conflict and prevention of recurrence should be raised to a higher level in a hierarchy of objectives (i.e. goal);

(ii) Consideration is given to a more strategic use at country level (such as attempted for Sri Lanka);

(iii) The secretariat adjusts the demand led stance, shaping demand through advocacy (based on themes and lessons). Here we do not see a contradiction between retaining an essentially demand led instrument and increased “shaping” activity, particularly in helping to apply knowledge to the country context;

(iv) criteria for grant selection should be developed accordingly.

10.5. **INNOVATION, RISK AND LESSONS**

10.5.1. Although difficult to define we have ranked half the projects as achieving a level of innovation, even if innovative to the Bank rather than displaying originality. It is appropriate that the PCF should be prepared to fund innovation, and indeed be prepared to fund higher risk projects (whether or not innovative). We note too that attempts have been made to increase understanding through sharing knowledge, knowledge management, studies etc.

10.5.2. We accept too that risk is inherent and we support the administrator’s views on being prepared to take risks and being prepared to fail (and thereby learn). We also accept that timeliness may require proceeding with a project that is no more than a concept (as long as the purpose is clear).

10.5.3. We conclude though that innovation is of limited value unless lessons are learned and:

- There has been limited success in promulgating lessons;
- The role for innovation should be reconsidered within a new PCF strategy and business plan: in a hierarchy of objectives, it should be a sub-objective for the PCF, i.e. allowed and even encouraged but not an essential component of all projects;
- Learning and understanding and their application to the country context should be further enabled by a more formal involvement of the CPRU in developing proposals.
10.6. **GOVERNANCE, MANAGEMENT AND ADMINISTRATION**

10.6.1. We regard the governance, management and administrative arrangements as being satisfactory in terms of transparency, accountability and in conformity with Bank policies.

**Secretariat**

10.6.2. Despite understaffing and a lack of administrator for a period the secretariat has administered the fund diligently and with timeliness, with their support to the country teams being generally appreciated. Their involvement and the process of external review brings about improvements to quality and reduction of risks in proposals. Whilst staffing levels have recently been brought up to satisfactory levels, as the PCF considers its strategy and degree of involvement with external partners, so staffing levels would need to be kept under review.

**Committee**

10.6.3. The committee is a suitable governance arrangement. The members are engaged and bring an independent minded approach, helping to ensure quality and address risks. However, we believe the committee should exercise its wider oversight and strategic role by revisiting the PCF mission and commission a new business plan, establish more clarity in the committee’s role through the creation of terms of reference and for new eligibility criteria to be established allowing the fund to be used in a more focused and strategic way.

**Proposal Approval**

10.6.4. Relying heavily on the secretariat screening, the committee consideration rarely rejects proposals but the process further improves quality and reduces risk to the Bank through modifications, giving conditional approval or scaling down grant value or tranching of funds. However, proposals are of variable quality and we suggest the committee members will benefit from the revised technical summary, giving a fuller summary as the basis for their decision including all the external reviewers’ comments.

11. **RECOMMENDATIONS**

*Table 19 Recommendations*

<table>
<thead>
<tr>
<th>No.</th>
<th>Recommendation</th>
<th>Cross reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td><strong>Strategic Issues</strong></td>
<td></td>
</tr>
<tr>
<td>1.1</td>
<td>To remove ambiguity of purpose and to be able to define clearer and more meaningful measures of outcome and impact for the fund as a whole and as part of a wider business plan for the fund the purpose of the PCF be reconsidered</td>
<td>3.2.5; 3.2.7; 10.4.6</td>
</tr>
<tr>
<td>1.2</td>
<td>Consideration is given to a purpose statement for the PCF constructed around Bank engagement in a timely and flexible way</td>
<td>3.2.5</td>
</tr>
<tr>
<td>1.3</td>
<td>As part of this wider strategy a hierarchy of objectives for the PCF be constructed with for example its contribution to reduced conflict and prevention of recurrence raised to a higher level in the hierarchy of objectives (i.e. goal) and innovation and learning as sub-objectives consistent with, if subordinate, to purpose</td>
<td>3.2.5</td>
</tr>
<tr>
<td>1.4</td>
<td>The relationship/overlap with the LICUS trust fund be resolved as part of the determination of the PCF plan</td>
<td>3.2.7</td>
</tr>
<tr>
<td>1.5</td>
<td>Whilst retaining responsiveness to demand the secretariat adjusts the demand led stance adopting an approach of more advocacy and shaping of demand (based on themes and lessons)</td>
<td>5.4.14</td>
</tr>
<tr>
<td>1.6</td>
<td>Consideration is given to a more strategic use at country level (such as attempted for Sri Lanka)</td>
<td>10.4.6</td>
</tr>
<tr>
<td>No.</td>
<td>Recommendation</td>
<td>Cross reference</td>
</tr>
<tr>
<td>-----</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
<td>-----------------</td>
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<tr>
<td>1.7</td>
<td>Criteria for grant selection should be developed accordingly</td>
<td></td>
</tr>
<tr>
<td>1.8</td>
<td>Conflict specialist input is formally built into the activity of the PCF and available to the country teams through incentivising the use of the conflict specialists by providing a budget within a grant allocation</td>
<td></td>
</tr>
<tr>
<td>1.9</td>
<td>As part of the wider consideration of whether &quot;conflict&quot; is an operational issue or a technical one the status and future of the CPRU be resolved together with consideration of appropriate staffing levels for increased numbers/input of conflict specialists</td>
<td></td>
</tr>
<tr>
<td>1.10</td>
<td>As part of this consideration of the CPRU a more assertive role in external partnership at the global level and its contribution to external engagement be considered</td>
<td></td>
</tr>
<tr>
<td>2</td>
<td>Knowledge Management</td>
<td></td>
</tr>
<tr>
<td>2.1</td>
<td>The PCF's knowledge management strategy be updated (in line with the new business plan for the PCF)</td>
<td>7.4.6</td>
</tr>
<tr>
<td>2.2</td>
<td>The updated KM strategy make clearer its objectives with regards to 'mainstreaming' conflict issues within the Bank</td>
<td>7.6.6</td>
</tr>
<tr>
<td>2.3</td>
<td>The updated KM strategy adopts the approach of creating or working with networks or 'communities' and of connecting people</td>
<td>7.4.2</td>
</tr>
<tr>
<td>2.4</td>
<td>The updated KM strategy remain realistic about what it can achieve with limited resources by focusing on building smaller, working networks in specific areas</td>
<td>7.6.6</td>
</tr>
<tr>
<td>2.5</td>
<td>The updated knowledge management strategy include a medium-long term aim to improve the PCF's ability to facilitate the sharing of tacit knowledge (as well as specific)</td>
<td>7.4.6(i)</td>
</tr>
<tr>
<td>2.6</td>
<td>The updated knowledge management strategy include a plan to monitor and evaluate the secretariat’s knowledge management function</td>
<td>7.4.6(ii)</td>
</tr>
<tr>
<td>2.7</td>
<td>The secretariat consider requiring potential grantees to demonstrate in their proposals how they might tackle the issue of knowledge management, including how much it would cost – this recommendation might apply to all sub-grants for research (use of this approach more widely would depend on the degree to which the PCF wishes to emphasise innovation and would be potentially at the expense of speed and flexibility)</td>
<td>7.5.6</td>
</tr>
<tr>
<td>3</td>
<td>Governance, Management, Administration (and procedure)</td>
<td>8</td>
</tr>
<tr>
<td>3.1</td>
<td>Preparation of revised guidance to task managers emphasising the importance to timeliness of completing the financial management and procurement assessments during the design phase and prior to submission of proposals</td>
<td>4.2.17</td>
</tr>
<tr>
<td>3.2</td>
<td>This revised guidance to advise on the proportional nature of the FM/procurement assessment in terms of grant value and risk</td>
<td>4.2.17</td>
</tr>
<tr>
<td>3.3</td>
<td>The secretariat monitors processing times with a view to assessing the affect of LOA arrangements on timeliness, 12 months from their introduction</td>
<td>4.2.17</td>
</tr>
<tr>
<td>3.4</td>
<td>The secretariat makes an effort to capture co-financing information as a matter of routine conforming whether additional financing is forthcoming and where it is coming from</td>
<td>4.7.10</td>
</tr>
<tr>
<td>3.5</td>
<td>A score/rating system is introduced for external evaluations based on the achievement of objectives/purpose (e.g. 1 = fully achieved outcome/objectives; 2 = substantially achieved outcome/objectives; 3 = partially achieved outcome/objectives; 4 = did not achieve outcome/objectives, or similar)</td>
<td>6.5.6</td>
</tr>
<tr>
<td>3.6</td>
<td>The secretariat works over time towards an improvement in proposals in terms of clarity of purpose and the use of the logframe</td>
<td>6.5.13</td>
</tr>
<tr>
<td>3.7</td>
<td>A glossary of M&amp;E logframe terms is introduced to the DGF/PCF application form to provide guidance for proposal preparation</td>
<td>6.5.13</td>
</tr>
<tr>
<td>3.8</td>
<td>External reviewers are provided with a template to guide their assessment of proposals, easing the job of the secretariat and assisting the committee in their deliberations on quality, relevance etc.</td>
<td>6.5.13</td>
</tr>
<tr>
<td>3.9</td>
<td>The scope of the secretariat sub-grant monitoring role and the extent of follow-up action (for example on issues of conditionality on sub-grant approvals) are defined precisely consistent with secretariat resource constraints</td>
<td>6.5.17</td>
</tr>
<tr>
<td>3.10</td>
<td>Terms of reference be provided to committee members as good practice to ensure both the proper exercise of responsibility and of their rights as committee members</td>
<td>8.5.4</td>
</tr>
<tr>
<td>3.11</td>
<td>The secretariat make clear in the PCF guidelines the purpose behind the priority themes stating whether they are to be used as filters in the approval process (see also terms of reference for the committee)</td>
<td>8.8.5</td>
</tr>
<tr>
<td>3.12</td>
<td>If the themes are to be used as filters for project eligibility then another set of categories is layered over the statistical categories for grant eligibility purposes</td>
<td>8.8.11</td>
</tr>
<tr>
<td>3.13</td>
<td>The statistical categories be re-considered and formulated within a logical hierarchy</td>
<td>8.8.8</td>
</tr>
<tr>
<td>3.14</td>
<td>Activity type categories are separated from other forms of category</td>
<td>8.8.11</td>
</tr>
<tr>
<td>3.15</td>
<td>Criteria for grant selection should be developed as part of a wider business plan for the PCF</td>
<td>8.8.17</td>
</tr>
<tr>
<td>3.16</td>
<td>Future evaluations should focus more on the use the country team makes of the instrument in terms of supporting their program and the degree to which it assists Bank engagement, coordination across stakeholders and bringing the development perspective to the conflict situation (possibly spending less effort on examining individual projects)</td>
<td></td>
</tr>
</tbody>
</table>
APPENDIX A

