

Distribution: Restricted
Original: English

EB 98/64/R.8
Agenda Item 4

22 July 1998
English



IFAD
INTERNATIONAL FUND FOR AGRICULTURAL DEVELOPMENT
Executive Board - Sixty-Fourth Session
Rome, 9-10 September 1998

**IFAD FRAMEWORK FOR BRIDGING POST-CRISIS RECOVERY
AND LONG-TERM DEVELOPMENT**



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IFAD FRAMEWORK FOR BRIDGING POST-CRISIS RECOVERY AND LONG-TERM DEVELOPMENT

I. INTRODUCTION

1. At its Sixty-Third Session in April 1998, the Executive Board reviewed a paper entitled “A Policy Framework for Bridging Post-Crisis Recovery and Long-Term Development” (document EB 98/63/R.12). The paper drew on the Fund's experience in supporting post-crisis rehabilitation and provided a detailed framework for formulating future interventions for post-crisis assistance. That framework was favourably received by the Board, but a number of useful suggestions were made for strengthening the paper, particularly with regard to the clarification of definitions and cooperation with other United Nations (UN) agencies. The present paper, which builds on document EB 98/63/R.12, has been finalized on the basis of the views expressed by Members of the Board at the April 1998 session.

2. In considering the above-mentioned framework, it should be borne in mind that IFAD has been involved in post-crisis situations since the early years of its operations. The first such project dates back to 1981, when IFAD provided a loan to finance a rehabilitation project in Uganda following the civil strife of 1980. In view of its emergence in the wake of the world food crisis of the early 1970s, the founders of IFAD envisaged that it would have — and actually laid the foundations for — a role in post-crisis situations, as reflected in the basic documents of the institution. Article 7 of the Agreement Establishing IFAD stipulates that IFAD shall provide loans and grants on terms as it deems appropriate, “having regard to the economic situation and prospects of the Member and the nature and requirements of the activity concerned”. Article 12 of the Lending Policies and Criteria requires IFAD to “take a broad view of its mandate, so that the projects it supports can be directed to solving the critical problems or bottlenecks that impede rural development”. The Lending Policies and Criteria also define IFAD's lending terms and conditions on the basis of country and project criteria. These provisions have, in the past, served as the guiding principles for IFAD's formulation of operational policies to deal with the aftermath of specific crises. For instance, Article 31 of the Lending Policies and Criteria, as amended by the Governing Council in January 1994, contains a specific clause conceived to respond to the impact of CFA Franc devaluation. Similarly, IFAD's Policy Framework for Managing Partnerships with Countries in Arrears (see document GC 21/L.7) was specifically formulated to address the arrears problem — one of the consequences of crises such as civil unrest and natural disasters.

3. Part II of the present document touches briefly on a number of basic issues relating to the subject, including trends in natural and man-made disasters, their impact on IFAD projects and target groups and links with poverty; the question of continuum; and lessons learned by IFAD from past experience. Part III deals with the important issue of inter-agency cooperation and coordination in support of post-crisis recovery; and this will serve as a basis for defining IFAD's specific role in post-crisis situations vis-à-vis that of other partners, including UN agencies, international financial institutions (IFIs), bilateral donors and non-governmental organizations (NGOs). Finally, Part IV sets out the framework for IFAD's involvement in post-crisis situations for endorsement by the Executive Board. The paper also includes four appendixes containing information on IFAD's past involvement in post-crisis situations and on the different perspectives of a number of partners (i.e., the World Bank, the Organisation for Economic Co-operation and Development (OECD) and the NGO community) with regard to emergency-related issues.



II. DIMENSIONS OF THE QUESTION

A. Proliferation of Emergencies

4. As the current century draws to a close, the world is increasingly beset by the disappointing reality of proliferated emergencies in the developing countries as a result of crises, with increased incidence and severity over the recent past. The impact of emergencies on human lives, economic development and environment is significant. It is widely accepted that emergencies strike around 250-300 million people every year, excluding those affected by wars. Natural disasters alone have increased from 16 in the 1960s, to 29 in the 1970s and 68 in the 1980s. The accompanying economic losses have escalated from USD 10 billion in the 1960s, to USD 30 billion in the 1970s and USD 93 billion in the 1980s, and will almost certainly exceed USD 100 billion for the current decade. Meanwhile, the incidence of man-made emergencies has intensified. Fifteen of the world's 20 poorest countries have experienced major conflicts during the past decade. More than 50 countries are currently, or have recently been, engaged in civil or cross-border conflict. As a result, emergency relief has come to consume an increasing share of the flow of development aid that otherwise could have been devoted to sustainable development.

5. An emergency may arise from: (a) natural disasters; and (b) man-made disasters (see Box 1). In both cases, agriculture and food production are inevitably the major casualties, albeit with varied extent and severity depending on the nature of crisis.

Box 1: Types of Emergency

Emergencies can be divided into two broad categories:

(a) Emergencies as a result of **natural disasters** that are triggered by extreme natural events. These include climatic hazards, such as drought, floods and cyclones, and geographical events such as earthquakes and volcanic eruptions. Comparatively, climatic hazards may cause more significant losses in the rural production system. In general, natural disasters tend to have a sudden impact.

