

**PBC Chairs' Visit to the World Bank (13 September 2012)**

**DRAFT**

**Summary of the discussions and outcome**

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**Background**

The PBC Chairs' Group visited the World Bank's Headquarters in Washington D.C. on 13 September 2012.

The main purpose of the visit was to deepen the partnership between the PBC and the World Bank, both at the policy and country-specific levels. The visit was organized in the context of the PBC's objective to enhance its impact in the field through strengthening the partnership with the international financial institutions, as stipulated in the Commission's Roadmap of Actions in 2012 (Section I (A) – 1).

The composition of the PBC delegation and the programme of the visit are annexed to this summary. In preparation for the visit, a Briefing Note for the delegation was prepared by PBSO. It is circulated separately.

**Key issues discussed during the visit**

**1. Complimentary roles of the PBC and the World Bank**

It was generally acknowledged that PBC offers a political framework which addresses the interlinkage between political, security and socio-economic development challenges of peacebuilding through its instruments of engagement. It was also noted that the World Bank possesses the expertise and resources which it can bring to bear on peacebuilding work through its Country Assistance Strategies (CAS). It was emphasized that programmes designed to foster an enabling political environment, for example, in areas of political dialogue and reconciliation represent important entry points for the PBC's work, and can be complimentary to the World Bank's engagement in countries on the PBC's agenda.

The World Development Report of 2011 on *Conflict, Security and Development (WDR 11)* represents a paradigm shift in the manner with which the Bank works in fragile and conflict affected countries and will evolve over time. The establishment of the Global Centre for Conflict Security and Development (CCSD) with locations in Nairobi and Washington also marks a shift towards an operational approach to the implementation of the findings and recommendations of the WDR.

## 2. Areas for country-specific collaboration

### (A) Design and implementation of country strategies

The PBC and the World Bank could support governments of countries on the PBC's agenda to ensure that Poverty Reductions Strategies (PRS') highlight critical peacebuilding priorities. Examples of such support include PRSP developments in the Central African Republic and Burundi in 2011 and 2012, respectively. A similar approach could be followed in Liberia, Guinea and Sierra Leone.

Active participation of the World Bank in the country-level consultations leading to the design of the PBC instruments of engagement will help in aligning these instruments with the Bank's CAS. At the same time, the PBC and the Bank should jointly work to improve coordination and alignment at the country-level among UN, World Bank and other actors behind national priorities and objectives.

The CCSD is promoting the analysis of stresses and institutional resilience as part of Bank strategies, and has recently started to provide technical assistance to Bank country teams in a number of fragile and conflict-affected states (a recent example: Burundi) on conflict-sensitive CAS and ISN (Interim Strategy Notes). This new approach should enable the Bank to ensure that its strategies and programs tackle key drivers of conflict.

The World Bank, PBC and UN teams could further build on successful examples of collaboration in the lead up to donor conferences/roundtable organized by countries on the PBC's agenda (e.g Donors Roundtable in CAR, upcoming Partners Conference in Burundi).

There are considerable opportunities for the UN and the World Bank to work even more closely together in countries where the Mission's draw-down or withdrawal is imminent. In Liberia, a Public Expenditure Review and Needs Assessment of the security sector was jointly managed by UNMIL and the Bank and completed in 2012, with support from the UN-WB Partnership Trust Fund in the context of the gradual transition of UNMIL.

The implementation of the New Deal for Engagement in Fragile States (New Deal) in countries who have endorsed it and that are also on the PBC agenda was identified by the World Bank as another possible entry point for collaboration.

### (B) Specific sectors for collaboration

#### *Job creation*

This is an area which the PBC and the World Bank accord high priority and promises to be a flagship area for mutual cooperation. The 2012 World Development Report on *Gender Equality and Development* places significant emphasis on job creation for women. It was noted that youth employment is a key priority in the PBC's engagement with Sierra Leone, Guinea and Burundi.

Initial work on job creation in the context of the Global Facility for Job Creation in Fragile States involving the World Bank, PBSO, the African Development Bank, UNDP and ECA is

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particularly encouraging. Follow-up action to the initial inter-agency brainstorming related to the development of a national employment policy in Burundi will represent a good entry point for collaboration between the UN, the PBC and the World Bank.

The PBC was encouraged to reach out to the International Finance Corporation (IFC), the private sector arm of the World Bank Group, which offers a range of services, advice and a sizeable network on private sector development in the countries concerned.

### *Justice*

The PBC, CCSD and other relevant WB and UN units could explore opportunities to partner in the justice sector in select countries on the PBC's agenda. .

### **(C) Funding for peacebuilding**

***State and Peacebuilding Fund (SPF)*** The SPF is the Bank's global trust fund focused on conflict and fragility. With its focus on early-entry and institution-building approaches, implemented in collaboration with a broad range of partners, it is uniquely positioned to serve as a catalytic and flexible resource that supports the operationalization of the WDR and can field test WDR recommendations.

SPF and PBF teams are working closely together and exploring a number of options for country-level collaboration, including on joint assessments, strategy development and financing.

### ***International Development Association (IDA)***

IDA 16 is undergoing a mid-term review. The Bank is developing options for consideration by the IDA deputies to adjust the framework for allocating IDA 17 resources to FCS.

As inputs to ongoing discussions, some Executive Directors suggested that the PBC offer views on the IDA17 allocation framework.

### **NEXT STEPS: Ways to take forward the collaboration**

The following steps were agreed by the PBC Chairs' Group and Selected Executive Directors at the end of their meeting:

- Strengthen the policy-level dialogue between the PBC and the World Bank management and Board of Directors at the Headquarters level. (**Specific action:** consider 1) the convening of a follow up meeting in connection with one of the upcoming visits of some World Bank Directors to New York – e.g. December 2012; 2) an informal retreat; 3) a follow-up meeting with Executive Directors in New York during the first quarter of 2013; 4) the sharing of a calendar of World Bank board engagement on policy issues [e.g. CAS] for countries the PBC covers, and vice versa.
- Drawing upon country-specific experience, the World Bank, UN and PBC teams could identify specific examples of collaboration which can be further scaled-up and

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broadened. (**Example:** youth employment in Guinea and public expenditure review in Liberia).

- Explore ways to help strengthen the alignment of the PBC’s Statement of Mutual Commitments (SMCs) and WB CASs at the country-level. (**Specific action:** explore the development of a calendar which could ensure that the processes of designing and/or reviewing CAS and SMCs at the country-level mutually inform each other, and explore the possibility of consulting the PBC on specific peacebuilding-related aspects in CAS developed for countries on the agenda).
- PBC SMCs would benefit from further inputs from WB country teams. (**Specific action:** Representatives of World Bank country teams and PBC Country Chairs to interact on review of SMCs).
- The World Bank Independent Evaluation Group is launching an evaluation of the Bank’s engagement in fragile and conflict-affected states. (**Specific action:** The World Bank Independent Evaluation Group will be advised to consult with PBC in course of the forthcoming evaluation).
- The PBC configurations and the Working Group on Lessons Learned are invited to contribute to and tap into the new knowledge platform “the Hive” which draws on experience of field practitioners in critical peacebuilding-related sectors.