

Support to the World Bank State- and Peacebuilding Fund (SPF), 2017-2020

Key results

- Improving governance and institutional performance in fragile, conflict and violence-affected countries so as to boost resilience to internal and external stresses;
- peacebuilding, which seeks to develop the socio-economic conditions that foster peaceful, stable and sustainable development; incl.
- strengthened global fight against gender-based violence and enhanced application of the humanitarian-development-peace (H-D-P) nexus.

Justification for support

- The contribution is part of Denmark's continuing efforts to strengthen assistance in areas and countries neighbouring crisis and conflict, targeting internally displaced people, refugees and affected local communities – as per the "the World 2030" with a priority on peace, stability, protection and increased resilience in the affected countries.

How will we ensure results and monitor progress

- Active participation in governing council meetings.
- Enhanced donor coordination through informal yearly donor meetings.
- Direct, regular and close interaction and coordination with the World Bank FCV team and in particular the SPF management.

Risk and challenges

- Country specific risks related to the interventions funded by SPF. E.g. resistance to policy change and capacity constraints in local institutions. Risks mitigated locally.
- World Bank capacity to respond locally to increased demand in fragile situations. SPF is a programme addressing this particular constraint.

File No.	2017-42547					
Country	Global					
Responsible Unit	HMC					
Sector	Gender og Hum-dev-peace					
	<i>Mill DKK.</i>	2017	2018	2019	2020	Total
Commitment		35	-	-	-	35
Projected ann. Disb.		35	-	-	-	35
Duration	2017-2020 (36 months)					
Finance Act code.	06.37.01.19.					
Desk officer	Jakob Rogild Jakobsen					
Financial officer	Lisbeth Barclay					

SDGs relevant for Programme



SPF Total Budget 2018-2020

(USD '000)

Prevention and Recovery	25,000
Crisis Response Programme	10,000
Forced Displacement	20,000
H-D-P	20,000
<u>Financing Solutions</u>	<u>25,000</u>
Total	100,000
Note: Danish contribution equiv. to appr. USD 5,5 mill. will target Prevention and Recovery (incl. GBV) and H-D-P.	

SPF objective(s)

The SPF finances innovative approaches to state and peacebuilding in regions affected by fragility, conflict and violence.

Danish Strategic Objectives

To strengthen the global effort to counter Gender-Based Violence (GBV).

To provide catalytic support to the development and implementation of the H-D-P-nexus.

List of Engagement/Partners

The World Bank is the programme manager.

The SPF is supported by Denmark, Australia, Germany, the Netherlands, Norway, Sweden, Switzerland and the United Kingdom. As the World Bank Group's first-response instrument to crises, the SPF also receives direct financial contributions from IBRD administrative budget.

Introduction

Created in 2008, the State and Peacebuilding Trust Fund (SPF) is the World Bank Group's (WBG) **largest, global multi-donor trust fund established to finance innovative approaches to state- and peace-building** in regions affected by fragility, conflict and violence (FCV). By improving governance and institutional performance in FCV-affected countries, the SPF seeks to boost resilience to internal and external stresses. The SPF further seeks to develop the socio-economic conditions that foster peaceful, stable and sustainable development.

The SPF has become the WBG's primary instrument for first response, innovation, and engagement in FCV-affected countries. The SPF has a number of comparative advantages. Firstly, it is **flexible** in terms of where it can operate – all developing countries facing FCV challenges are eligible for funding regardless of geography, income level, or arrears status. The SPF can also operate in territories and non-members on a case-by-case basis. Secondly, the SPF can **mobilize financing quickly** – whenever interventions are required to address FCV, the SPF is the emergency vehicle to deliver technical assistance, advisory services, or lay the groundwork for large-scale operations. Thirdly, the SPF can **finance the full spectrum of country services** including innovations and pilot operations, analytics, data and evidence collection, as well as seed funding for single-country multi-donor trust funds (MDTFs).

Denmark supports the Global Program for Forced Displacement (GPDF) window of the SPF with DKK 65 million. The World Bank has requested an additional contribution to the SPF from Denmark with a particular focus on:

- Strengthening initiatives against **Gender-Based Violence (GBV)**, and
- Catalytic support to bridging the gap between the **humanitarian action, development engagements, and peacebuilding (HDP-nexus)**

The **World Bank Group** is emerging as a key partner in the global response to fragility and displacement, acting in very close cooperation with UNHCR and seeking to promote inclusive long-term responses based on the recognition of displacement as a development challenge. This is supported by the SPF as well as the development of new substantial financing mechanisms, both for low- and middle-income countries. One is the Global Concessional Financing Facility (GCFF) with Denmark a one of the main contributors. The record USD 75 billion replenishment of IDA18, with a special focus on FCV, also positions the WBG in a leading position in the development response to the challenges in low-income countries, where roughly 50 percent of the extreme poor are expected to live by 2030.

Strategic considerations and justification

The contribution is fully in line with **Denmark's Strategy for Development Cooperation and Humanitarian Action (2017)**, which identifies peace, security and protection as a priority area. Denmark will prioritise the prevention of conflicts and stabilisation in and around fragile countries and situations. While managing the massive refugee and migration crisis of our time requires a substantial investment, it is also a precondition of achieving a positive economic and political development. The crises in the fragile countries and regions are complex, deep and protracted.

The Strategy further states that Denmark's efforts in fragile contexts will always form part of a **comprehensive international approach**. Denmark will strengthen the coherence between humanitarian responses and development cooperation through measures such as matched financial commitments, joint planning and analyses, common agreements bridging humanitarian and development funds to international and civil society partners, linking of humanitarian action to development-oriented country programmes. It also includes – with full respect for the humanitarian principles – comprehensive engagements in fragile and conflict-affected countries and regions.

Denmark will contribute actively to efforts to **break down silos across** the humanitarian and development work in the EU, the UN system, the World Bank Group and in the OECD-DAC cooperation and lead by example. In this, Denmark will support innovative World Bank efforts to provide long-term developmental assistance to states and local communities that receive large groups of refugees and internally displaced people, as exemplified by this contribution.