(b) Emergencies caused by **man-made disasters**. A man-made emergency may turn into a complex emergency, if it involves civil disturbance and armed conflict. The Inter-Agency Standing Committee of the UN defines a complex emergency as a humanitarian crisis in a country, region or society where there is a total or considerable breakdown of authority resulting from internal or external conflict requiring an international response that goes beyond the mandate or capacity of any single agency and/or ongoing UN country programme. The characteristics of a complex emergency are: assistance efforts are obstructed by political or conflict-related constraints; high security risks exist; and the emergency has an international and cross-border dimension. In addition, emergencies may also be caused by financial and economic crises which are often of a man-made nature. Compared with the complex emergency described above, the impact of a financial and economic crisis is significant and has a regional and international dimension, as witnessed by the East Asian financial crisis.

It is important to recognize that, in some cases, the frontier between the different types of emergencies is tenuous. For instance, an ill-advised government policy in resource conservation and in rural infrastructure development may sometimes increase the vulnerability of specific geographic areas or socio-economic groups. As a result, an otherwise predictable climatic event (e.g., a 10-year flood cycle) may turn into a natural disaster.



B. Impact on IFAD Projects and Target Group

Rural Poverty and Emergencies

6. The literature on disasters generally agrees on a linkage between poverty and emergencies that tends to be interactive and mutually reinforcing. In the first instance, poverty increases vulnerability to emergencies. Studies have found that physical and material poverty is always the most visible indicator of vulnerability. Vulnerability often precedes emergencies and contributes to their severity, especially in the context of natural disasters. The poor are always the hardest struck, even though disasters do not discriminate. Emergencies help perpetuate poverty, as demonstrated by the increased poverty in Fiji after the 1987 coup and subsequent economic decline. In a complex emergency, people are generally exposed to extreme poverty, with little or no means to earn a living. The disruption of productive activities and the farming cycle as a result of a complex emergency has a significant impact on the rural poor. Natural disasters also contribute to and/or intensify rural poverty, as seen in the cases of Bangladesh, D.P.R. Korea and Ethiopia. Finally, widening socio-economic disparities can be a source of conflict.

7. In sum, the interaction between poverty and emergencies is reflected in the greater impact of emergencies on the poorer segments of society because of their vulnerability and in chronic poverty as an important source of emergencies and even armed conflict. However, the vicious link between poverty and emergencies can be broken if poverty reduction is pursued as a priority within the context of broad-based development activities; and if post-emergency assistance takes proper account of the impact on, and the needs of, the vulnerable groups, especially the rural poor, including women and children.

Impact on IFAD Projects and Target Group

8. A crisis may have a negative effect on IFAD projects and target group as follows:
- (a) **Damage to facilities completed with project financing, loss of project property and personnel, and interrupted project implementation.** The interruption of project implementation both invalidates any expected impact on the beneficiaries and undermines sustainability. It might also indirectly limit a borrower's capacity in terms of loan repayment.
 - (b) **Disruption of the productive activities of IFAD's target group.** This, in turn, leads to reduced income; inability to make savings and on- or off-farm investments; jeopardized prospects for long-term growth; indebtedness; and dependence on relief assistance. Crises further undermine the household food security of IFAD's target group and reduce their chances of escaping the poverty trap.
 - (c) In addition, conflict-related crises often lead to **a negative impact of an institutional nature** that significantly undermines beneficiary ownership and project sustainability. Such an impact is normally caused by destruction of the social fabric, the collapse of rural institutions (including community-based organizations), and the partial or total breakdown of the government institution responsible for overall project implementation.



C. The Issue of Continuum

9. The notion of “continuum” from relief to development emerged in the early 1990s in the midst of growing concern and recognition among donors and other actors that emergency and humanitarian assistance programmes often lacked both continuity and coherence when emergencies, especially complex emergencies, became a recurrent feature. This notion has often been used to describe an ideal link model between relief-rehabilitation-development (see Box 2 for definitions). However, in reality, the different forms of interventions in the “continuum” rarely take place in a sequential or linear manner. This has been confirmed by the Rwanda experience (see *The International Response to Conflict and Genocide: Lessons from the Rwanda Experience*). IFAD’s own experience further suggests that the different types of activities in the “continuum” should not be taken as an irreversible process. In some cases, the fragile results of rehabilitation efforts after a period of natural or man-made disasters may be destroyed by the sudden outbreak of another crisis of the same or of a different nature that may necessitate a new round of emergency relief.

Box 2: Emergency Relief and Post-Emergency Interventions - Definitions

Emergency relief involves immediate, survival assistance to the victims of crisis and violent conflict. Most relief operations are initiated on short notice and have a short implementation period, with project objectives generally completed within a year. The main purpose is to save lives by providing food, medicine and shelter.

Rehabilitation operations overlap with relief operations, and their objectives are normally targeted for achievement within two years. The principal aims are to initiate reconstruction of infrastructure at the national and local levels and to save or protect livelihoods. As beneficiary self-sufficiency is a major objective, project/programme management is placed progressively under local control. Cost-recovery schemes, large-scale employment-generating projects and revolving fund operations can be introduced. In situations of continued instability, disaster prevention (avoiding a return to the emergency) and mitigation (reducing the impact of any deterioration in the situation) are essential aspects of rehabilitation efforts.

Development operations have long-term objectives, extending beyond two years, and presume conditions of security and a functioning administration pursuing national objectives and strategies in partnership with external actors. Feasibility studies and full project appraisals, environmental impact assessments and social analysis (including gender) are normal.