TERMS OF REFERENCE
INDEPENDENT EVALUATION OF THE POST-CONFLICT FUND (FY03-FY06)

TERMS OF REFERENCE

I. Introduction

The Post-Conflict Fund (PCF) is a quick-disbursing grant-making mechanism that was created by the World Bank in 1998 to support planning, piloting, and analysis of reconstruction activities in countries emerging from conflict, by funding governments and partner organizations at the forefront of this work. PCF-supported efforts are intended to address the causes and legacy of conflict - displaced people, unemployed ex-combatants, weak institutions, disruption of livelihoods - with speed and flexibility, without sacrificing quality. The PCF has been funded under the Development Grant Facility (DGF), the World Bank's umbrella mechanism for grant programs, and has received contributions from several bilateral and multilateral donors. The PCF is one of the global and regional partnership programs (GPPs) of the World Bank. In its first nine years of operation, over 160 grants totaling $81 million were approved. The current disbursement rate for the fund is at 83%.

The PCF underwent a thorough independent evaluation in FY02, during its fourth full year of operation, which reviewed PCF impact at the grant and institutional levels and recommended areas for further improvement. In accordance with DGF and GPP rules, the PCF Secretariat seeks an evaluation of the activities financed under the PCF since the previous evaluation in 2001-2002 and the overall efficiency of the PCF operation, to be carried out by an independent team of consultants. The selected independent team will report directly to the PCF committee and will be supported by the PCF Secretariat in its administrative and logistical capacities.

II. PCF Objectives and Activities

The PCF encourages and supports innovative approaches that respond to the needs of countries affected by or emerging from conflict. The PCF objective is to fund timely, innovative and risky activities implemented by international and national actors on the ground, thus allowing the World Bank to partner with them to ensure early and flexible engagement where the World Bank is constrained by its normal lending and non-lending instruments. At the country level the PCF aims to mitigate the impact and recurrence of violent conflict and to improve the effectiveness of post-conflict reconstruction. In parallel to supporting activities in conflict-affected countries, knowledge management activities coordinated by the PCF Secretariat seek to capitalize on the innovative operational potential of PCF grants. Through piloting innovative approaches and extracting lessons from activities on the ground, the PCF facilitates learning and mainstreaming of new operational approaches to conflict within the World Bank and with its partners.

More precisely, PCF objectives are:

76 As formulated in the Development Grant Facility (DGF) FY07 PCF Progress Report.
(a) timely and strategic responses to the needs of conflict-affected countries and global conflict-issues, through approval of grants to partner agencies, which allow the World Bank and partners to engage early and in a flexible way, especially where the World Bank is constrained by its normal instruments;
(b) increase number of innovative ways to respond to conflict by piloting new approaches and improve knowledge on effective responses to developmental needs in conflict-affected countries;
(c) enhance partnerships and co-financing with agencies working on conflict-related issues; and
(d) reduce impact of conflict and prevention of recurrence of violence among target communities and beneficiaries.

PCF grants respond to a variety of needs in conflict-affected countries, including, restoration of livelihoods and access to basic services, reconstruction of social infrastructure, capacity and institution building, and addressing the needs of vulnerable groups, especially women/widows, youth and vulnerable children. Grant selection criteria emphasizes: innovation (new approaches to conflict work) and the piloting of interventions to address conflict-related issues; partnerships (UN agencies, NGOs, research institutions and recipient governments) in implementation of, and learning from, grants; early World Bank engagement consistent with country strategy; and potential for replication and scaling up, especially in future World Bank operations.

PCF grants are intended to be a source of learning through piloting new approaches. The PCF Secretariat has a Knowledge Management Strategy (including stronger monitoring and evaluation of grants) that aims to improve dissemination and mainstreaming of lessons and best practices from grants into regular operations through a series of learning events, dissemination notes, and thematic reports.

The PCF is administered by the PCF Secretariat which implements the PCF objectives and manages its day-to-day operations. More precisely, the PCF Secretariat coordinates, screens grant proposals, ensures proposals are reviewed by independent experts, monitors existing grants, extracts, and coordinates learning and knowledge management activities from the grant portfolio. A PCF committee consisting of director-level World Bank staff across the regional Vice Presidencies approves PCF funded proposals (grants) and provides guidance to the Secretariat on policy matters and overall direction.

**Objectives of the evaluation**

The last independent evaluation of PCF was in March 2002. The independent evaluation was discussed by the Sector Board and the PCF committee as well as during a meeting of multilateral and bilateral agencies working on conflict and development issues. The PCF committee endorsed the broad recommendations of the evaluation although some questions remained on how far the PCF should move away from being a demand-driven fund to being more supply-driven in promoting a World Bank and partners agenda on conflict and development. The PCF committee recommended maintaining the demand-driven orientation while exploring areas where a more pro-active approach could help promote some World Bank corporate priorities.

The evaluation’s findings indicated that the PCF:
broke new ground in a key and new area for the Bank;
created a number of successful external partnerships;
should evolve from its current demand-driven model to a more pro-active instrument to address the Bank’s institutional agenda on conflict;
should increase its capacity in the area of knowledge generation and best practices; and
appeared to have considerable potential to attract and channel bilateral donor funding for work in the conflict area.

In 2001-2003, the Operations Evaluation Department (OED), an independent evaluation unit within the World Bank, assessed PCF contribution according to GPP criteria as follows:

- High, in regards to “international consensus that global action is required”;
- Substantial, in regards to “the program is currently known to add value to achieving the Bank’s development objectives of poverty alleviation and sustainable development”, and “the Bank is playing up to its comparative advantage at the country level”;
- Modest, in regards to “the Bank is playing up to its comparative advantage at the global level”;
- Negligible, in regards to “the Bank’s presence is currently catalyzing other non-Bank resources for the program”.

In accordance with DGF guidelines that require evaluations of GPPs every three to five years, the broad objectives of this second evaluation of PCF are:

1) To evaluate the efficiency and effectiveness of the PCF in attaining its overall program objectives and its grant-level objectives since the previous evaluation;

2) To distill lessons and provide recommendations for continuous improvement of PCF, its objectives, its strategic direction and priority themes, its administrative and governing bodies (PCF Secretariat and committee), and overall program impact.

Specific Objectives of the Independent Evaluation

(a) Assess the achievement of PCF objectives, including partnership, innovation, impact on the World Bank and partners’ conflict and development agenda (including shaping the World Bank’s post-conflict approach, follow-up operations, cross-country issues, etc.), and strategic linkages with other Global and Regional Partnership Programs (GPPs);

(b) Assess the outcomes and, when possible, impacts of a selected number of grants organized by thematic clusters and/or regional distribution;

(c) Assess the quality and dissemination of learning emerging from the grant-supported activities and the overall Knowledge Management strategy of the PCF Secretariat;

(d) Assess the governance, management and administrative arrangements for the PCF, including the strategic use of resources: the prioritization, timing, and flexibility of fund usage.

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The independent evaluation is expected to begin during the last quarter of FY06 and be carried out over a 6-month period with a mid-term progress report due at a mutually agreed time.

### III. Scope of the Evaluation

The evaluator’s assessment shall address the questions noted below, but need not be limited to these. Where appropriate, illustrations of good (or bad) practice/outcomes should be provided either in the body of the evaluation report or in an annex. The evaluator shall review the findings and outcomes of the 2002 independent evaluation of PCF. The evaluator’s assessment and recommendations shall take into consideration PCF current financial envelope and the role it plays vis-à-vis other international and Bank’s financing mechanisms for development work in conflict-affected settings.

#### Relevance

- To what extent is PCF supporting the World Bank in expanding the international agenda around conflict and development issues? Are PCF funded activities consistent with the international agenda, strategic approaches of partners, and priorities of client countries to preventing and addressing the impact of conflict?
- Are PCF objectives and procedures in conformity with World Bank’s mandate and articles of agreement, and policy pertaining to conflict and development (OP 2.30)?
- To what extent does PCF coordinate, complement, duplicate or compete with other financing mechanisms inside and outside the World Bank, including the LICUS initiative?
- To what extent is PCF recognized inside and outside the World Bank as a key mechanism to support conflict and development work?

#### Outcomes, Impact and Sustainability

- To what extent has PCF achieved its overall program objectives as well as objectives at the grant level? To what extent is PCF breaking new ground by supporting innovative work in the area of conflict and development? To what extent has PCF achieved its objectives by supporting conflict prevention activities as well as reconstruction activities?
- To what extent has PCF been able to combine high quality grants with timely financing of conflict-related needs?
- How sustainable are the outcomes and, when applicable, impacts of PCF (also at the grant level)?
- Have PCF activities in conflict settings had an impact on follow on World Bank engagement and operations in these settings?
- To what extent does PCF add value to the knowledge and operational agenda of the World Bank, client countries, development partners and other stakeholders, in the field of conflict prevention and reconstruction, by producing and disseminating relevant lessons on conflict and development issues? Is PCF influencing policies at the national level and the international agenda on conflict and development through advocacy or other activities?
- To what extent are the monitoring and evaluation systems of PCF for grants and overall program clear and carried out, including structured set of quantitative and qualitative indicators, regular evaluations of grants, systematic and regular data collection?

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• Are PCF and PCF funded grants mobilizing incremental resources? To what extent has Bank’s involvement as a partner mobilized non-Bank resources at the program and grant level?