Fragility, conflict, and violence remain the biggest threats to sustainable development. After a decline since the 1990s, the number of people killed by violent conflict has been increasing sharply since 2010, and conflicts are becoming more interlinked. As of today, **about 2 billion people around the world live in FCV-affected countries**. By 2030, WBG-projections show that the share of global poor living in countries suffering from FCV range from 43-62 percent. WBG-studies also confirm the intuition that poverty trends are directly proportional to the intensity of violence. Moreover, the aggregate economic cost of conflict on the global economy has been estimated at USD14.3 trillion in 2014 – roughly 13.4 percent of world GDP.

Concurrently, the Syrian crisis has brought the number of **refugees worldwide** to the highest level since World War II. Forced displacement has moved from a humanitarian to a primarily development crisis: 95 percent of refugees and internally displaced live in developing countries, originating from the same 10 conflicts since 1991. Over 60 million people are forcefully displaced worldwide, and it has a direct impact on the achievement of the SDGs, thereby underlining the importance of the principle of *leaving no-one behind*.

FCV no longer ravage poor countries alone. Recent conflicts in Ukraine and Syria, as well as the soaring homicide rates in Central America, demonstrate that sustainable development is under threat irrespective of geography, income level, or apparent political stability.

Addressing the increasing complexity of violent conflict requires **coherence and complementarity of actions across the humanitarian, development, peacebuilding and security** divide that encompass political, security, human rights, economic and social dimensions. These dimensions speak to the complementarity between the UN and the World Bank Group (WBG) mandates. Over the last decade, the relationship between the UN and WBG in fragile situations has gradually shifted from competition to cooperation and coherence both at headquarters and country levels.

The **World Humanitarian Summit** (WHS) in Istanbul (May 2016) concluded that a new and coherent approach is required to target the needs of the most vulnerable populations based on

addressing root causes of conflict, increasing political diplomacy for prevention and conflict resolution, and bringing humanitarian, development and peacebuilding efforts together. Denmark remains fully committed to the outcomes of the Summit.

Women, young girls and children are particularly vulnerable during disasters, conflicts and war. Assault, sexual violence and lack of access to health services, including sexual and reproductive health and rights, are multiplied and amplified in these situations. More than one in three women worldwide have experienced **gender-based violence** during their lifetime. While those affected by GBV are predominantly young women, men and boys can also be victims or be forced to perpetrate it against others, including their own families. Denmark is committed to contribute to fighting violence against children, young girls and women and help ensure that efforts in conflicts and humanitarian situations address the particular vulnerability of girls and women and include access to contraception and reproductive health services. At the same time, we recognize the often-overlooked resource represented by women in peace negotiations and conflict resolution.

Thematic Programme summary

The **overall goals** of the SPF are to support measures to improve governance and institutional performance in countries emerging from, in, or at risk of sliding into crisis or arrears; and to support the reconstruction and development of countries prone to, in, or emerging from conflict.

The Danish contribution will support the **SPF Work Program**, which outlines the objectives, activities, and outputs (see Annex for details). The current work programme ends in 2019. The SPF is the WBG one-stop shop for FCV expertise, resources, and partnerships, delivering actionable analytics, technical assistance, project financing, and partnerships along the following five programs:

1. **Prevention, resilience and recovery (including GBV).** Tailor development solutions to FCV causes and consequences, e.g. on the basis of risk and resilience assessments and other actionable analytics to inform pilot financing;
2. **Crisis response.** Developing capacities to respond to crises and transitions. Needs assessments etc.
3. **Forced displacement.** Operationalise a global development response to forced displacement. Enable the WBG to develop innovative responses to forced displacement and fragility in low-income countries. Build a full suite of services to assist in the socio-economic opportunities of refugees and IDPs, host communities, and returnees.
4. **H-D-P initiatives.** Enact the new UN-WB Partnership Framework in FCV at country level. Develop and implement new tools such as Recovery and Peacebuilding Assessments (RPBAs) and security and justice public expenditure reviews, and foster joint planning and execution of FCV projects and programs;
5. **Financing solutions.** Promote financing solutions to support adequate investment in FCV. Dedicated financing to countries. Design and test innovative financing instruments

for the differentiated needs of FCV countries in low and middle-income countries, and provide special financing for situations where conventional financing is simply not available.

The SPF is demand-driven and specific allocations are based on swift decisions on fund applications.

This Danish contribution targets initiatives against **Gender-Based Violence (GBV)** (under program 1) and the **HDP-nexus** (program 4). The Forced displacement (Program 3), which is also known as the Global Program on Forced Displacement (GPDF), is partly financed by a separate Danish contribution.

The funding status as that the SPF has received USD 218 million from the IBRD-resources between 2008 and 2016, which represented approximately 78 percent of total financing to the Fund by the end of 2016. Bilateral development partners contributing the remaining 22 percent include Australia, Denmark, Germany, The Netherlands, Norway, Sweden, and the United Kingdom. Total contributions and investment income to the SPF currently amount to USD 301.3 million (November 2017).

The **SPF has financed a portfolio of 126 specific grants and eight transfers** of funds to single-country MDTFs in a total of 37 countries; 94 percent of available financing has been committed and disbursement is at 79 percent. Most of the grants are recipient-executed, although the SPF allows for Bank-executed projects.