It is important to note that emergency relief, rehabilitation, and development operations are often carried out simultaneously. These distinct forms of assistance can be classified according to their immediate objectives and duration rather than on the basis of any presumed logic or chronological sequence leading from relief to development.

Source: OECD, Development Assistance Committee (DAC) Guidelines on Conflict, Peace and Development Cooperation, May 1997.

10. Notwithstanding the considerably diversified perception and interpretation of the notion of “continuum”, donors and other actors generally agree that there has been a troubling gap in the transition from relief to development or, quite often, relief without a continuum. IFAD’s work with the Office of the United Nations High Commissioner for Refugees (UNHCR) to support the Southern Khorasan Rangeland Rehabilitation and Refugees Income-Generating Project in Iran, where the



sustainability of established facilities was compromised by a lack of funding for the post-UNHCR-support period, is a case in point. Similar cases can be found in Central America, where many of the rehabilitation-oriented activities initiated within the context of emergency relief hardly survive today. A number of factors can lead to the gap in transition from relief to development. These include: (a) inadequate commitment on the part of the (legitimate or *de facto*) government to long-term aspects of interventions in the “continuum”; (b) lack of concern for the development goal in emergency relief operations, possibly due to the limited mandate of the relief agencies; (c) lack of timely involvement of development agencies in post-emergency situations to build on relief operations, due also to concerns regarding their mandates; and (d) inadequate coordination between the various actors involved, leading to the isolation of relief aid and rehabilitation and development interventions. In order to bridge the gap, post-emergency assistance must be provided within a coherent framework and on the basis of adequate coordination among the various actors so as to ensure complementarity (see Box 3 on the Mali experience). Building on lessons emanating from the field, the development community has gradually realized that the timing of development assistance following crises is extremely important. Timely development interventions can help significantly in bridging the gap between relief and recovery, thereby ensuring a dynamic “continuum”.

D. Lessons Learned from Past Experience

11. The table on page 8 provides information on IFAD’s involvement in a number of post-crisis situations, including both natural and man-made disasters; and Appendix I provides further information on the projects and programmes involved. The design and implementation of those projects and programmes pointed up the particular importance of timing in post-crisis development support. This is because the early involvement of development interventions can, on the one hand, help bridge the gap between relief and recovery, thereby enhancing the efficiency and effectiveness in resource use; and, on the other, ensure a longer-term perspective for all forms of assistance, thus laying the foundations for durable peace and sustainable development. Examples here include the projects supported by IFAD in Bangladesh and El Salvador.

12. IFAD’s experience in Africa and Central America has shown that, in designing interventions and sustainable reintegration programmes in post-conflict situations, due importance must be given to the following: identifying the causes of emergencies to ensuring that such causes are addressed during the course of post-conflict assistance; familiarity with local conditions; participation and consensus-building, especially the need to encourage beneficiary participation; the selection and development of project sites; the importance of avoiding any discrimination against the resident populations in host areas in order to facilitate the process of social integration; proper focus on equity and gender; employment promotion, particularly for young women and men; support for capacity-building and training; adequate measures for minimizing security risks; awareness of people’s cultural and psychological needs; implementation of infrastructure work with community participation; ensuring visibility and quick impact; and better coordination and collaboration with partners. Particular attention must be given to the need for a coherent framework to bridge the gap in the transition from relief to development. In this regard, focus should be placed on adequate implementation planning and capacity, as good design and planning alone are not sufficient to achieve sustainable results.



Box 3: IFAD Participation in Multi-Actor Support for Post-Crisis Recovery in Mali

IFAD's experience in Mali confirms the need for coordinated action in a post-crisis situation in order to ensure complementarity. The Fund's participation in the multi-actor effort in Mali took place (i) during the period 1986-89, in the wake of the mid-1980s drought that led to the displacement of destitute nomads in the northern part of Mali; and (ii) in 1993-97, when it aimed at improving the food and income security of resident populations and assisting in the socio-economic reintegration of returnees after the Twareg rebellion of 1990-92.

During the two above-mentioned periods, IFAD initiated the following measures in consultation with governments government (i.e., Mali as the country of origin and Algeria as the country of asylum for displaced persons) and in close collaboration with other partners, including UN agencies and NGOs:

- (a) The formulation, in 1987, of the Kidal Food and Income Security Programme in northern Mali as a contribution to the long-term solution of problems of a socio-economic nature. In view of the limitations of IFAD's mandate, expertise and financial resources, other partners — including the World Food Programme (WFP), the United Nations Children's Fund (UNICEF), the Islamic Development Bank (IsDB) and the Agency for Cooperation and Research in Development (ACORD) — agreed to support the Kidal programme.
- (b) Implementation of a pilot project in preparation for the Kidal programme in 1986-87, in collaboration with WFP. The pilot project combined food supplies with herd restocking. By the end of the pilot phase, more than 350 destitute households had been reached, or almost 20% above the initial target.
- (c) Elaboration of a plan of action in 1989 for assisting in the return and socio-economic reintegration of displaced rural populations.
- (d) Following the mid-1992 peace treaty between the Government of Mali and the former Twareg rebels, IFAD was called upon to assist in formulating and implementing an updated plan of action for returnees, spelling out the different stages of interventions and the role of various agencies in accordance with their respective mandates. In contrast to the 1989 plan, the 1993 plan of action required close collaboration with UNHCR because of a new wave of population displacements and the need to address issues of protection.