**Organization, Management and Financing**

• To what extent has PCF addressed and incorporated recommendations from the 2002 PCF Independent Evaluation?

• To what extent does PCF achieve or is expected to achieve efficient allocation of resources also when compared to other similar bilateral programs?

• To what extent is PCF Secretariat technical support and advice valued by World Bank country teams and implementing partners? Are PCF Secretariat functions, staffing and structure appropriate in order to achieving PCF objectives?

• To what extent is the governance and management of PCF transparent in providing information about the program, clear with respect to roles and responsibilities, accountable to donors, clients, Bank management and staff, and other stakeholders? To what extent can a different and expanded PCF governance structure have an impact on PCF principles of speed, flexibility and partnership?

• To what extent do country partners and beneficiaries participate and exercise voice in the various aspects of program design, governance, implementation, monitoring and evaluation?

• To what extent are the current funding and funding mechanisms positively or negatively affecting the strategic focus of PCF, its governance and management, and its sustainability (at the global and country level)? Should and how might PCF pursue a more aggressive resources mobilization strategy and what would be the likely impact of increased PCF funded activities?

• Are World Bank country teams sufficiently and well equipped to sponsor high quality proposals and manage PCF grants? Are current PCF limitations regarding eligible expenditures an impediment to country teams’ use and supervision of PCF grants?

• To what extent have the risks associated with PCF funded activities been identified and appropriately managed?

• To what extent are World Bank fiduciary procedures and legal requirements supporting or hindering PCF objectives of speed and flexibility? To what extent is PCF advancing the use of World Bank procedures and regulations to respond to the needs of conflict-affected contexts?

• To what extent should PCF adapt current procedures to explore other ways of working, for instance, by endorsing country-level PCF strategies?

**IV. Methodology and Outputs**

The methodology of this evaluation will be further detailed in the Consultant’s Technical Proposal that shall be discussed and approved by a subcommittee of the PCF Committee, hereinafter referred to as “the panel”. The methodology should include but not be limited to:

- Desk review of key documents including work programs, annual reports, lessons learned, supervision reports, portfolio reviews, and synthesis reports produced or commissioned by the PCF Secretariat and/or PCF partners in relation to PCF grants.
Desk review of documents pertaining to a cross-section of grants (grant progress and completion reports, final evaluations), that is representative of geographical distribution of activities, thematic area, and type of implementing partner, to assess quality of grants and likely impact, quality of monitoring and evaluation mechanisms, relevance and richness of related documentation.

Interviews and/or survey questionnaires with PCF Committee members, Task managers, Country teams, current and potential partner agencies, and current and potential donors. Such interviews may include telephone, email, video conference communications and personal interviews.

Personal interviews with PCF Secretariat staff at its Washington, D.C. office.

Review of a sample of PCF funded activities. Field visits to at least two countries/regions with on-going PCF funded grants to be agreed with the panel and country teams.

Use of quantitative methods where feasible.

V. Indicative Work Program and Timeframe

The selected evaluator will provide an indicative work plan for the evaluation of the PCF in a technical proposal, including details on methodology, timetable, work plan, and budget. The selected technical proposal will be further discussed and agreed with the PCF Secretariat, after retaining PCF Committee’s no-objection, and converted into the final detailed work program.

TENTATIVE CALENDAR

<table>
<thead>
<tr>
<th>Month</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>February-May 2006</td>
<td>Discussion of TOR with DGF, IEG and PCF Committee members; Request for PCF Committee’s approval</td>
</tr>
<tr>
<td>July 2006</td>
<td>Request for Expressions of Interest. Select consultant</td>
</tr>
<tr>
<td>August 2006</td>
<td>Request for Proposals. Form panel to evaluate proposal</td>
</tr>
<tr>
<td>August 2006</td>
<td>Evaluation of proposals by the panel and selection of consultant by PCF Committee</td>
</tr>
<tr>
<td>September 2006</td>
<td>Contracting of consultant</td>
</tr>
<tr>
<td>October 2006</td>
<td>Inception report that includes detailed work plan, to be approved by the PCF Secretariat in consultation with PCF Committee</td>
</tr>
<tr>
<td>December 2006</td>
<td>Interim progress report to offer a chance for the panel and Secretariat to redirect the work of the consultants in case there has been any misunderstanding of the content or emphasis of the TOR or any other information</td>
</tr>
</tbody>
</table>
January 2007  First draft report submitted to PCF Committee and Secretariat before submission of FY08 DGF application. Debriefings with the PCF Committee (or its representatives) and Secretariat

February 2007  Feedback on the report to DGF, other World Bank departments and partners

March 2007  Final report

VI. Budget and Procurement Method

A consulting firm will be selected with a total available budget of US$200,000 under a Selection Based on the Consultants’ Qualifications (CQS) method. The consultant team is expected to include a head of the evaluation team; an independent evaluator/post-conflict expert; 1-3 fieldwork assessors for regional grant clusters. Travel is anticipated to a limited number of countries in at least two regions, probably the Balkans/Caucuses and Africa, to evaluate the impact of a selected number of grants. The financial proposal should include a provision for travel. The final budgetary details will be worked out in consultations with the PCF Secretariat.

VII. Final Outputs of Evaluation

The independent evaluation is expected to produce the following results:

- Evaluation report summarizing efficiency and effectiveness of the PCF over the period of its operation, plus lessons and recommendations for future directions;

The evaluation team leader will be expected to make a presentation of findings and recommendations to the PCF Committee and other World Bank Departments.
APPENDIX B

METHODOLOGY
**METHODOLOGY**

**SCOPE**

Throughout we have highlighted the need to balance the relationship between the scope of the evaluation and the resources available for its conduct. The scope as defined in the TORs is comprehensive and, in certain areas, somewhat ambitious. For example, the TORs contain the questions:

- to what extent the PCF contributes to the “knowledge and operational agenda of the World Bank, client countries, development partners and other stakeholders”.
- “to what extent does PCF coordinate, complement, duplicate or compete with other financing mechanisms inside and outside the World Bank, including the LICUS initiative?”.

These are very open-ended questions, perhaps meriting studies in their own right. We have attempted to provide answers; for example looking at the LICUS/PCF relationship, in as much as it has direct implications for the functioning of the PCF. Beyond that we were conscious throughout that the evaluation was to focus on the performance of the PCF and the PCF secretariat. We believe the TORs have been fully addressed, whilst maintaining this focus on performance.

**PHASES**

The conduct of the evaluation was broken into three phases as shown at Figure 2:

*Figure 2: Project plan in three phases*
**RESEARCH METHODS**

In Table 20 we summarize the research methods used with the key sources or focus, together with comments:

<table>
<thead>
<tr>
<th>Method</th>
<th>Focus</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>Document review</td>
<td>As comprehensive as possible including:</td>
<td>Review triggered further research, questions and interviews to follow-up points. Particular note was taken of how these documents informed us relative to the TORs and on key features of the PCF, such as speed and flexibility</td>
</tr>
<tr>
<td></td>
<td>• Annual reports</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Key policy documents (e.g. OP/BP2.30, 14.40, 8.45, 8.50, trust fund handbook)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Guidelines and procedural documents, templates and application form</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• PCF strategy and knowledge management strategy</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Evaluation reports (e.g. DAI and OED/IEG)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Documents on other similar trust funds</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Project documents</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Correspondence between secretariat and Country Teams</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Minutes of PCF committee meetings</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Independent reviews of proposals</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Project data/statistics</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Research and academic papers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Other grey literature</td>
<td></td>
</tr>
<tr>
<td>Interviews</td>
<td>The main methodology and conducted as widely as possible, including:</td>
<td>Close consultation with staff from the secretariat throughout. Most task managers based in Washington and were interviewed during two visits to the Bank and by telephone conference calls. Thus after the field visits some follow-up discussions were possible with TMs. In order to compare the PCF with other mechanisms and gauge its perception in other parts of the Bank, discussions were also held with staff not directly involved in conflict from across the Bank. External stakeholders helped with gauging the degree of WB engagement and strategic linkages with global/ regional partnership programs.</td>
</tr>
<tr>
<td></td>
<td>• PCF secretariat staff</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• PCF committee members (incl. PCF chair)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Selected task managers</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Bank conflict specialists and selected sector specialists</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Other Bank staff including legal counsel, trust fund policy team,</td>
<td></td>
</tr>
<tr>
<td></td>
<td>loan department, financial and procurement specialists, IEG</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• UN agencies</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Bilateral donors</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Implementing agencies/partners</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Other stakeholders</td>
<td></td>
</tr>
<tr>
<td></td>
<td>See appendix I for list of people met</td>
<td></td>
</tr>
<tr>
<td>Focus groups</td>
<td>Representatives from bi-lateral donors, consultants and civil society</td>
<td>Two focus group discussions held, one in Wash DC and one in London with DFID and The Netherlands’ Ministry of Foreign Affairs. Used to gauge external awareness of the PCF, the degree of WB engagement and PCF performance from an NGO perspective</td>
</tr>
<tr>
<td></td>
<td>and non-government organisations</td>
<td></td>
</tr>
<tr>
<td>Case studies/ project</td>
<td>Two levels of case studies:</td>
<td>Field visits provided greater depth of understanding and of performance (outcomes and impact); 25% of projects in the evaluation period selected (see section on Outcomes and Impact)</td>
</tr>
<tr>
<td>project review</td>
<td>• field visits to 5 projects in three 3 countries;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• representative sample for detailed documentary review (and some</td>
<td></td>
</tr>
<tr>
<td></td>
<td>follow-up interview). Focus on project performance, the decision-</td>
<td></td>
</tr>
<tr>
<td></td>
<td>making process and timeliness. (highlighting gaps in information)</td>
<td></td>
</tr>
<tr>
<td>Observation (limited)</td>
<td>• Committee deliberations;</td>
<td>Opportunity to observe one committee meeting and to “walk-through” the secretariat processes. In the field, limited opportunity for observation</td>
</tr>
<tr>
<td></td>
<td>• Secretariat processes;</td>
<td></td>
</tr>
<tr>
<td></td>
<td>• Field visits</td>
<td></td>
</tr>
<tr>
<td>Survey</td>
<td>Bank’s country teams</td>
<td>Used to quantify awareness. Opportunity taken to ask wider set of performance related questions. 15.5% response (244).</td>
</tr>
<tr>
<td></td>
<td>Total of 1,582 staff approached</td>
<td></td>
</tr>
</tbody>
</table>
awareness i.e., assessing the extent to which the “PCF is recognized inside... the World Bank as a key mechanism to support conflict... work”. It was therefore, agreed that a simple survey would be issued using a tick-box statistical approach.