The **Africa region** hosts the largest number of SPF supported projects addressing multiple FCV contexts with appr. 50 percent of allocated SPF funds. Several strategic initiatives—a package of projects behind a transformative state-building and peacebuilding strategy (country/regional)—have been supported, including Sudan (USD 14 million) and the Democratic Republic of Congo (DRC, USD 10 million). Somalia is the largest single recipient of SPF funds, with a portfolio of USD 36 million. The **Middle East and North Africa** region is the second largest recipient of SPF financing (21 percent of funding), and focus is more on service delivery and livelihood development for conflict-affected, displaced and marginalized populations. The **East Asia and Pacific (EAP)** region has targeted initiatives addressing the drivers of subnational conflict and fragility. The SPF has provided USD 23 million to EAP, the third largest recipient of SPF. **Europe and Central Asia (ECA)** region grants are informed by the SPF's ECA Strategic Initiative on Conflict and Fragility, which includes operational and knowledge-generation activities to strengthen sensitivity to FCV in the Bank's work and tackle the underlying sources of fragility and violence. The **Latin America and Caribbean (LAC)** region's SPF projects seek to address issues pertaining to post-conflict reconstruction and urban crime and violence. SPF funding to LAC in the amount of USD 21.4 million largely focused on citizen security and urban violence in Central America and supporting the peace process and victims' reparation in Colombia. The **South Asia region** does not have a significant SPF presence, mainly due to the portfolio of other large-scale trust funds.

As concerns the two priorities for this Danish contribution, the SPF has supported analytical work, evaluations, and country pilots on **GBV** with USD 15 million in commitments over the last eight years. The SPF has set aside USD 1 million of its 2017 allocation to support the preparation of projects across sectors and countries that would include a GBV component. This additional Danish funding will enable the WBG to scale up its work in this area.

The Danish contribution will promote a coherent and multifaceted approach to GBV. Many sectors can contribute to the prevention, response and mitigation to GBV, as is detailed in the World Bank's Violence Against Women and Girls Resource Guide (vawresourceguide.org). This new initiative aims to scale-up solutions to preventing and mitigating GBV. The initiative includes an ambitious goal of leveraging USD 50 million in project financing for GBV and contributing, ultimately, to fulfilling the IDA18 commitment on GBV.

The **Humanitarian-Development-Peace (HDP) Nexus** program was established under the SPF in April 2017 to enable a more efficient and effective response in FCV settings. This programme aims to incorporate and expand the work undertaken so far by the UN-World Bank Trust Fund, including lessons learned and findings of a portfolio review, and it aims to operationalize the strategic commitments expressed in the United Nations-World Bank Partnership Framework for Crisis-Affected Situations. This programme aims to catalyze stronger HDP partnership for delivery of better results in FCV settings. It builds on the lessons from the pilots activities implemented under the UN-WB partnership Trust Fund, which emphasize importance of result driven collaboration rather than process driven collaboration, as well as the importance of building government ownership. The Danish contribution will promote scaling-up the World Bank response in this increasing complexity of violent conflict, which requires coherence and complementarity of actions across the humanitarian, development, peacebuilding and security divide.

Overview of management set-up

The governing bodies of the SPF consist of a Council, a Technical Advisory Committee and a Secretariat. **The SPF Council** meets periodically to provide feedback on the SPF's progress. It provides guidance on the direction of the SPF and it reviews and approves the two-year SPF work programs. The Council consists of WBG senior management and contributing development partners. The UN Assistant Secretary-General for Peacebuilding Support is an ex-officio member of the Council. The **Technical Advisory Committee (TAC)** reviews and approves project proposals, integrates the SPF programming with regional WBG priorities, transfers operational knowledge across practices, and proposes new initiatives that are in line with regional and sectoral priorities. The TAC includes representatives from the WBG global practices, regional departments and corporate units. Finally, the **SPF Secretariat** manages the day-to-day operations of the SPF, preparing strategic directions for each year, providing advice to teams on how to make projects more agile, processing grants, as well as monitoring and evaluating the SPF portfolio based on the results framework.

The **SPF structure builds on findings of a 2012 Mid-Term Review (MTR)**, which found the overall performance of the **SPF to be moderately satisfactory**. The MTR highlighted the effectiveness of the SPF in supporting development interventions in a range of challenging FCV settings and noted that proactive improvements in portfolio management and performance measurement were increasing the effectiveness and the relevance of the Fund. The MTR pointed

to the SPF's critical role in complementing IDA investments, working where IDA cannot and serving as a catalyst by piloting approaches that could be brought to scale. The next MTR is scheduled for 2018.

The World Bank ensures that funds are administered and reported on in accordance with an **administration agreement** between the WBG and the Government of Denmark, and in line with World Bank policies and procedures. The Danish contribution will be targeted the two SPF programs covering GBV and HDP-nexus respectively.

Key performance indicators

In accordance with the defined goals most interventions contribute to multiple goals either as **Fund-Level** results of under the following **state and peacebuilding outcomes**:

Statebuilding: Governance and Public Financial Management: Public financial management; anti-corruption initiatives; natural resource management. **Access to Justice and informal Institutions:** Judicial sector capacity building; local-level dispute and conflict resolution mechanisms; human rights protection; human rights commissions; land reform and land rights; reparation for victims of conflict. **Policy Formulation and “Inclusive enough Pacts”:** Capacity building of government ministries and executive; capacity building of local governance structures; polling; public information campaigns; leadership development. **Social Accountability and State-society relations:** Civil society and NGO capacity building; social accountability mechanisms; civic engagement programs. **Service delivery for Confidence-building:** Delivery of services (infrastructure, health, education, water and sanitation, etc.).

Peacebuilding: Employment Opportunities and Private Sector Development: Job creation; livelihood creation; microenterprise; private sector development. **Peace and transition agreements:** Peace process technical support; conflict and violence monitoring; national dialogue support; local and subnational inputs to national peace and transition processes. **Recovery, Reintegration and Social Cohesion:** Refugee and IDP support; reintegration of ex-combatants and the conflict-affected; community-based programs targeted to serve minority and marginalized populations and increase inter-group trust. **Gender sensitive approaches:** GBV prevention and response; programs targeting vulnerable young men; women's empowerment and leadership programming. **Resilience to manage external stress:** Cross-border development programming; urban violence prevention; anti-trafficking programs; food security; disaster response and disaster risk reduction.