These efforts resulted in a quadripartite agreement, involving Mali as the country of origin, Algeria as the country of asylum, UNHCR as coordinator of the repatriation, and IFAD as initiator of a programme that provided a framework for the transition from relief to rehabilitation and development. IFAD's spearhead role was also confirmed through the adoption of the action plan as a model for possible replication, following the extensive visit of a UN inter-agency mission to northern Mali in 1992.

13. Similarly, IFAD's interventions following natural disasters have confirmed the need to focus on the rapid restoration of productive capacity in the immediate post-disaster stage. As clearly demonstrated by the Fund's experience with the Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (SPA) and the assistance it provided to the



Bangladesh cyclone victims, IFAD's interventions in a post-disaster situation should be designed to assist the affected communities to move from a relief-based existence to restoring subsistence production, rebuilding their capital base and, from there, to longer-term sustainable development. Particular attention must be given to help strengthen the capacity of local grass-roots beneficiary institutions, so as to equip them with the means to cope better with any future disasters.

14. The Fund's involvement must be situation-specific. IFAD's past experience has revealed that project portfolio restructuring and adjustment is often necessary in a post-crisis situation. In Rwanda, for example, internal hostilities led to the May 1994 suspension of all ongoing IFAD projects in the country. After the hostilities had ceased, the projects were restructured in accordance with their respective overall objectives so as to respond to the new situation and changed government priorities. The project areas and target groups were expanded to serve the needs of a larger number of poor families, some of which were destitute due to the losses they sustained during the war. The Rwanda case also showed that any response to a post-conflict situation should include rehabilitation of damaged rural infrastructure as part of the restructured project activities. A similar example of project restructuring is to be found in Mali, where IFAD supported the reintegration of returnees into local society. It is also important to ensure that support is provided to specific activities to enable the beneficiaries gradually to embark on rural reconstruction in the immediate post-crisis stage.

15. IFAD projects are mainly financed by loans. Thus, the Fund's interventions in post-crisis situations should be primarily loan-based. However, grant financing on a selective basis is relevant for creating synergy between the different types of activities involved in post-crisis recovery projects. Such grant financing primarily involves: (a) project component grants; (b) grants under the Special Operations Facility (SOF); and (c) grants under the IFAD/NGO Extended Cooperation Programme (NGO/ECP). Experience with the SPA confirms that component grants are suitable for financing specific activities in post-crisis situations, for instance, project-related technical assistance and capacity-building to expedite project implementation. At the same time, the SOF is a useful tool for achieving smooth project implementation start-up that might otherwise be delayed by limitations imposed on pre-financing project activities in many of IFAD's operational localities. By virtue of its stated objectives, the NGO/ECP can play a specific role in supporting NGOs to test innovative ways of capitalizing on the survival strategies adopted by rural populations during crisis situations. This can be useful in fostering the rural poor's preparedness for future crises, as illustrated by an ActionAid project in Sierra Leone for which IFAD provided an NGO/ECP grant just before the military coup in 1997. In view of its limited resources for grant funding, IFAD should continue to seek cofinancing from other sources. The coupling of IFAD loans with grants provided by other partners, such as the Belgian Survival Fund Joint Programme (see Box 4) and bilateral donors, may enhance complementarity between the different sources of support.

Box 4: The Belgian Survival Fund Joint Programme (BSF.JP)

The BSF.JP was launched in 1985 and is now in its second phase. It initially focused on the Horn of Africa, an area hard-hit by war and drought and regularly threatened by famine. The first phase supported 13 projects for a total of approximately USD 63 million. The second phase (1996-2000) places emphasis on conflict prevention in response to post-war conditions, and the target area has been extended to the Great Lakes region, the Central Sahel countries and Angola. IFAD loans and BSF.JP grants are often coupled in the target countries, leading to complementarity and mutually-enhanced impact at the community level.



Projects and Programmes Initiated by IFAD for Post-Crisis Situations

Project/Programme Name and Duration	Amount of IFAD Financing (USD million)	Modality of IFAD Financing	Type of Crisis	Main Items of Support
Uganda: Agricultural Reconstruction Programme in Northern and Eastern Uganda (1982-83)	19.30	Loan (highly concessional)	Civil strife	Supply of basic agricultural, livestock and fishing production inputs; capacity-strengthening.
Ethiopia: Rehabilitation Programme for Drought-Affected Areas (1985-87)	12.50	Loan (highly concessional)	Drought	Supply of seeds/tools, soil/ water conservation, drinking water supply and improved rural health services.
Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (SPA) (1986-95) a/	375.40 b/	Loans c/	Drought	Agricultural inputs supply, income-generating activities, other items directly linked with reactivating productivity and strengthening coping capacity.
Mali: Kidal Food and Income Security Programme (1988-97) d/	10.15 d/	Loan c/	Drought and Civil strife	Credit for inputs, vegetable gardening for women, income-generating activities, rural/social infrastructure.
Bangladesh: Special Assistance Project for Cyclone Affected Rural Households (1991-97)	15.40	Loan (highly concessional)	Cyclone	Construction of shelters, village development funds, village infrastructure, mobilization and training.
El Salvador: Rehabilitation and Development Project for War-Torn Areas in the Department of Chalatenango (1992-2000)	12.98	Loan (intermediate)	Civil strife	Reconstruction of productive and institutional base, environmental management, credit, extension and training.
Gaza Strip and Jericho: Gaza Strip and Jericho Relief and Development Programme (1994-96)	3.00	Grant	Civil strife	On-farm development, income-generating activities, fisheries development.
Angola: Northern Region Foodcrops Development Project (1995-2003)	13.40	Loan (highly concessional)	Civil strife	Adaptive research, extension training, community development funds for social infrastructure and de-mining.
Rwanda: Rwanda Returnees Rehabilitation Programme (1997-98)	2.79	Grant	Civil strife	Agricultural inputs, livestock distribution, rehabilitation of health centres.
D.P.R. Korea: Crop and Livestock Rehabilitation Project (1998-2002) e/	28.91	Loan (highly concessional)	Floods	Agricultural inputs, credit for livestock activities, training, institutional support.
El Salvador: Rural Development Project for the North-Eastern Region (1998-2003)	18.00	Loan (intermediate)	Civil strife	Income-generating activities, rural financial services, social and rural infrastructure.