The target audience was the Bank’s country teams. The opportunity was taken to ask a wider set of performance related questions contained in the TORs (see appendix D for a representation of the questionnaire). Unfortunately there was insufficient time to pilot the questionnaire. Nevertheless, of the 1,582 staff members approached 244 completed the questionnaire (a 15.5% response). Their efforts are very much appreciated. The responses provide the statistical basis for some of the findings contained herein. In addition many of those who responded took the trouble to append observations (free format) and we try to reflect something of their content in this report.

**EXTERNAL ORGANISATIONS**

A survey of external stakeholders was less likely to yield satisfactory results and was therefore, not attempted. Instead interview and focus group discussion provided the basis from which we gauged external awareness and perceptions of the PCF and the effectiveness of partnerships, as well as the Bank’s wider engagement and relevance to the international agenda on conflict and development.

However, consultation with external stakeholders was not possible to the extent hoped. Those that provided a contribution are listed in appendix I. Part of the reason for talking with the wider donor community was to discuss their approach to conflict and reconstruction, how they allocate their funding in this area and prospects for contributions of un-earmarked funding to the PCF.

**FIELD VISITS**

In determining the countries for field visits we were guided by the minimum stipulations in the TORs and the following considerations:

- Currency of PCF activities (excluding research or watching brief projects);
- Number of projects approved in a country (both active and completed);
- Relative sizes of grants;
- Security and access to project areas.

In the event field visits were made to the countries and projects presented in Table 21:

<table>
<thead>
<tr>
<th>Country</th>
<th>Ref</th>
<th>Title</th>
<th>Status/Comment</th>
</tr>
</thead>
<tbody>
<tr>
<td>Kosovo</td>
<td>306</td>
<td>Kosovo Youth Development Grant</td>
<td>Complete</td>
</tr>
<tr>
<td></td>
<td>333</td>
<td>Supporting Conflict Prevention and Social Cohesion through Early Childhood Development</td>
<td>Awaiting notice of extension</td>
</tr>
<tr>
<td>Macedonia</td>
<td>211</td>
<td>Support for Post Conflict Transition</td>
<td>Pilot for IDA credit - complete</td>
</tr>
<tr>
<td>Sri Lanka</td>
<td>300</td>
<td>Support for Post Conflict Transition</td>
<td></td>
</tr>
<tr>
<td></td>
<td>311</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

---

79 Terms of reference: III. Scope of the Evaluation, Relevance  
80 Specialists (sector managers and specialists), management units (country directors, country managers, country program coordinators, country officers), together with task managers with PCF experience.  
81 Field visits were to be undertaken to at least two countries/regions.
PROJECT REVIEW (DESK STUDY)

The previous evaluation assessed projects that were approved up until 26 December 2001. This study therefore, selected projects approved from 27 December 2001. Since that date, 80 projects had been approved by the committee, bringing the total number of projects approved to 175, with a total value of more than US$87M.

Rather than a random sample we filtered a cross-section of grants covering each region, theme, country status, recipient type, and grant size. We included projects that were more overtly concerned with conflict prevention and rehabilitation issues, as well as those where this was not immediately obvious. In addition, we attempted to capture projects that have been innovative or experimental, including pilot projects where the intention was to scale-up, those that helped keep the Bank engaged and that helped influence downstream funding decisions (e.g. watching briefs). Twenty (25%) such projects were selected and agreed via the inception report (see appendix C).

For all of these projects, we have carried out an in-depth review of the project documentation, followed up where possible with discussions with the task manager and other stakeholders. In particular, we focused on:

- Project design - problem analysis, clarity of objective[s], outcome indicators, innovation, sustainability and risk analysis;
- Application process and project approval;
- Communication between TM and the secretariat and level of support;
- Supervision, monitoring and evaluation (including progress, completion and particularly, external evaluation reports);
- Generation of lessons.

During this process we have tried to think in terms of not only what the project set out to achieve but how it intended to achieve, which could determine its relevance to the conflict situation. In reaching conclusions overall on the review of these projects we have considered:

- Relevance to the overall PCF purpose/objective[s];
- Impact on conflict, conflict prevention and reconstruction;
- Efficiency, timeliness and flexibility;
- Mobilization of additional resources – cofinancing, downstream Bank lending;
- Partnerships fostered through grants implementation;
- Dissemination of knowledge/lessons.
APPENDIX C

PROJECT REVIEW

PROJECTS SELECTED FOR Desk study
**LIST OF PROJECTS FOR DESK REVIEW**

<table>
<thead>
<tr>
<th>Region</th>
<th>Country</th>
<th>Project Title</th>
<th>Total Approved ($)</th>
<th>File No.</th>
<th>Linked Projects</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>Nigeria</td>
<td>Niger Delta Community Foundations Initiative</td>
<td>1,800,000</td>
<td>322</td>
<td>322 B</td>
</tr>
<tr>
<td>Africa</td>
<td>Sudan</td>
<td>Expanded Watching Brief</td>
<td>1,500,000</td>
<td>245-a</td>
<td>245-b</td>
</tr>
<tr>
<td>Africa</td>
<td>DRC</td>
<td>Pilot Post-Conflict Rapid Assessment of Living Conditions and Infrastructure</td>
<td>300,000</td>
<td>195</td>
<td></td>
</tr>
<tr>
<td>Africa</td>
<td>Congo-Brazzaville</td>
<td>Emergency Support for Integration of Ex-Combatants and Unemployed Youth into Agricultural Sector (FAO)</td>
<td>500,000</td>
<td>248</td>
<td></td>
</tr>
<tr>
<td>Africa</td>
<td>Congo-Brazzaville</td>
<td>Support to the Post-Conflict Recovery and Economic Development Dimensions of the Africa Peace and Security Agenda led by the African Union</td>
<td>2,022,500</td>
<td>324</td>
<td></td>
</tr>
<tr>
<td>EAP</td>
<td>Philippines</td>
<td>Mindanao Reconstruction and Development Fund (MRDF)</td>
<td>2,175,000</td>
<td>278</td>
<td>317</td>
</tr>
<tr>
<td>ECA</td>
<td>Central Asia</td>
<td>Regional Attitudinal Study of Conflict Prevention and Cooperation in Central Asia</td>
<td>99,700</td>
<td>298</td>
<td></td>
</tr>
<tr>
<td>ECA</td>
<td>Russia/N. Caucasus</td>
<td>North Caucasus Youth Empowerment and Security Grant</td>
<td>2,126,850</td>
<td>323</td>
<td></td>
</tr>
<tr>
<td>Global</td>
<td>Global</td>
<td>Moving Out of Poverty: Understanding Growth and Freedom from the Bottom Up</td>
<td>944,220</td>
<td>305</td>
<td></td>
</tr>
<tr>
<td>LAC</td>
<td>Colombia</td>
<td>Protection of patrimonial assets of Colombia’s internally displaced population - Phase 2</td>
<td>990,000</td>
<td>318</td>
<td>no number</td>
</tr>
<tr>
<td>LAC</td>
<td>Guatemala</td>
<td>Peace and Development in Las Verapaces</td>
<td>60,000</td>
<td>272</td>
<td></td>
</tr>
<tr>
<td>LAC</td>
<td>Haiti</td>
<td>Emergency Health Interventions in Haiti - Prevention of Communicable Diseases and Healthy Schools</td>
<td>2,475,000</td>
<td>243</td>
<td>243 B</td>
</tr>
<tr>
<td>LAC</td>
<td>Haiti</td>
<td>Community Driven Development Pilot</td>
<td>1,015,025</td>
<td>253</td>
<td></td>
</tr>
<tr>
<td>LAC</td>
<td>Haiti</td>
<td>Haiti- School Feeding Program</td>
<td>550,000</td>
<td>336</td>
<td></td>
</tr>
<tr>
<td>MENA</td>
<td>Regional</td>
<td>Facilitating Trade Flows Between West Bank and Gaza and Israel</td>
<td>216,312</td>
<td>334</td>
<td></td>
</tr>
<tr>
<td>MENA</td>
<td>Iraq</td>
<td>Watching Brief: Human Development, Water Sector</td>
<td>300,480</td>
<td>261-a</td>
<td>161-b 161-c</td>
</tr>
<tr>
<td>MENA</td>
<td>Iraq</td>
<td>Workshop: Iraq &amp; the Region after the War: Issues of Econ. &amp; Social Reconstruction</td>
<td>300,480</td>
<td>264</td>
<td></td>
</tr>
<tr>
<td>MENA</td>
<td>Iraq</td>
<td>Emergency Health Assistance Program to the Burn Unit in Al-Karama General Teaching Hospital in Baghdad Iraq</td>
<td>707,242</td>
<td>321</td>
<td></td>
</tr>
<tr>
<td>MENA</td>
<td>Lebanon</td>
<td>Rapid Social and Livelihoods Assessment</td>
<td>99,300</td>
<td>339</td>
<td></td>
</tr>
<tr>
<td>South Asia</td>
<td>Tajikistan</td>
<td>Empowering Women: Socioeconomic Development</td>
<td>942,383</td>
<td>213</td>
<td>213-b</td>
</tr>
</tbody>
</table>

*Note that this is the total approved for this project and those linked with it*
APPENDIX D

SURVEY QUESTIONNAIRE
# World Bank - Independent Evaluation of the Post-Conflict Fund (FY03-FY06)

## 1. Survey Request - World Bank country teams

This survey is designed as a simple "check-box" questionnaire, which should only take 5 minutes to complete.

### Introduction

An external evaluation of the Bank's Post Conflict Fund is being carried out, with Crown Agents having been commissioned. The evaluation will cover the achievement of PCF objectives, impacts and outcomes as well as governance, management and administration.