The **Results Framework** is attached. A new results framework will soon be further developed with SMART indicators that the SPF can be held accountable towards. The World Bank is also exploring how to enhance the transparency as to how the donor contributions are utilised while not losing the flexibility of the trust fund.

The Ministry of Foreign Affairs will follow the implementation closely through its engagement in the SPF Council. **Danish priorities** will include:

- Strong gender focus to ensure that SPF funded programmes takes into account girls and women's needs and rights.

- Strengthened collaboration on GBV between SPF and other relevant World Bank interventions, such as the Umbrella Facility for Gender Equality and the Gender Innovation Labs.
- Further development of the HDP-programme, incl. stronger UN-WB collaboration
- Focus on results and active dialogue with the World Bank with a view to strengthen the results framework, in particular on GBV and HDP.

Through an established Donor Support Group for the GPF, MFA will also have an avenue to discuss and influence the SPF. The Group meets on average once a year, typically in conjunction with a technical workshop on issues of relevance to the GPF. The Danish Ministry of Foreign Affairs participates in these meetings, has hosted them twice in the past, and is likely to do so again during the period covered by this contribution.

Risk

Engaging in support in fragile contexts is a **high-risk endeavour**, but potential rewards are sizable and the risks of inaction are even higher in many situations. The WBG aims to mitigate risks, rather than avoid them. Yet, residual risks will remain, and in some contexts, they will be substantial: not all engagements will be equally successful.

In addition to **country-level risks** (which reflect the specifics of each situation), there are two sets of crosscutting risks:

- A first set of risks are linked to the **inherently political nature of many issue**. Success will require progress on policy and institutional issues, but such progress may prove difficult in some contexts. Some governments may not be willing or able to implement actions they have planned. To mitigate these risks, the WBG is engaged in a continuous policy dialogue with the authorities within the context of a broader partnership with other stakeholders.
- The second set of risks are **operational**. Many of the often fragile countries eligible for support from the SPF have limited institutional capacity. An area like forced displacement is also a new area for the WBG, and efforts will be needed to overcome internal capacity constraints, not least at the country level, promote consistency across interventions, and ensure that programs go beyond projects and include an adequate element of policy dialogue. As the SPF provides flexible based on demand from other WBG entities, it is an instrument that helps mitigate this risk.

Programme budget

This Danish contribution of DKK 35 million will support activities agreed in SPF work plans covering 2018-2020. The total budget is USD 100 million for 2018-2020 of which there is a current funding gap of USD 55 million. The World Bank is currently in dialogue with the Netherlands and Germany about immediate additional contributions. Other bilateral partners, such as Norway and Sweden, as well as the World Bank (IBRD) are also expected to provide additional contributions.

SPF Total Budget 2018-2020.

	Prevention, Resilience and recovery	Crisis Response	Forced Displacement	H-D-P	Financing Solutions
Program objective	Tailor development solutions to FCV causes and consequences ¹	Develop capacities to respond to crises and transitions	Operationalize a global development response to forced displacement	Enact the new UN-WB partnership Framework in FCV at country level	Promote financing solutions to support adequate investment in FCV
Estimated budget	US\$ 25million	US\$ 10 million	US\$ 20 million	US\$ 20 million	US\$ 25 million
Total budget	US\$ 100 million				
<i>Pipeline approved (per Nov. 2017)</i>	<i>US\$ 9 million</i>				
<i>Uncommitted funds available</i>	<i>US\$ 6 million</i>				
	<i>US\$ 85 million</i>				
Tentative contributions*					
Denmark	2.75 million		10.5 million**	2.75 million	
Netherlands	6 million			3 million	3 million
Germany				1.8 million	
	Tentative contributions US\$ 30 million				
	Current tentative funding gap: US\$ 55 million				

*Figures still tentative. Funding agreements not approved.

** Funded from a separate agreement

^[4] This includes projects focused on GBV.

Quality Assurance checklist for appraisal of programmes and projects above DKK 10 million¹

The checklist is signed by the appraising desk officer and management of the MFA unit and attached to the grant documents. Comments and reservations, if any, may be added below each issue.

File number/F2 reference: 2017 - 42547

Programme/Project name: State- and Peacebuilding Fund (SPF). 2017

Contribution: 35 mio. kr.

Programme/Project period: 2017-2020

Presentation of quality assurance process:

The World Bank is a trusted partner, and the SPF has a proven implementation track record since its inception in 2008. It is a relevant and flexible facility, which enables the World Bank to optimise, inter alia, the implementation of the IDA-18 funds for fragile situations. The governance and fiduciary arrangements are in place, and the new commitment will follow existing procedures that guide contributions through the SPF TF. The contribution as such – due to the World Bank's fiduciary record - is therefore considered low-risk.

This allocation will follow several earlier contributions to SPF in the period between 2009 – 2014. SPF is a TF with five programmes. In parallel, Denmark has supported the Global Programme on Forced Displacement (GPDF), one of the current five programme sin SPF, with earmarked contributions. A new contribution of DKK 65 mill. will be earmarked to GPDF in December 2017 covering the next three years.

The contribution will be targeted a stronger effort against Gender-Based-Violence and promotion of a Human-Development-Peace approach. These priorities are included in two of the five SPF-programmes. These priorities were tentatively agreed in a meeting between the State Secretary for Development and the World Bank team visiting Denmark in August 2017.

HMC has a close and direct dialogue with World Bank's Fragility, Conflict and Violence Group and the MENA Department in relation to DK priorities. Also around this contribution. Two MFA staff has been seconded to the FCV-group to strengthen the collaboration and the capacity of FCV. This relationship will not only benefit the SPF, but also the GPDF and the Global Concessional Financing Facility (GCFF) both of which will also receive Danish contributions in late 2017. This combination of three significant contributions addressing fragility will add to the Danish voice in the World Bank in this area.