Notes: a/The SPA has been treated as a single programme for the purpose of simplifying the presentation. This has been done on the understanding that all SPA projects were intended to address the aftermath of severe drought. However, it should be recognized that in a number of cases, the SPA interventions were also designed specifically to support post-conflict reconstruction, such as in Mali, Mauritania and Niger. Please refer to Appendix I for further information.

b/ This represents the cumulative amount of 48 loans financed from SPA resources.

c/ The loans were on highly concessional terms, supplemented in some cases by grant financing for project components.

d/ The programme was financed in the framework of SPA and the loan amount has been included in the cumulative figure for the entire SPA indicated in the preceding row. This programme has been listed separately because of its mid-course involvement in supporting returnee populations in a post-conflict situation.

e/The crop component involving the supply of key agricultural inputs has a duration of one year.



III. IFAD'S ROLE WITHIN THE CONTEXT OF PARTNERSHIPS

A. Inter-Agency Cooperation and Coordination

16. The forging of partnerships with other actors in the development process is an essential prerequisite for IFAD to be able effectively to support its ultimate clients, the rural poor, and enable them to realize their development expectations. Such partnerships become all the more important in post-crisis situations because the diversity of crises often calls for a variety of responses from different partners that need to be undertaken in a coherent and coordinated manner. Since the provision of post-crisis support is clearly beyond the competence of any single agency, and given the multiplicity of actors involved in such situations, it is vital for IFAD to ensure that its involvement in post-crisis situations is based on close and flexible cooperation/coordination with all the partners, including the UN system, IFIs, bilateral agencies, NGOs and civil-society organizations (CSOs).

The UN System

17. Assistance to countries that have faced complex or other types of emergencies has attracted growing attention within the UN system. In 1997, the Administrative Committee on Co-ordination (ACC) — which brings together the executive heads of all UN organizations, including the Bretton Woods institutions, and is chaired by the UN Secretary-General — made an in-depth review of the issue. This matter was also discussed in the Joint Consultative Group on Policy, the membership of which includes IFAD and other principal UN funding organizations. Member States of the UN have followed these discussions with considerable interest and have strongly supported the Secretary-General's efforts to promote a coherent system-wide response to help accelerate the recovery and development of the countries concerned.

18. In the light of its discussions, the ACC agreed that "relief and development programmes must overcome existing divisions that are reflected and reinforced by the existing separation of approaches, budgets and functions". In this context, the Secretary-General elaborated a strategic framework for what he termed as "peace-building", stressing that the objective should be "to integrate the System's analytical capabilities, its capacity for political mediation and humanitarian intervention, and its experience in development cooperation in a coherent force". Within this framework, possible gaps between relief operations and developmental efforts have been underlined, recognizing that the livelihoods of poor and vulnerable groups are especially threatened by disruptions caused by crises. In this context, development agencies, including IFAD, have been called upon to help address the gaps and to support peace-building exercises. The Bretton Woods institutions have also agreed to place themselves within this framework.

19. As part of the UN reform package, the UN Development Group (UNDG) and Development Assistance Framework (UNDAF) now represent the primary instruments for inter-agency coordination. IFAD is a member of the UNDG, and is involved in the UNDAF and common country strategy processes; and it maintains close relationships with a number of UNDG member agencies that have strong operational complementarities with the Fund. The Food and Agriculture Organization of the United Nations (FAO) and WFP are two of IFAD's most important partners. IFAD has cooperated closely with both organizations in the provision of assistance to countries such as Angola, D.P.R. Korea and Rwanda. Such cooperation has pointed up the complementarities between the three agencies in post-crisis situations. Specifically, FAO has the expertise to undertake needs assessments (often jointly with WFP), evaluate agricultural relief requirements, and procure inputs with resources provided by donors and other funding agencies. WFP is experienced in supporting food-for-work activities related to rural reconstruction, in seed production schemes through food aid, and in undertaking joint needs assessments with FAO. Both FAO and WFP have the further advantage of their country offices. The Fund's



comparative strength lies in financing activities closely linked to the rural recovery process, including input supply, and in ensuring that post-crisis support is developed within the framework of ongoing rural development projects supported by IFAD and other donors. In view of these comparative advantages, the three agencies have maintained close cooperation in their field operations, particularly in post-crisis situations, and their executive heads and deputy executive heads meet regularly to review policy matters. The regional management and country-desk levels also consult with each other on a regular basis to enhance information-sharing on potential areas for joint action, particularly with regard to post-crisis situations. IFAD, FAO and WFP also share information on their respective planned project activities and mission schedules.