### Survey

As part of the evaluation we are conducting a survey of the Bank's country teams. This questionnaire is being directed to specialists (sector managers and specialists) and management units (country directors, country managers, country program coordinators, country officers), together with Task Managers who have had involvement with the PCF.

Its purpose is to provide information on the country teams' perceptions in terms of:
- Part 1 - awareness of the PCF
- Part 2 - management and performance

### Confidentiality

Please insert your name and position/job title on the first page of the survey. The responses to the survey will be kept confidential and used solely for statistical purposes and, in aggregate form, to support the evaluation findings, without attribution.

### Background Information

For background to the PCF and further information on the objectives of the evaluation, please answer Yes to the question below and then click Next at the bottom of the page. If you select No and then click Next you will be taken to the start of the survey.

1. Would you like to view additional background information before commencing the survey?
   - Yes
   - No
2. Background

The Post-Conflict Fund (PCF) is a quick-disbursing grant-making mechanism created in 1998 to support planning, piloting, and analysis of reconstruction activities in countries emerging from conflict, by funding governments and partner organizations at the forefront of this work. PCF-supported efforts are intended to address the causes and legacy of conflict - displaced people, unemployed ex-combatants, weak institutions, disruption of livelihoods - with speed and flexibility, without sacrificing quality.

The PCF has been funded under the Development Grant Facility (DGF), the World Bank's umbrella mechanism for grant programs, and has received contributions from several bilateral and multilateral donors. The PCF is one of the global and regional partnership programs (GPPs) of the World Bank. In its first nine years of operation, over 160 grants totalling $81 million have been approved.

PCF Evaluation

The PCF underwent an independent evaluation in FY02, during its fourth year of operation. In accordance with DGF and GPP rules an evaluation for the period FY03-06 is required and the PCF secretariat on behalf of the PCF committee has commissioned Crown Agents to carry this out.

Terms of Reference

The terms of reference require an assessment of:

- the achievement of PCF objectives, including partnership, innovation, impact on the World Bank and partners' conflict and development agenda (including shaping the World Bank's post-conflict approach, follow-up operations, cross-country issues, etc.), and strategic linkages with other Global and Regional Partnership Programs (GPPs);

- the outcomes and impacts of a selected number of grants (organized by thematic clusters and/or regional distribution IV field visits are included in the TORS);

- quality and dissemination of learning emerging from the grant-supported activities and the overall knowledge management strategy of the PCF secretariat;

- governance, management and administrative arrangements, including the strategic use of resources: the prioritization, timing, and flexibility of fund usage.
## 3. Questionnaire Introduction

2. Name (optional):

3. Position / Job Title (please tick all that apply):
   - Task Manager / TLL
   - Sector Specialist / Manager / Coordinator
   - Country Director / Manager
   - Country Program Coordinator
   - Country Team
   - Other (please specify)

4. Region (please tick all that apply):
   - AFR
   - ECA
   - EAP
   - LAC
   - MENA
   - SA
   - Other (please specify)

5. Country (please include additional country / countries if there is more than one in your region):

---

Page 3
4. Questionnaire Part 1: Awareness

6. Is your country or a country in your region in conflict or regarded as post conflict or having potential for conflict?
   - Yes - Conflict
   - Yes - Post conflict
   - Yes - Potential for conflict
   - No

7. Are you aware of the Post Conflict Fund?
   - Yes
   - No (this completes your input)

5. Questionnaire Part 1 - Awareness (continued)

8. What led to or was the source of your awareness?
   - Learning events
   - Dissemination notes
   - Thematic reports
   - Website
   - Sector managers
   - Country directors
   - Colleagues
   - Other (please specify)  

9. Have you used, suggested the use or intend to suggest the use of the PCF?
   - Yes - Used
   - Yes - Suggested the use
   - Yes - Intend to suggest the use
   - No

10. Please indicate if this experience relates to your current country / region:
    - Yes - current country / region
    - No - other country / region (please specify)
### World Bank - Independent Evaluation of the Post-Conflict Fund (FY03-FY06)

11. **What is / was your role?**
   - Task manager
   - Sector specialist
   - Conflict specialist
   - Country director
   - Country manager
   - Country program coordinator
   - Country officer

12. **How clear to you are the purpose and objectives of the PCF?**
   - Clear
   - Somewhat clear
   - Unclear

13. **Are you aware of the broad guidelines for use?**
   - Yes
   - No

14. **To what extent do you recognise the PCF as a key mechanism to support conflict and development work? Please provide a rating on the scale below where 1 is Key, 5 is Less Key or 6 is Not at all.**

<table>
<thead>
<tr>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
</tr>
<tr>
<td>2</td>
</tr>
<tr>
<td>3</td>
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<tr>
<td>4</td>
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<tr>
<td>5</td>
</tr>
<tr>
<td>6</td>
</tr>
</tbody>
</table>

15. **To what extent do you think the PCF is recognized externally as a key mechanism to support conflict and development work? Please provide a rating on the scale below where 1 is Key, 5 is Less Key or 6 is Not at all.**

<table>
<thead>
<tr>
<th>Rating</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
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<tr>
<td>2</td>
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<tr>
<td>3</td>
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<td>4</td>
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<tr>
<td>5</td>
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<td>6</td>
</tr>
</tbody>
</table>

16. **To what extent has the PCF increased your sensitivity to conflict issues (in terms of awareness and understanding)? Please provide a rating on the scale below where 1 is Greatly Increased Sensitivity to, 5 is Minimally Increased Sensitivity to or 6 is Not at all.**

<table>
<thead>
<tr>
<th>Rating</th>
</tr>
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<tbody>
<tr>
<td>1</td>
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<tr>
<td>2</td>
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<tr>
<td>3</td>
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<tr>
<td>4</td>
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<td>5</td>
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<tr>
<td>6</td>
</tr>
</tbody>
</table>

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Page 5
## 6. Questionnaire Part 2: Management and Performance

**17. To what extent are country teams sufficiently well placed to sponsor high quality proposals?**  
(Please provide a rating from 1 Well placed to 5 Not well placed)

<table>
<thead>
<tr>
<th>Rating</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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<tbody>
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</tbody>
</table>

**18. To what extent are country teams sufficiently well placed to manage PCF grants?**  
(Please provide a rating from 1 Well placed to 5 Not well placed)

<table>
<thead>
<tr>
<th>Rating</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
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</tr>
</tbody>
</table>

**19. If you feel the country teams are less than well placed, what are the causal factors?**  
(For each row please provide a rating from 1 low cause to 3 high cause).

<table>
<thead>
<tr>
<th>Relevance to bank role</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
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<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Understanding / expertise</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Budget / financial resources</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
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<tbody>
<tr>
<td></td>
<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Senior management recognition</th>
<th>1</th>
<th>2</th>
<th>3</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
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<table>
<thead>
<tr>
<th>Other (please list below)</th>
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<th>2</th>
<th>3</th>
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<tbody>
<tr>
<td></td>
<td></td>
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</tbody>
</table>

**20. If you selected the Other causal factor above please list it here:**

______________________________

**21. How sustainable are the outcomes and, when applicable, impacts of PCF grants?**  
(Please provide a rating from 1 Sustainable through to 5 Less Sustainable or 6 Not at all)

<table>
<thead>
<tr>
<th>Impact</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
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<td></td>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Outcome</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
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</thead>
<tbody>
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<td></td>
<td></td>
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<td></td>
</tr>
</tbody>
</table>

**22. Have PCF activities in conflict settings had an impact on Bank engagement and operations in these settings?**  
(Please provide a rating from 1 Significant Impact through to 5 Minimal Impact or 6 Not at all)

<table>
<thead>
<tr>
<th>Engagement</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
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</tbody>
</table>

<table>
<thead>
<tr>
<th>Operations</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
<tbody>
<tr>
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<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### 23. The PCF Secretariat coordinates, screens, arranges, reviews, monitors and organises knowledge management. To what extent is the PCF technical support and advice valued by you?
(Please provide a rating from 1 Highly Valued to 5 Not Valued or 6 Don’t know)

<table>
<thead>
<tr>
<th>Rating</th>
<th>1</th>
<th>2</th>
<th>3</th>
<th>4</th>
<th>5</th>
<th>6</th>
</tr>
</thead>
</table>

---

### 7. Survey Complete

Thank you - your consideration of these questions is much appreciated. Should you wish to make any further comments please feel free to use the space below.

#### 24. Comments:

---
APPENDIX E

SURVEY RESULTS - AWARENESS
Survey Results – Awareness of the PCF

The following tables display the results of the survey in terms of awareness of the PCF, part 1 of the survey. It should be noted that although the numbers responding “aware” were slightly more than those responding “unaware” (i.e. those that only answered the first two questions), the sample was self selecting and there may have been a tendency for those aware to elect to respond.

By Country Category (Presence of Conflict)

<table>
<thead>
<tr>
<th>Presence of Conflict</th>
<th>Yes</th>
<th>No</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Potential for conflict</td>
<td>11</td>
<td>9</td>
<td>20</td>
</tr>
<tr>
<td>Conflict</td>
<td>51</td>
<td>15</td>
<td>66</td>
</tr>
<tr>
<td>Post-conflict</td>
<td>49</td>
<td>35</td>
<td>84</td>
</tr>
<tr>
<td>Total (conflict)</td>
<td>111</td>
<td>59</td>
<td>170</td>
</tr>
<tr>
<td>No conflict</td>
<td>5</td>
<td>27</td>
<td>32</td>
</tr>
<tr>
<td>No conflict</td>
<td>116</td>
<td>86</td>
<td>202</td>
</tr>
<tr>
<td>Total</td>
<td>116</td>
<td>86</td>
<td>202</td>
</tr>
</tbody>
</table>

56.5% of respondents are aware of the PCF. This increases to 65% for those working with countries that are in conflict, post-conflict or with the potential for conflict.

By definition, we would expect those operating in post-conflict environments to be most aware of the PCF. Surprisingly, the level of awareness in countries with no conflict (57%) is roughly the same as that in post-conflict countries (58%). Respondents in countries in conflict were most aware of the PCF (77%) whilst those in countries with the potential for conflict were least aware (55%).