A 2012 Mid-Term Review found the overall performance of the SPF to be moderately satisfactory. The MTR highlighted the effectiveness of the SPF in supporting development interventions in a range of challenging FCV settings and noted that proactive improvements in portfolio management and performance measurement were increasing the effectiveness and the relevance of the Fund. The MTR pointed to the SPF's critical role in

¹ This format may be used to document the quality assurance process of appropriations above DKK 10 million, where a full appraisal is not undertaken as endorsed by TQS (appropriation from DKK 10 up to 37 million), or the Programme Committee (appropriations above DKK 37).

complementing IDA investments, working where IDA cannot and serving as a catalyst by piloting approaches that could be brought to scale. The next MTR is scheduled for 2018.

- ❑ The design of the programme/project has been assessed by someone independent who has not been involved in the development of the programme/project.

Comments: The set-up of the SPF has followed the World Bank due diligence process as does each and every specific output from SPF.

- ❑ The programme/project complies with Danida policies and Aid Management Guidelines.

Comments: The SPF engagement is fully in line with the Danish Development and Humanitarian Strategy and AMG.

- ❑ The programme/project addresses relevant challenges and provides adequate response.

Comments: SPF is at the core of the World Bank's global response to fragility, violence and conflict – and it enables allocation of considerable resources from IDA 18 to fragile situations.

- ❑ Comments from the Danida Programme Committee have been addressed (if applicable).

Comments: Not Applicable. The draft Programme Document was circulated for possible comments to relevant MFA-colleagues. One colleague commended the proposal while also suggesting a stronger focus on youth.

- ❑ The programme/project outcome is found to be sustainable and is in line with the national development policies and/or in line with relevant thematic strategies.

Comments: Not applicable – as this is a global instrument that seeks to advance more sustainable responses in fragile situations. It is fully in line with the relevant Danish thematic strategies.

- ❑ The results framework, indicators and monitoring framework of the programme/project provide an adequate basis for monitoring results and outcome.

Comments: The SPF produces an annual progress report that provides an overview of all activities.

- ❑ The programme/project is found sound budget-wise.

Comments: Yes.

- ❑ The programme/project is found realistic in its time-schedule.

Comments: Yes.

- ❑ Other donors involved in the same programme/project have been consulted, and possible harmonised common procedures for funding and monitoring have been explored.

Comments: N/A. Not needed; existing set-up.

- ❑ The Danida guidelines on contracts and tender procedures have been followed.

Comments: Not applicable.

- ❑ The executing partner(s) is/are found to have the capacity to properly manage and report on the funds for the programme/project and lines of management responsibility are clear.

Comments: Yes.

□ Risks involved have been considered and risk management integrated in the programme/project document.

Comments: Yes.

□ In conclusion, the programme/project can be recommended for approval: yes

- Issues related to HRBA/Gender have been considered adequately
- Issues related to Green Growth has been considered if applicable
- Environmental risks are addressed by adequate safeguards when relevant

Date and signature of desk officer: 4 Dec 2017_Jakob Rogild Jakobsen_____

Date and signature of management: 4 Dec 2017 Stephan Schönemann_____

STATE AND PEACEBUILDING FUND
WORK PROGRAM 2017-2019

1. The SPF Work Program 2017-2019 outlines the objectives, activities, and outputs, dedicated to advancing the WBG's *Twin Goals of reducing extreme poverty and boosting shared prosperity*, as well as *Sustainable Development Goal 16 on peace, justice, and strong institutions*. Its development objective is to elicit comprehensive development solutions to peace through statebuilding and peacebuilding, and thereby strengthen the World Bank's position as a key development pillar in the H-D-P nexus as called for in the *SPF Compact*. These solutions in turn contribute to a number of key objectives that are consistent with the World Bank's IDA18 commitments, but which also apply to middle-income countries affected by FCV:
 - **Implement a risk-based approach to FCV:** Provide development solutions to FCV causes and consequences on the basis of risk and resilience assessments and other actionable analytics to inform pilot financing;
 - **Build institutional and community resilience to crises:** Develop the capacities of national and local actors to respond to crises and the ability of quick, flexible, and effective H-D-P response through data sharing, joint crisis response, and development-driven stabilization;
 - **Promote the development response to forced displacement:** Build a full suite of services to assist in the socio-economic opportunities of refugees and IDPs, host communities, and returnees;
 - **Turn the H-D-P nexus into action:** Develop and implement new tools such as Recovery and Peacebuilding Assessments (RPBAs) and security and justice public expenditure reviews, and foster joint planning and execution of FCV projects and programs;
 - **Enhance financing to FCV:** Design and test innovative financing instruments for the differentiated needs of FCV countries in low and middle-income countries, and provide special financing for situations where conventional financing is simply not available.
2. To this end, the SPF will become the one-stop shop for FCV expertise, resources, and partnerships, delivering actionable analytics, technical assistance, project financing, and partnerships along five programs: (i) prevention, resilience, and recovery; (ii) crisis response; (iii) financing solutions; (iv) forced displacement; and (iv) H-D-P initiatives through the UN-World Bank Partnership. The work program will benefit from close collaboration and execution of these work streams by the UN and WB Teams. The following table outlines activities and objectives.