20. Another important partner of IFAD in post-crisis situations is UNHCR. Regular IFAD/UNHCR consultations are held, the last of which was hosted by IFAD in March 1998. Building on past experience, IFAD and UNHCR have agreed that cooperation should be focused on identifying complementarity in field operations and, on that basis, on the timing of support. Specific cases for IFAD/UNHCR cooperation relate to reintegration at the community level to restore a state of normality for returnees, especially refugees. The focus of UNHCR is on the repatriation of refugees and provision of short-term reintegration assistance on a limited scale, whereas IFAD's aim is to support longer-term rehabilitation activities within the framework of its projects. At the present time, IFAD and UNHCR are engaged in identifying opportunities for cooperation in Angola, Liberia, Mali, Rwanda and Sierra Leone. Country desk officers of both organizations have been encouraged to maintain close contact and to step-up exchanges of information.

21. IFAD has a special relationship with UNDP. Since — unlike most UN agencies — IFAD does not have country offices, it often counts on the support of the UNDP Resident Representative in his/her capacity as the UN Resident Coordinator. UNDP also represents an important source of grant funding for IFAD-financed projects, especially those concerned with local capacity-building. This has been the case in many of IFAD's conventional projects and in a number of specific post-crisis situations such as in D.P.R. Korea. In addition, IFAD often takes an active part in donor consultations and in multi-donor missions organized by UNDP and/or the World Bank.

International Financial Institutions and Bilateral Donors

22. The need for cooperation is not limited only to the UN system. As a financial institution, IFAD is required to develop strategic partnerships with the major IFIs and, throughout its 20 years of operations, the organization has always maintained close ties with the multilateral development banks and other regional financial institutions. IFAD must continue to improve on these partnerships at the field level to ensure that the needs of the rural poor are properly addressed in an enabling environment and at the macro-policy level. In a post-crisis situation, cofinancing interventions with such institutions helps to facilitate smooth recovery in the rural areas.

23. Bilateral donors are also important partners for IFAD. Cooperation with donors in post-crisis situations contributes significantly to ensuring that assistance is provided in a coherent manner. In turn, the latter aspect is essential for the international community's work of promoting durable peace and sustainable development in the wake of a crisis. It is with this belief that IFAD has always endeavoured to cooperate with donors in specific post-crisis situations, e.g., in a number of African countries and in El Salvador.

24. In addition to promoting a coherent approach to post-crisis assistance, IFAD's need for close partnerships with other IFIs and donors is confirmed by the important question of arrears in a number of specific cases. IFAD is currently working with IFIs and bilateral donors on this issue.



Non-Governmental Organizations and Civil-Society Organizations

25. Non-governmental organizations and CSOs play a vital role in post-crisis recovery. Their closeness to the people and rich knowledge of local conditions is always a valuable basis for conceiving appropriate post-crisis interventions. At the same time, NGOs and CSOs are often involved in the implementation of IFAD projects, e.g., in Angola, El Salvador and Mali. Experience has shown that these organizations are particularly suited to implementing community-based and demand-driven activities.

26. On the basis of close inter-agency cooperation and coordination, IFAD can play its due part in supporting post-crisis recovery. With its specific target group of the rural poor and its operational experience in developing participative modalities to reach such vulnerable groups, IFAD can contribute to assisting poor groups to resume their productive activities, the aim being to help them recover and reduce their vulnerability to future crises. In this regard, it should be stressed that, within the context of full cooperation and coordination with its partners, IFAD's efforts will be directed at enhancing prospects for sustainable development.

B. Rationale and Specific Role of IFAD in Support of Post-Crisis Recovery

27. The rationale for IFAD's involvement in post-crisis situations is threefold:

- (a) **Mandate.** The rationale for IFAD's taking a proactive role in post-crisis situations lies in its mandate of helping developing Member States to reduce rural poverty through support agricultural and food-related projects. Today, the concerns that led the international community to establish IFAD in 1977 — rural poverty and food security — remain much the same; and they will almost certainly continue into the foreseeable future (see *The Challenge of Rural Poverty: The Role of IFAD*). Recovery of agricultural productivity, which fits well into IFAD's mandate, is always a priority in post-crisis situations, as confirmed by cases such as the Rwanda experience (see *The International Response to Conflict and Genocide: Lessons from the Rwanda Experience*). Moreover, IFAD is often obliged to participate in post-crisis assistance so that the negative impact of crises on its target group and project activities can be properly addressed on a timely basis. This is essential for obtaining the desired impact on the target group and for the long-term sustainability of IFAD-financed interventions. However, in view of its operational focus and strength, IFAD should continue to adhere to the case-by-case approach, instead of becoming indiscriminately involved in all post-crisis situations.
- (b) **The need for simultaneous interventions in post-crisis situations.** It is a conventional wisdom that relief and development agencies have their own specific roles to play in any crisis situation. What appears less clear is how to bridge the gap between relief and development-oriented interventions. Experience in the field shows that, in post-crisis situations, relief, rehabilitation and development must be pursued simultaneously and as soon as conditions (e.g., level of peace, security and stability) so allow. Recovery can be stymied if relief is not accompanied or followed by rehabilitation/reconstruction assistance. Timely development operations contribute to the smooth transition from relief to long-term development. It was with this conviction that, in May 1997, the World Bank's Executive Board approved the Bank's early involvement in post-conflict situations. This important decision demonstrates that IFIs, and the development community at large, must adjust their policies to meet the new challenges posed by the proliferation of emergencies resulting from crises.