By Region

<table>
<thead>
<tr>
<th>Region</th>
<th>Yes</th>
<th>No</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Africa</td>
<td>23</td>
<td>23</td>
<td>46</td>
</tr>
<tr>
<td>Europe &amp; Central Asia</td>
<td>13</td>
<td>14</td>
<td>27</td>
</tr>
<tr>
<td>East Asia Pacific</td>
<td>11</td>
<td>8</td>
<td>19</td>
</tr>
<tr>
<td>Latin America Caribbean</td>
<td>13</td>
<td>16</td>
<td>29</td>
</tr>
<tr>
<td>Middle East North Africa</td>
<td>12</td>
<td>4</td>
<td>16</td>
</tr>
<tr>
<td>South Asia</td>
<td>9</td>
<td>7</td>
<td>16</td>
</tr>
<tr>
<td>Other</td>
<td>5</td>
<td>9</td>
<td>14</td>
</tr>
<tr>
<td>Total</td>
<td>86</td>
<td>81</td>
<td>167</td>
</tr>
</tbody>
</table>

51%
These figures must be treated with caution as many respondents have dealt with more than one region. For example, a respondent who learns about the PCF from working on Africa will also know about it for work on South Asia. Nevertheless, it is indicative to note that awareness of the PCF by country is roughly 50% for each region. The exception is the MENA region where 75% of respondents are aware of the PCF. This is perhaps unsurprising given the attention and priority that the conflicts in this region attract.

**By Position**

<table>
<thead>
<tr>
<th>Position</th>
<th>Yes</th>
<th>No</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Task Manager / TLL</strong></td>
<td>40</td>
<td>33</td>
<td>73</td>
</tr>
<tr>
<td></td>
<td>55%</td>
<td>45%</td>
<td></td>
</tr>
<tr>
<td><strong>Sector Specialist / Manager / Coordinator</strong></td>
<td>18</td>
<td>23</td>
<td>41</td>
</tr>
<tr>
<td></td>
<td>44%</td>
<td>56%</td>
<td></td>
</tr>
<tr>
<td><strong>Country Director / Manager</strong></td>
<td>11</td>
<td>2</td>
<td>13</td>
</tr>
<tr>
<td></td>
<td>85%</td>
<td>15%</td>
<td></td>
</tr>
<tr>
<td><strong>Country Program Coordinator</strong></td>
<td>4</td>
<td>2</td>
<td>6</td>
</tr>
<tr>
<td></td>
<td>67%</td>
<td>33%</td>
<td></td>
</tr>
<tr>
<td><strong>Country Team</strong></td>
<td>7</td>
<td>12</td>
<td>19</td>
</tr>
<tr>
<td></td>
<td>37%</td>
<td>63%</td>
<td></td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>80</td>
<td>72</td>
<td>152</td>
</tr>
<tr>
<td></td>
<td>53%</td>
<td>47%</td>
<td></td>
</tr>
</tbody>
</table>

Similar to the above, these figures must be treated with caution as respondents often had several positions.

On average, the awareness of the PCF by position was roughly 50%. It is encouraging to note that 85% of the country directors/managers and two thirds of the country program coordinators are aware of the PCF. However, only 55% of task managers/task team leaders are aware of the PCF. The implication here is that the PCF message is getting through to the key decision makers in the country teams but this message is not filtering down to the task managers.

It is likely that this high level of awareness is due to the fact that country managers are expected to know about the various funding mechanisms. However, it is unclear whether the PCF has specifically targeted this group or whether the country managers are encouraging their staff to explore the use of the PCF.

**Source of Awareness**

<table>
<thead>
<tr>
<th>Source of Awareness</th>
<th>Percent</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Learning events</td>
<td>4.4%</td>
<td>5</td>
</tr>
<tr>
<td>Dissemination notes</td>
<td>2.6%</td>
<td>3</td>
</tr>
<tr>
<td>Thematic reports</td>
<td>3.5%</td>
<td>4</td>
</tr>
<tr>
<td>Website</td>
<td>1.8%</td>
<td>2</td>
</tr>
<tr>
<td>Sector managers</td>
<td>1.8%</td>
<td>2</td>
</tr>
<tr>
<td>Country directors</td>
<td>7.0%</td>
<td>8</td>
</tr>
<tr>
<td>Colleagues</td>
<td><strong>48.2%</strong></td>
<td><strong>55</strong></td>
</tr>
<tr>
<td>Other</td>
<td>30.7%</td>
<td>35</td>
</tr>
</tbody>
</table>
The vast majority of those who are aware of the PCF became aware of it through their colleagues, though only 8.8% were aware of the PCF through sector managers or country directors. The implication of this finding is that Bank staff become aware of the PCF through their own networks rather than as a result of guidance from the those in charge of programmes.

Learning events, dissemination notes, thematic reports and the website are all activities that are aimed at sharing information. Disappointingly (in view of the knowledge management strategy), knowledge management activities were the source of awareness of the PCF in only 12.3% of cases.

Of the ‘other’ responses, a number can be grouped under the categories in the table below.

| Broad involvement in the PCF | 15.8% | 18 |
| Work in a conflict-affected country | 6.1% | 7 |
| Experience with other Trust Funds | 2.6% | 3 |

Around 16% of those surveyed stated that their awareness came from some sort of involvement with the PCF either as a TM, TTL or through involvement in the PCF or its associated units. It is also instructive that 6% became aware of the PCF through working in a conflict-affected country. This is not surprising, given the focus of the PCF though we might expect this figure to be higher. One explanation for this may be that respondents discovered the PCF through colleagues whilst working in conflict-affected countries which would skew the results. In any case, the role of colleagues is clearly central in knowing about the PCF.

54% of respondents have used the PCF and, based on the above analysis, we can assume that these are likely to raise the awareness of the PCF. Encouragingly, 60% of those that have not used the PCF have suggested or intend to suggest the use of the PCF. This indicates that the PCF is perceived to be a useful tool.

**Objectives**

55% of those aware of the PCF indicated that they are clear on the purpose and objectives of the PCF. The remainder suggested that there are elements that they are not so clear about (somewhat clear and unclear). However, there is a high level of awareness of the broad guidelines for its use (77%).
APPENDIX F

DISCUSSION
OF
PCF PURPOSE/OBJECTIVE[S]
PCF PURPOSE

1. DEFINITIVE STATEMENT OF PURPOSE

1.1. In order to assess the achievement of PCF objectives, these must first be defined. In this appendix we discuss the purpose of the PCF and the related high-level objectives in terms of “what is it for?” or, “what is it trying to achieve?”.

1.2. The objectives contained in the TORs, can be summarized as follows.

- (a) Timely and strategic responses allowing early and flexible engagement;
- (b) Innovate, pilot new approaches, improve knowledge;
- (c) Enhance partnerships and co-financing;
- (d) Reduce impact of conflict and prevent recurrence.

1.3. These are the basis of our assessment in this report.

1.4. However, from the documents we reviewed, it is difficult to determine the definitive purpose and/or objectives of the PCF. There are a range of subtly different statements of objectives contained within the various reports, resolutions, evaluations and memorandum (see Table 22). Additionally, within these various statements there is no overall purpose or hierarchy of objectives. In Table 22 we present a summarized comparison of a selection of these differing statements:

Table 22: Comparison of statements of purpose and objectives

<table>
<thead>
<tr>
<th>Source</th>
<th>Statement of purpose/ objectives (summarized)</th>
</tr>
</thead>
</table>
| External evaluation TORs (specific objectives) | Purpose: not stated  
Objectives (“more precisely”):  
- Timely and strategic responses allowing early and flexible engagement (esp where WB is constrained through normal instruments)  
- Find innovative ways to respond, pilot new approaches, improve knowledge on effective responses  
- Enhance partnerships and co-financing  
- Reduce impact of conflict and prevention of recurrence |
| DGF FY07 PCF Progress Report (as quoted in the TORs) | Objective:  
- Timely, innovative and risky activities… allowing the WB to partner… to ensure early and flexible engagement where the WB is constrained by its normal… instruments |
| Annual Report 2006 | No explicit statement of purpose or objectives but there is mention of:  
- Established to - enhance the Bank’s ability to support countries in transition from conflict to sustainable development  
- Set-up as - quick, flexible financing mechanism  
- Aim to - optimize policy and project design in conflict affected countries  
- Mission – to promote innovative work  
- Mandate – preference to proposals with a greater impact on Bank work  
- Also – integrate sensitivity to conflict into WB activities |
| Financial Arrangement for FY06, WB Intranet (24 Nov 06) | Objective:  
Position the Bank through constructive engagement in countries where normal instruments… cannot apply  
- Designed to – have strategic positioning value for the Bank and its partners |
| Annual Report 2005 | No explicit statement of purpose or objectives but there is mention of:  
- Established to – support innovative work in …conflict affected societies, not possible under regular Bank projects  
- Emphasis on - - speed and flexibility supporting the countries in transition from conflict to sustainable development  
- Supports – research, planning, piloting and analysis of ground breaking activities |
| Approach to Global Programs - PCF Case Study (OED, 2004) | Purpose: increases knowledge and provide instrument to enable early engagement and ensure a role in transition from relief to reconstruction  
Objective:  
- Position the Bank through constructive engagement |
| PCF Guidelines and | [no explicit statement of purpose or objectives but] |

82 The development outcome expected and for which the program/project is accountable for achieving. Preferably a non-compound, single sentence statement of what the program/project is to achieve.

83 II. PCF Objectives and Activities.
1.5. These are consistent with the OECD-DAC principles\(^{85}\), importantly allowing the Bank to engage with those responsible for security, political and economic affairs, humanitarian assistance and to add a strong voice, together with others, on development (development linkages being one of four Bank themes based on the OECD-DAC principles) and to do so with speed and flexibility.

1.6. Nevertheless, overall the differing statements are confusing. This is because, whilst there are common themes running through them (timely/early, flexible, innovation, lesson learning, partnership), several of the statements suggest a different emphasis of purpose and within the various statements there is no hierarchy (or prioritisation) to provide further clarity of purpose.