Program Objective	Programs			
	Prevention and Recovery	Crisis Response	Forced Displacement	Humanitarian-Development-Peace
Actionable Analytics	<ul style="list-style-type: none"> Tailor development solutions to FCV causes and consequences 	<ul style="list-style-type: none"> Develop capacities to response to crises and transitions 	<ul style="list-style-type: none"> Operationalize a global development response to forced displacement 	<ul style="list-style-type: none"> Enact the new UN-WB Partnership Framework in FCV at country level
	<ul style="list-style-type: none"> Global FCV Risk Scan (benchmarking and early warning) Risk and Resilience Assessments Research program on conflict and peace economics Studies on emergent FCV topics, e.g. violent extremism 	<ul style="list-style-type: none"> Dynamic needs assessments Real-time data platform Just-in-time crisis mapping 	<ul style="list-style-type: none"> Forced Displacement Strategy notes with key partners, e.g. UNHCR Support to establish data systems for refugees and IDPs Research and strategic positioning on frontier topics Impact evaluation 	<ul style="list-style-type: none"> Analysis and feasibility studies, e.g. peace bonds, development impact bonds; de-risking products; and insurance mechanisms
Technical assistance	<ul style="list-style-type: none"> Support to conflict-sensitive engagement, e.g. conflict filters Design of contingency components in projects 	<ul style="list-style-type: none"> Crisis response team for in-country assistance and surge back office Program criticality assessment Capacity-building of local first-responders and preparedness 	<ul style="list-style-type: none"> Assistance to governments for preparedness and response Training and support of WB and government staff 	<ul style="list-style-type: none"> Establishment of core government functions Public expenditure review of security and justice sectors
				<ul style="list-style-type: none"> Promote financing solutions to support adequate investment in FCV
				<ul style="list-style-type: none"> Advice on financing options by WB, e.g. IDA special windows Design of customized solutions, e.g. impact bonds

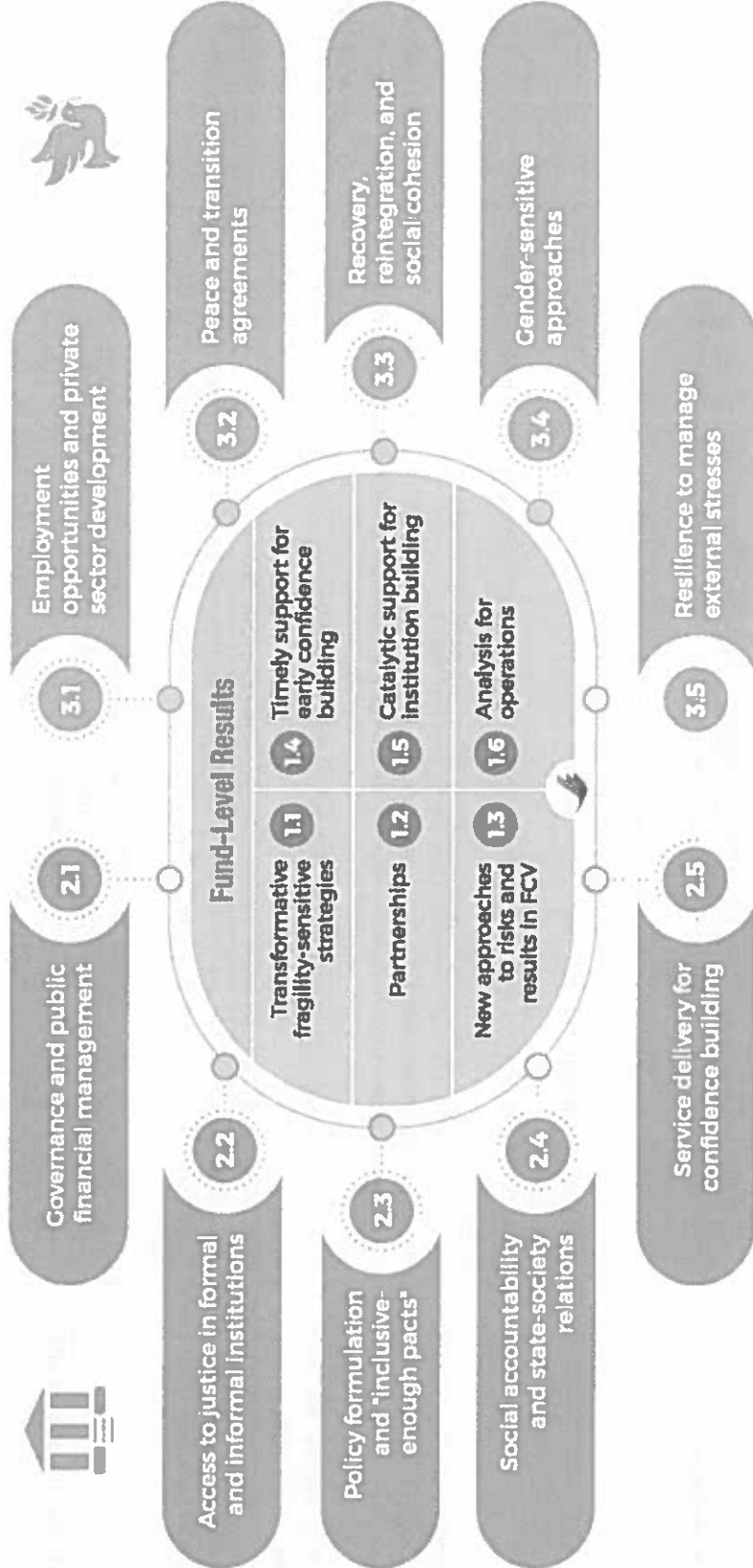
	Programs				Financing Solutions
	Prevention and Recovery	Crisis Response	Forced Displacement	Humanitarian-Development-Peace	
Project Financing	<ul style="list-style-type: none"> Targeted financing to: <ul style="list-style-type: none"> GBV prevention and response Social cohesion and national dialogue Citizen security and urban violence Justice Local development Reintegration of combatants Employment programs and youth Governance and public finance Service delivery to vulnerable people 	<ul style="list-style-type: none"> Restructuring of existing portfolio Stabilization operations, e.g. cash-for-work Just-in-time activities in support of peace agreement 	<ul style="list-style-type: none"> Support to forcibly displaced, host communities, and returnees Piloting of new interventions, e.g. psychosocial support Access to IDA18 refugee window and Global Concessional Finance Facility (GCFF) 	<ul style="list-style-type: none"> Co-financing of UN-WB projects with the UNDG (joint proposal and joint execution) Financing of WB project with execution by UN (Fiduciary Principles Accord) Co-financing of projects with the Secretary-General's Peacebuilding Fund (PBF) 	<ul style="list-style-type: none"> Dedicated financing to: <ul style="list-style-type: none"> Countries in arrears e.g. Somalia and Sudan Non-members, e.g. West Bank and Gaza MICs in crises, e.g. Syrian refugee crisis MICs with sub-national conflicts, e.g. Philippines and Ukraine Cross-border projects, e.g. pastoralism FCV small islands, e.g. PNG
Partnerships and Policy Dialogue	<ul style="list-style-type: none"> Global Fragility Forum Support to regional organizations, e.g. AU and LAS, and FCV groupings, e.g. G7+ Engagement with NGOs/CSOs 	<ul style="list-style-type: none"> Network of crisis units across the H-D-P nexus Development of standard operating procedures for H-D-P partnering 	<ul style="list-style-type: none"> Mutual influence on programs with UNCHR, the EC, and MDBs Contribution to the Comprehensive Refugee Response Framework (CRRF) 	<ul style="list-style-type: none"> Promotion of H-D-P Initiatives UN-WB Steering Group and co-chair of SPF Council 	<ul style="list-style-type: none"> Seed transfers to single-country MDTFs Implementation of the "Grand Bargain" commitments