- (c) **IFAD's comparative advantage.** By virtue of its specific mandate and available resources, IFAD has developed a comparative advantage in undertaking micro-level and location-specific projects for rural poverty alleviation. This specificity is particularly useful for area-based rural development interventions immediately following a crisis, which by their very nature are designed to restore productive capacity and promote self-reliance. Such specificity may provide the basis for a catalytic role, and flexibility for innovation, in identifying and articulating an appropriate response to the problem of food insecurity and to the constraints of IFAD's target groups in post-crisis situations.

IV. THE FRAMEWORK

- 28. **Objective.** The objective of IFAD involvement in post-crisis recovery is to help its target groups to jump-start resumption of the development process; and to enhance their coping capacity and resilience to future crises. IFAD's support to post-crisis recovery was conceived to help the target groups resume their normal production activities and, as such, should be seen as the first phase of a longer-term development process.
- 29. **Conditions.** IFAD's involvement in post-crisis assistance is based on the following:
 - (a) **Case-by-case approach.** IFAD will involve itself in post-crisis situations on a case-by-case basis. The Fund's support will be based on the requests of governments to ensure their commitment to the longer-term aspects of development.
 - (b) **Enabling factor.** IFAD's intervention will be implemented only once the crisis has subsided, and will in no case be undertaken until such time as the minimum requirements for security of project implementing and supervisory staff have been put in place.
 - (c) **Close inter-agency cooperation and coordination.** In all cases, close cooperation and coordination with other partners must be considered as a prerequisite for IFAD support. The primary objective here is to ensure that IFAD assistance to a specific post-crisis situation is not undertaken in isolation, and to enhance complementarity and avoid duplication. IFAD will be actively associated with the UN's system-wide response through its involvement in the relevant UNDAF and UNDG processes and will seek to enhance its existing cooperation arrangements with agencies such as FAO, WFP, UNDP and UNHCR. Particular emphasis will be placed on cooperation with FAO and WFP to ensure complementarity in field operations. At the same time, IFAD will work closely with other IFIs, bilateral agencies, NGOs and CSOs to ensure that the support it provides contributes to the process of sustainable development.
- 30. **Potential areas for IFAD involvement.** Based on past experience, IFAD's involvement will focus on the following areas:
 - (a) **Recovery of agricultural productivity of IFAD's target group and support for the resumption of rural development processes.** Priority activities in this area include, for instance: supply of seeds, fertilisers and other key inputs as the means for the target group to be brought back on a sustainable development track and embark on self-reliance; replacement of livestock; and restoration of key community infrastructure. These investments in economic and social infrastructure must be conceived as long-term



development measures and, therefore, be connected in a coherent approach with one or more of the following activities.

- (b) **Income-generating activities.** Support can be given to encourage the creation of on-and off-farm income-generating opportunities that will enable the beneficiaries to enhance their income levels. Such activities can also have a positive impact on employment-generation. Microcredit and support to microenterprises, two areas in which IFAD has accumulated knowledge and has comparative advantage, are very useful instruments.
- (c) **Resource conservation,** including soil and water conservation and agro-forestry. This is particularly relevant for projects designed to support the hosting communities of refugees and internally-displaced populations.
- (d) **Capacity-building** to enhance absorptive capacity and local ownership of development. This involves primarily the training of technical and managerial personnel and provision of technical assistance required for the expedition of IFAD project implementation.

31. **Forms of involvement.** IFAD support to post-crisis recovery will take the following forms:

- (a) **Portfolio adjustment.** In the event IFAD has ongoing project(s) in the crisis-hit area, portfolio restructuring may be undertaken to support recovery activities through existing project(s). Similarly, if IFAD has any project already designed for that area but not yet approved, it may be redesigned to include disaster prevention and mitigation and recovery activities. For post-crisis situations where portfolios are under suspension due to arrears, IFAD's involvement will also be guided by the policies set out in IFAD's Policy Framework for Managing Partnerships with Countries in Arrears (document GC 21/L.7).
- (b) **Support to early reconstruction.** IFAD support will be provided to help its target group to resume the development process. The early reconstruction activities suitable for IFAD support include: input supply; repair of key rural/social infrastructure at the community level; microcredit schemes; microenterprises; and local capacity-building relevant for project implementation. The implementation period of such early activities may be shorter than that of the average IFAD project.

32. **Selection criteria.** IFAD will take the following criteria into account when providing support to post-crisis recovery: (a) complementarity of IFAD support with the activities of other partners in the overall framework of donor assistance to a specific situation; (b) impact on restoring the target group's agricultural productivity and on the implementation of ongoing projects; (c) prospects for bridging the gap between relief and development; (d) potential for enhancing the coping capacity of the target group; and (e) expected economic benefits.

33. **Design considerations.** In the design of projects for post-crisis recovery, consideration must be given to lessons of past experience. Elements of common relevance include: participatory needs assessment; identification of the causes of crises and mitigation measures; future coping strategy; emphasis on dialogue and cooperation with other donors; quick and high-impact, flexible design; use of existing technology; and focus on existing capacity. Particular attention must be given to ensuring equity, adequate focus on gender, beneficiary participation, local capacity-building and the role of civil society.