1.7. We encountered some uncertainty:

- From the survey 55% of those aware of the PCF indicated that they are clear on the purpose and objectives of the PCF. The remainder suggested that there are elements that they are not so clear about (somewhat clear and unclear);
- From discussion with Bank staff a similar pattern with many being unclear on objectives;

---

\(^{84}\) It should be noted that this “purpose” is contained in the foreword only and the document does not otherwise mention the PCF. It does however, define requirements including early engagement, presence in the field, coordination, partnership, relief-reconstruction linkages and flexible funding. It also defines the framework of watching brief, transitional support strategy moving through early reconstruction activities to eventually normalisation of lending operation.

\(^{85}\) OECD-DAC Principles for International Engagement in Fragile States.
• Even within the TMs that are familiar with the PCF several indicated some difficulty in differentiating from the LICUS fund;

• Several committee members expressed that the objectives of the PCF should be clearer and, importantly, the criteria by which proposals are to be assessed (see sub-section 8.5).

1.8. For the sake of clarifying purpose, objectives, themes, eligibility, etc. it would be useful to have a single statement of purpose. Below purpose could then sit a set of sub-objectives consistent with, even if subordinate to, purpose.

2. DISCUSSION OF PURPOSE

2.1. In looking more closely at some of the detail of the statements in Table 22 we make further observations as follows:

2.1.1. From discussions we detected a strong and open agenda for the PCF to assist with “mainstreaming” conflict issues within the Bank (see the message in the annual report for 2006). However, limited advocacy and knowledge management has meant that this agenda has not progressed as far as it might (a relative statement). If indeed this is an important objective (or even the true purpose) it needs to be more explicit, even if only internally.

2.1.2. We fully accept that fund should allow, even encourage, risk and innovation but we are not convinced that innovation in of itself should be stated as a high level objective. Tried and tested approaches are valid, as is replication of innovation from other PCF grants or from other innovative approaches elsewhere. Particularly as the fund progresses and the understanding of what works and what does not is developed, the need for the fund to stress innovation should, perhaps, reduce.

2.1.3. Similarly, we are not convinced that knowledge management should be stated as an objective, but should be seen rather as a means to achieving an objective. The knowledge management objective is phrased in terms of improving the understanding of conflict and applying these lessons (see section 6.2 for a fuller discussion). But even here it is arguable that this is not solely the responsibility of the PCF/secretariat to achieve and that the PCF has two higher-objectives which will be furthered by knowledge management and lesson-learning:

• (internally) “to integrate sensitivity to conflict into Bank activities”\textsuperscript{86} (see paragraph 2.1.1 above), i.e. mainstreaming;

• (externally) to involve the Bank with the problems of conflict bringing its development perspective to conflict and conflict situations, together with the Bank’s comparative advantage such as analytical expertise\textsuperscript{87}, i.e. engagement.

2.2. To attribute these high-level objectives to the PCF is to conflate the PCF, the CPRU (and the wider contribution of the Bank, conflict specialists et al) but the PCF is providing some means and incentive both for the promulgation of conflict lessons within the Bank and for the external engagement of the Bank.

2.3. Turning to the four [sub] objectives within the TORs (in reverse order):

\textsuperscript{86} Post Conflict Fund Annual Report, 2006.

\textsuperscript{87} Other comparative advantages may be relevant (global mandate and reach, convening power, mobilizing financial resources, multi-sectoral capacity and in-depth country level knowledge – see OED evaluation of the Bank’s involvement in global public policies and programs), but analytical expertise was the one most mentioned by Bank staff.
2.3.1. (d) The reduction of “impact of conflict and prevention of recurrence” is obviously what it is all about but with a fund capped at USD8M annually, spread, potentially, amongst all client-countries with a conflict issue, the impact is likely to be miniscule (marginal even if spent all in one country), so we would argue that this sub-objective should thereby be raised to the highest-order of “goal”\textsuperscript{88} – i.e. a development objective to which the “purpose” of the PCF contributes – even if only in a small way;

2.3.2. (c) To “enhance partnerships and co-financing” is not an end in itself but an important sub-objective. This is so because of the importance of coordination and coherence (as per the OECD-DAC principles). It could be argued though that this is as much about the need for all agencies to contribute as the sum of their parts is greater, each bringing a perspective and comparative advantage i.e. this is about \textit{engagement};

2.3.3. (b) We have partially dealt with “Innovate, pilot new approaches, improve knowledge” above. Of course the purpose of the PCF could be solely about innovation. This would create a real niche for a small fund. But this may distort the application and selection process. It would also exclude applying lessons, particularly applying them in a new context and could result in proposals with merit being declined. There is, arguably, no over-demand for the PCF - surprisingly - with its current set of objective[s] and this would narrow it even further;

2.3.4. (a) Which leaves the first of the objective statements. Dealing first with the Bank being “constrained”, we are assuming here that this not about non-accrual (part of the original premise for the LICUS trust fund) but rather the other instruments not being sufficiently flexible, or at least not sufficiently timely. “Timely” (and “early”) and “flexible” therefore, are useful parts of a purpose statement but we would argue that the operative word here is “\textit{engage}”.

3. \textbf{RECOMMENDATION ON PURPOSE}

3.1. Therefore, we recommend, that a purpose statement for the PCF should be constructed around Bank engagement in a timely and flexible way. This provides the country team with an instrument by which they can become involved at the various levels of country status. Impact on conflict or conflict prevention is raised to “goal” and innovation and learning are valid but expressed as a sub-objective, where applying understanding to the country context is just as important.

3.2. This redefinition of purpose/objectives should be developed as part of a new strategy that could be expanded to an overall business plan for the PCF, within which clarity of purpose will help set direction (vision) and the articulation of the plans necessary for the achievement of the strategy. It would be helpful if the relationship and overlap with the LICUS trust fund had been resolved before this business plan is developed or that it is resolved as part of the determination of the plan\textsuperscript{89}.

\textsuperscript{88} The higher order or broader development impact (or program objective) to which a project is intended to contribute (possibly at a national or sectoral level). In this context perhaps even “super-goal” if such a term in a hierarchy of objectives is recognised (as it is in some usages), although arguably “development” would sit at that level in an objectives hierarchy.

\textsuperscript{89} By this we do not mean necessarily that the two funds must merge, although it would be an option. It is equally valid that they remain two funds each with a different purpose but they would then need greater clarity in criteria for grant approval.
APPENDIX G

PCF GRANT BURDEN SHARE
**PCF Grant Burden Share**

<table>
<thead>
<tr>
<th>Project No.</th>
<th>DGF</th>
<th>Burden share</th>
<th>Others</th>
<th>Total</th>
<th>Comments</th>
</tr>
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<tr>
<td>195</td>
<td>$300,000</td>
<td>100.0%</td>
<td>$0</td>
<td>$300,000</td>
<td></td>
</tr>
<tr>
<td>211</td>
<td>$1,000,000</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>213</td>
<td>$682,500</td>
<td>73.8%</td>
<td>$242,500</td>
<td>$925,000</td>
<td></td>
</tr>
<tr>
<td>213b</td>
<td>$250,000</td>
<td>83.3%</td>
<td>$50,000</td>
<td>$300,000</td>
<td></td>
</tr>
<tr>
<td>243</td>
<td>$1,250,000</td>
<td>49.6%</td>
<td>$1,271,402</td>
<td>$2,521,402</td>
<td></td>
</tr>
<tr>
<td>245a</td>
<td>$800,000</td>
<td>34.8%</td>
<td>$1,500,000</td>
<td>$2,300,000</td>
<td></td>
</tr>
<tr>
<td>245b</td>
<td>$700,000</td>
<td>30.4%</td>
<td>$1,600,000</td>
<td>$2,300,000</td>
<td></td>
</tr>
<tr>
<td>248</td>
<td>$500,000</td>
<td>50.0%</td>
<td>$500,000</td>
<td>$1,000,000</td>
<td></td>
</tr>
<tr>
<td>253</td>
<td>$1,025,000</td>
<td>94.9%</td>
<td>$55,000</td>
<td>$1,080,000</td>
<td></td>
</tr>
<tr>
<td>261A</td>
<td>$250,000</td>
<td>83.3%</td>
<td>$50,000</td>
<td>$300,000</td>
<td></td>
</tr>
<tr>
<td>261B</td>
<td>$250,000</td>
<td>83.3%</td>
<td>$50,000</td>
<td>$300,000</td>
<td></td>
</tr>
<tr>
<td>261C</td>
<td>$160,000</td>
<td>64.0%</td>
<td>$90,000</td>
<td>$250,000</td>
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<tr>
<td>264</td>
<td>$29,880</td>
<td>37.0%</td>
<td>$50,860</td>
<td>$80,740</td>
<td>Estimate based on burden share</td>
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<tr>
<td>272</td>
<td>$60,000</td>
<td>75.0%</td>
<td>$20,000</td>
<td>$80,000</td>
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<tr>
<td>298</td>
<td>$99,700</td>
<td>100.0%</td>
<td>$0</td>
<td>$99,700</td>
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<tr>
<td>300</td>
<td>$265,369</td>
<td>67.8%</td>
<td>$126,268</td>
<td>$391,637</td>
<td>Includes $126,268 cofinancing from the Swiss</td>
</tr>
<tr>
<td>305</td>
<td>$796,720</td>
<td>19.1%</td>
<td>$3,370,010</td>
<td>$4,166,730</td>
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<tr>
<td>306</td>
<td>$1,901,415</td>
<td>89.4%</td>
<td>$225,000</td>
<td>$2,126,415</td>
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<tr>
<td>311</td>
<td>$244,250</td>
<td>4.5%</td>
<td>$225,000</td>
<td>$5,400,000</td>
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<tr>
<td>318</td>
<td>$990,000</td>
<td>29.5%</td>
<td>$2,367,000</td>
<td>$3,357,000</td>
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<tr>
<td>321</td>
<td>$457,242</td>
<td>47.8%</td>
<td>$500,000</td>
<td>$957,242</td>
<td></td>
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<tr>
<td>322</td>
<td>$1,800,000</td>
<td>24.0%</td>
<td>$5,696,400</td>
<td>$7,496,400</td>
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<tr>
<td>323</td>
<td>$2,126,850</td>
<td>74.5%</td>
<td>$726,300</td>
<td>$2,853,150</td>
<td></td>
</tr>
<tr>
<td>324</td>
<td>$2,022,500</td>
<td>86.6%</td>
<td>$312,281</td>
<td>$2,334,781</td>
<td></td>
</tr>
<tr>
<td>333</td>
<td>$284,581</td>
<td>70.3%</td>
<td>$120,000</td>
<td>$404,581</td>
<td></td>
</tr>
<tr>
<td>334</td>
<td>$211,312</td>
<td>67.1%</td>
<td>$103,688</td>
<td>$315,000</td>
<td></td>
</tr>
<tr>
<td>336</td>
<td>$250,000</td>
<td>45.5%</td>
<td>$300,000</td>
<td>$550,000</td>
<td></td>
</tr>
<tr>
<td>339</td>
<td>$97,800</td>
<td></td>
<td></td>
<td></td>
<td>Don’t know other contributions</td>
</tr>
<tr>
<td>Total</td>
<td>18,113,069</td>
<td>48%</td>
<td></td>
<td>37,439,778</td>
<td></td>
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<tr>
<td>Average</td>
<td>670,866</td>
<td>42%</td>
<td></td>
<td>1,586,658</td>
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<tr>
<td>Average %</td>
<td>62.4%</td>
<td></td>
<td></td>
<td></td>
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</tr>
</tbody>
</table>