WORK PROGRAM

Success indicators	Programs				Estimated Budget*
	Prevention and Recovery	Crisis Response	Forced Displacement	Humanitarian-Development-Peace	
<ul style="list-style-type: none"> Contribution to all FCV IDA18 commitments Implementation of the UN-WB Prevention Study 	<ul style="list-style-type: none"> A development approach to crises and transitions Increased and improved WB engagement in crises 	<ul style="list-style-type: none"> Broad international consensus on the development approach Increased number of projects and volume of financing for forced displacement Solid partnership UNHCR, MDBs, the UN agencies, bilateral agencies 	<ul style="list-style-type: none"> Systematic alignment of activities with targets of SDG16 Increased number of joint action at the country level Increased volume of co-financing of activities 	<ul style="list-style-type: none"> New instruments designed and launched Catalytic funding provided in special FCV cases 	<p>US\$17 million</p> <p>US\$5 million</p> <p>US\$10 million</p> <p>US\$8 million</p> <p>US\$20 million</p>

* Based on current operational pipeline for 2017, demand analysis, and consultations with World Bank Regions.

STATE AND PEACEBUILDING FUND RESULTS FRAMEWORK



SPF RESULTS FRAMEWORK

1. Fund-Level Results:

The SPF supports transformative country and regional strategies that serve as a catalyst for more effective WB engagements in FCS	
Results	Sample Sources
Indicators	Sample Sources
<p>1.1 Transformative fragility-sensitive strategies</p> <ul style="list-style-type: none"> - number and diversity of transformative strategies supported (as identified by alignment with SPF results framework and mix of preventive, post-crisis, fragile, criminal, sub-national, regional cases) - number of strategic initiatives and projects that contribute to FCS-related goals in CASS/CPS/ISNs - reported impact of SPF projects on CAS/ISN objectives and results - SPF projects incorporated into CAS/CPS/ISN results framework (percentage) 	<ul style="list-style-type: none"> - document review - survey
<p>1.2 Partnerships</p> <ul style="list-style-type: none"> - number (by type) of recipients of SPF grants: government, NGO, regional and international agencies - reporting on relationships with development partners formed through SPF activities - number of projects identified through a multi-donor planning process (e.g. PCNA, PRSP) - number of SPF projects that fund joint work with WBG, the UN, G7+ and/or other development partners - number of SPF projects that result in new work-streams (e.g. justice/security) with development partners 	<ul style="list-style-type: none"> - document review - project reporting
<p>1.3 New approaches to risks and results in FCV</p> <ul style="list-style-type: none"> - number of projects with innovative risk mitigation strategies - number of projects with M&E components/that utilize innovative M&E - number of projects restructured (adapting to changing circumstances in FCS/managing risk) 	<ul style="list-style-type: none"> - completion reports - project proposals - project reporting - restructuring memos
<p>1.4 Timely support for early confidence building</p> <ul style="list-style-type: none"> - average time from SPF project approval to first disbursement compared to country/regional average - perceptions of CDs/country teams on speed/timeliness of SPF financing 	<ul style="list-style-type: none"> - SAP/Operations Portal - surveys/ interviews
<p>1.5 Catalytic support for institution building</p> <ul style="list-style-type: none"> - number of projects that are continued and/or scaled up through funding from IDA/other donors - number of projects that leverage co-financing or are coordinated with other funding (e.g. UN PBF) - volume of funds raised to continue and/or scale-up project-sponsored activities - reporting on baseline analysis/analytic work produced that informs future activities 	<ul style="list-style-type: none"> - SAP/Operations Portal - completion reports - surveys/ interviews
<p>1.6 Analysis for operations</p> <ul style="list-style-type: none"> - number of projects with learning components - reporting on innovative approaches that are adopted by GP units/CMUs in other countries/regions - number of opportunities provided for cross portfolio learning, including workshops and exchanges - SPF project impacts captured and disseminated through independent participatory evaluations (mid-term and end-term evaluation reports are completed and disseminated; learning events) 	<ul style="list-style-type: none"> - document review - SAP/Operations Portal - surveys/ interviews

SPF Contribution to Country/Regional-Level Results			
2. Statebuilding: improved institutional capacity and legitimacy to manage stresses and support prevention and recovery from conflict and fragility			
Results	Illustrative activities	PDO-Level Indicator Menu	Sample Sources
2.1 Governance and public financial management	public financial management; anti-corruption efforts; natural resource management; budget development exercises	<ul style="list-style-type: none"> - transparency of government spending (i.e. publishing of budgets; independent monitoring; public revenue/expenditure data made public) - mechanisms to address corruption established - reports on level of corruption - citizen confidence in management of public resources - level of government capacity to raise revenue (as a % of GDP) - existence/enforcement of regulatory framework for natural resources management - citizen perceptions on fair use of the benefits from natural resources 	<ul style="list-style-type: none"> - Public Expenditure and Financial Assessment (PEFA) - Transparency International ratings - budget analysis - polling/surveys
2.2 Access to justice in formal and informal institutions	judicial sector capacity building; local level dispute/conflict resolution mechanisms; human rights protection; human rights commissions; land reform/land rights; reparation for victims of conflict	<ul style="list-style-type: none"> - levels of access to judicial services (formal and informal) - citizen confidence in justice institutions (formal/informal) - removal of discriminatory policies/legal arrangements - length of time suspects spend in prison before trial or sentencing - adherence to international human rights standards, including adoption in domestic legislation - existence of reparations to victims of injustice - alternative dispute mechanisms in place and being utilized - establishment of property right/asset resolution mechanisms - % decrease in the number of land dispute cases in the docket - citizen awareness of legal rights and mechanisms for exercising them 	<ul style="list-style-type: none"> - document review - polling/surveys (disaggregated by gender/group/region) - country indices such as Freedom House
2.3 Policy formulation and "inclusive-enough pacts"	capacity building of government ministries/executive; capacity building of local governance structures; polling; public information campaigns	<ul style="list-style-type: none"> - production of consensus-driven agreements/policies that reflect diverse group interests - increased capacity of key government agencies for policy formulation, implementation and coordination - confidence/trust in government capacity to set strategic directions and implement policies - leadership utilizing results of public perception polling/data collection efforts in decision-making 	<ul style="list-style-type: none"> - document review - polling/surveys - media monitoring
2.4 Social accountability and state-society relations	civil society/NGO capacity building; social accountability	<ul style="list-style-type: none"> - number of registered national NGOs - citizen perceptions of the quality/ legitimacy of NGOs/CSOs - levels of civic engagement: 9voting registration; attendance at public meetings etc.) 	<ul style="list-style-type: none"> - review of national/local statistics - polling/surveys

	mechanisms; civic engagement programs	<ul style="list-style-type: none"> - levels of trust in national/local institutions - number of CSO practitioners and/or government officials trained on social accountability knowledge and skills - perceptions of citizens/civil society group that targeted institutions are playing a more prominent role in debates on governance-related issues - diversity in representation of key state institutions 	<ul style="list-style-type: none"> - technical expert site visits
2.5 Service delivery for confidence building	delivery of services (infrastructure, health, education, water/sanitation etc.); community driven development programming	<ul style="list-style-type: none"> - distribution in access to services (disaggregated by group, region etc.) - public perceptions of performance and fairness of service delivery - rehabilitation of infrastructure that improves delivery of services to conflict-affected communities (e.g. km of roads, number of water points) - community infrastructure rehabilitated or built with a socially inclusive approach (e.g. % of projects carried out in mixed/minority communities) - citizen ratings on government responsiveness 	<ul style="list-style-type: none"> - review of national/local statistics - polling/surveys - technical expert site visits
3. Peacebuilding: reduction/management of the internal and external stresses that increase vulnerability to conflict and fragility			
		PDO-Level Indicator Menu	Sample Sources
3.1 Employment opportunities and private sector development	job creation; livelihood creation; micro-enterprise, private sector development; tourism	<ul style="list-style-type: none"> - number of jobs created (and job hours) - employment data disaggregated by group/gender/age - number of businesses registered and operating in insecure environments - scores on Ease of Doing Business Index - number of hours/days of electricity (disaggregated by region) 	<ul style="list-style-type: none"> - national statistics - Doing Business surveys - household data on employment
3.2 Peace and transition agreements	peace process technical support; conflict/violence monitoring; national dialogue support; local/sub-national inputs to national peace/transition processes	<ul style="list-style-type: none"> - citizen confidence in peace process/durability of a political settlement - peace processes are "inclusive-enough" and allow for the participation of groups necessary for peace consolidation - level of participation of civil society in the negotiation, signing, monitoring of agreements - percent of agreement provisions being implemented - levels of political violence 	<ul style="list-style-type: none"> - polling/surveys - document review - national statistics - media reporting (factiva)
3.3 Recovery, reintegration and social cohesion	refugee/IDP support; reintegration of ex-combatants/conflict affected; community-	<ul style="list-style-type: none"> - levels of intergroup violence/crime/tension - levels of inter-group trust - numbers of reintegrated - attitudes of recipient communities to returning populations 	<ul style="list-style-type: none"> - polling/surveys - document review - national statistics

	<p>based programs targeted to serve minority/marginalized populations and increase inter-group trust</p>	<ul style="list-style-type: none"> - number of conflict-affected accessing psychosocial support - beneficiaries who experience a feeling of greater security attributable to the project in the project area (percentage) - representation in community-based decision-making and management structures (disaggregated by groups) - access for displaced populations in target communities to basic infrastructure, services, employment and livelihood activities - policies/laws in place to address rights of vulnerable/conflict-affected populations 	
<p>3.4 Gender-sensitive approaches</p>	<p>programming targeted to reduce gender-based violence; program targeting vulnerable young men; women empowerment/leadership programming</p>	<ul style="list-style-type: none"> - incidence of rape and sexual violence - women's perceptions of safety/security - disaggregated data by gender (access to services, employment, representation in national/local institutions etc.) 	<ul style="list-style-type: none"> - document review - national/local employment statistics - surveys
<p>3.5 Resilience to manage external stresses</p>	<p>cross-border development programming; urban violence prevention; anti-trafficking programs; food security; disaster response/disaster risk reduction</p>	<ul style="list-style-type: none"> - incidence of cross-border violence - level of economic development in border regions - levels of urban violence - disaster risk reduction capacity - beneficiaries who experience a feeling of greater security attributable to the project in the project areas (percentage) - seizure/prosecutions on trafficking and organized crime 	<ul style="list-style-type: none"> - UNODC statistics - GIS mapping on cross-border violence