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90 This analysis excludes the “strategic menu” projects of projects for Sri Lanka.
APPENDIX H

FUNDING PEACE BUILDING ACTIVITIES

IN SRI LANKA
FUNDING PEACE BUILDING ACTIVITIES IN SRI LANKA (AND ELSEWHERE)

Peace building is a much used but poorly defined term. For the purpose here, it is understood to mean funding for non-state actors who aim to address the causes of the conflict – such as social exclusion or ethnic division, for example.

In environments such as Sri Lanka, where the government is both the main conduit for aid but also a party to the conflict, donors are increasingly funding peace building activities. And through the PCF, the Bank in Sri Lanka is now looking to follow suit with its ‘strategic menu’ of peace building projects.

Given the relevance of these activities to the PCF – there is no other Bank instrument likely to be funding peace building projects – the evaluation team spent some time in Sri Lanka trying to understand what the peace building actually entails and who exactly is doing it. As well as the Bank office, we spoke to a cross section of individuals from international NGOs, national NGOs, bilateral donors and the government.

The common observation was that, while generally perceived as respectable and honest, most ‘peace building’ organisations are well known to be politically active. Of course, conflict is a political activity with political causes, so this is hardly a ground breaking observation. But it is a relevant observation for the Bank – as the Bank is not permitted to fund political activities.

Bilateral donors are able to accommodate these concerns. The UK government, for example, which funds a series of peace building activities across Sri Lanka, simply accepts the political nature of the activities they are funding. The UK Embassy has merged its Political and Development offices; and their ‘Peace Building Strategy’ is not a public document.

So does this mean the Bank should not be funding peace building activities? Not necessarily. The Bank office can hardly be criticised for attempting to deal with the causes of conflict rather than just working around it. But it does have to tread carefully and the roles the secretariat and committee play here are important.

An option discussed by the evaluation team with the Country Director in Sri Lanka was to use an approach adopted by the UK, German and Australian governments. They have contracted the management of a programme of peace building activities they jointly fund to an ‘umbrella’ NGO called FLICT (Facilitating Local Initiatives in Conflict Transformation). This approach has two advantages. Firstly, it ensures sufficient time, and local expertise, is used to fully evaluate grant recipients. And, secondly, it ensures that Bank office staff do not spend excessive amounts of time managing small projects.

Peace building is also an area where there is little evidence pointing to what works and what does not. If the PCF is to be more strategically-focused, this is one area that would benefit from greater attention.

---

91 We spoke to the Bank-funded consultant who acts as secretariat to an aid coordination forum called the ‘peace support working group’ to find out how many such projects were active. He suggested there were too many to even estimate.

92 This was a particular issue for the Sri Lanka office, who told us that the ‘strategic menu’ had been a burden on office staff that they would be unwilling to take on again.
APPENDIX I

PERSONS MET
<table>
<thead>
<tr>
<th>PCF Secretariat</th>
<th>UN Staff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Niels Harild</td>
<td>Paul Hulshoff (UNICEF)</td>
</tr>
<tr>
<td>Ana Paula Fialho Lopes</td>
<td>Jun Kukita (UNICEF)</td>
</tr>
<tr>
<td>Esther Rojas-Garcia</td>
<td>Kozeta Imami (UNICEF Kosovo)</td>
</tr>
<tr>
<td>Katherine Haynes</td>
<td>Dren Rexha (UNICEF Kosovo)</td>
</tr>
<tr>
<td></td>
<td>Anders Friborg (UNDP)</td>
</tr>
<tr>
<td>PCF Committee</td>
<td>Bisrat Aklilu, MDTF Office (UNDP)</td>
</tr>
<tr>
<td>Steen Jorgensen</td>
<td>Judith Karl (UNDP)</td>
</tr>
<tr>
<td>Maninder Gill</td>
<td>Mark Bowden (UN OCHA)</td>
</tr>
<tr>
<td>Colin Scott</td>
<td>Rudolph Müller (UN OCHA)</td>
</tr>
<tr>
<td>Vikram Raghavan</td>
<td>Amjad Abbashar (UN OCHA)</td>
</tr>
<tr>
<td>Donna Dowsett-Coirolo</td>
<td>Sarah Muscroft (UN OCHA)</td>
</tr>
<tr>
<td>Ian Bannon</td>
<td>Jennifer Serunjogi (UN OCHA)</td>
</tr>
<tr>
<td>Barbara Kafka</td>
<td>Dominik Bartsch (Peacebuilding Support Office)</td>
</tr>
<tr>
<td>Per Egil Wam</td>
<td>Kiran Uday Singh (UNMIK)</td>
</tr>
<tr>
<td>Cyprian Fisiy</td>
<td>Kanako Terui (UNV Kosovo)</td>
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<tr>
<td>John Davidson</td>
<td>Jette Lund (Danish Embassy)</td>
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<td></td>
<td>Marion Pratt (USAID)</td>
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<tr>
<td>Other Bank Staff</td>
<td>Katie Hamlin (USAID)</td>
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<tr>
<td>Gloria La Cava</td>
<td>Rick Swanson (OTI)</td>
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<tr>
<td>Mary Judd</td>
<td>Fritz Wiedlan (OTI)</td>
</tr>
<tr>
<td>Joelle Dehasse</td>
<td>Stacia George (OTI)</td>
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<tr>
<td>Mark Woodward</td>
<td>Jennifer Stuttle (UK DFID)</td>
</tr>
<tr>
<td>Mauritiza Tovo</td>
<td>Ken de Souza (UK DFID)</td>
</tr>
<tr>
<td>Sam Carlson</td>
<td>Patrick Merienne (UK DFID)</td>
</tr>
<tr>
<td>Javier Suarez</td>
<td>Dan Silvey (UK DFID)</td>
</tr>
<tr>
<td>Elena Kastlerova</td>
<td>John Moye (UK DFID)</td>
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<tr>
<td>Alassane Diwara</td>
<td>Nick Leader (UK DFID)</td>
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<tr>
<td>Julia Fraser</td>
<td>Rod Matthews (UK PCRU)</td>
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<td>Jean-Jacques Frere</td>
<td>Marijn Noordam (Netherlands MOFA)</td>
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<tr>
<td>Carine Clerc</td>
<td>Einar Rystad (Norway MOFA)</td>
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<tr>
<td>Aglaia Zafeirakou</td>
<td>Sarah Farnsworth (Initiative for Inclusive Security)</td>
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<tr>
<td>Elena Galliano</td>
<td>James Bishop (Interaction)</td>
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<td>Patti Petesch</td>
<td>Linda Poteat (Interaction)</td>
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<td>Markus Kostner</td>
<td>Mark Rogers (CRS)</td>
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<tr>
<td>Moira Hart-Polguin</td>
<td>Ozong Agborsangaya-Fiteu (Search for Common Ground)</td>
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<tr>
<td>Elena Correa</td>
<td>Sandra Melone (Search for Common Ground)</td>
</tr>
<tr>
<td>Elisabeth Huybens</td>
<td>Fatma Bajram (Cymham Sumnal)</td>
</tr>
<tr>
<td>Bernard Harborne</td>
<td>Roland Kumnova (Kosovo Youth Development Project)</td>
</tr>
<tr>
<td>Sarah Cliffe</td>
<td>Ilir Hoxha (Kosovo Youth Development Project)</td>
</tr>
<tr>
<td>Michael Ochieng</td>
<td>Blerim Azizi (Kosovo Youth Network)</td>
</tr>
</tbody>
</table>
## Independent Evaluation of the Post Conflict Fund

**First Draft Report**

**The World Bank**

**Contract Reference No:** 7140914

### Independent Evaluation: FY03-06 Crown Agents

<table>
<thead>
<tr>
<th>Member</th>
<th>Institution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ivar Andersen</td>
<td>Alban Krasniqi (Kosovo Youth Network)</td>
</tr>
<tr>
<td>Anna Hjartardottir</td>
<td>Birgit Stanzel (GTZ Kosovo)</td>
</tr>
<tr>
<td>Blanchard Marke</td>
<td>Ahmet Kryeziu (Save the Children Kosovo)</td>
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<tr>
<td>Asger Christensen</td>
<td>Albina Duraku (Save the Children Kosovo)</td>
</tr>
<tr>
<td>Greg Toulin</td>
<td>Salih Morina (Government of Kosovo)</td>
</tr>
<tr>
<td>Patricia MacGowen</td>
<td>Goran Anceski (Macedonia Ministry of Finance)</td>
</tr>
<tr>
<td>Caroline Mascarell</td>
<td>Kostadinka Sarlamanova (Municipality Legal Department, Macedonia)</td>
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