34. **Financing modalities.** IFAD projects for post-crisis recovery will be financed by:
- (a) **loans**, subject to the terms and conditions set out in the Lending Policies and Criteria. The bulk of IFAD support will be loan-based;
 - (b) **grants**, including component grants on a strictly selective basis, SOF and NGO/ECP grants; and
 - (c) **cofinancing** provided by other agencies, especially resources for civil works.
35. **Project development cycle.** The specific nature of post-crisis interventions entails certain necessary adjustments to the existing project development cycle. These include:
- (a) **A shorter development cycle.** In order to ensure that IFAD support is provided on a timely basis, the project development process of a post-crisis recovery project may be accelerated.
 - (b) **Country situation monitoring and risk assessment in the Country Strategic Opportunities Paper (COSOP).** For situations where IFAD has the potential to assist in post-crisis recovery, relevant information will be gathered on the country involved. This will include data on: institutional evolution; status of relief operations and activities of other actors; status of IFAD's project portfolio (if any); and possible areas for eventual IFAD support. Where feasible, IFAD will participate in inter-agency efforts to formulate the national reconstruction plan. The information collected will be put together in an updated COSOP for the consideration of management and will serve as the basis for early, well-focused IFAD involvement in the post-crisis recovery phase. Risk assessment will be a particular focus of the updated COSOP.
 - (c) **Project development team (PDT).** The PDT for a post-crisis recovery project will be formed and operate in response to the urgency of proper timing.
36. **Implementation Arrangements.** Solid monitoring mechanisms will be established under post-crisis recovery projects with a view to capturing process issues. Procurement, disbursement and retroactive financing arrangements will be governed by established policies for normal loans.
37. **Involvement of the Executive Board.** Proposals for any planned interventions in post-crisis situations will be submitted to the Executive Board for its review and guidance as part of the document on Planned Project Activities. Executive Board approval of such interventions will follow established procedures for Regular Programme loans.
38. **Resource implications.** In view of IFAD's case-by-case approach, its continued involvement in post-crisis assistance is not expected to have a bearing on resource allocations at the regional level. Within the regions, the annual programme of work will be guided by the respective regional strategies that set out the priority areas for IFAD support.
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39. The Executive Board is hereby invited to consider and endorse the framework for IFAD's involvement in post-crisis situations, as presented in the present document.



IFAD'S PAST PROJECTS AND PROGRAMMES RELATED TO POST-CRISIS SITUATIONS

1. By virtue of its mandate, IFAD has supported project interventions specifically aimed at post-crisis situations. The following is a brief description of post-crisis projects and programmes initiated by IFAD.

2. **Agricultural Reconstruction Programme in Northern and Eastern Uganda (1982-83).** The programme was designed to contribute to the economic recovery of Uganda in the wake of the civil strife of 1980. The loan of approximately USD 19.3 million was approved in December 1981 for an expected implementation period of 18 months. Programme activities included: distribution of basic agricultural, livestock and fishing production inputs; provision of transport and other facilities for improved extension; institutional capacity-strengthening; and preparation for a follow-up project to address the longer-term problems of production. At its completion in 1985, the programme had benefited about 450 000 families, mostly smallholders. The Terminal Evaluation Report of August 1986 revealed that crop production had increased markedly with the implementation of the programme; and that the programme area, which was food-deficit prior to the programme, had become a net exporter of food to other areas. The report further indicated that “the objectives have been satisfactorily achieved, although there has been a big delay. The region is now in a better position to undertake long-term agricultural development which was previously difficult due to extreme shortage of basic production inputs and food.” “Through the implementation of the Agricultural Reconstruction Programme, the material, technical and personnel resources have been synthesized to enable a smooth start of an agricultural change in the area. “

3. **Rehabilitation Programme for Drought-Affected Areas (1985-87) in Ethiopia.** Initiated in response to the famine in Ethiopia caused by three years of consecutive drought in the early 1980s, the programme was financed by an IFAD loan of USD 12.5 million and a BSF.JP grant of USD 5.0 million. It was designed to restore the peasant farmers' production capacity and increase their resilience to drought. Main components included: supply of seed and tools to allow for timely cultivation in 1985 and 1986; soil and water conservation to complement assistance provided by WFP; drinking water supply; and improvement of rural health services. The programme represented IFAD's participation in parallel efforts by the European Economic Community and the World Bank to rehabilitate agricultural productivity in the target areas. Those efforts saved more than two million people from hunger as the 1985 harvest yielded an estimated 70 000 t of cereals. The overall implementation of the programme was completed in 1987, two years later than expected. The May 1994 Programme Completion Report indicated that “... despite serious difficulties and hurdles due to frequent changes in [the] administrative, socio-economic and political structures of the country and prolonged civil strife, implementation of planned project activities has been highly encouraging”.

4. **Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification (SPA) (1986-95).** The SPA was launched in 1986 to help sub-Saharan African countries rehabilitate and reactivate their agricultural sectors in the wake of severe droughts during the early and mid-1980s, and specifically aimed at restoring the productivity of smallholders and building greater resilience to drought and environmental stress at the farm level. The programme was implemented in two phases: Phase I, from 1986 to 1991; and Phase II, from 1992 to 1995. Altogether, 25 sub-Saharan African countries benefited from 48 loans, for a cumulative amount of approximately USD 375.4 million. Main programme activities included: a variety of agricultural and rural development interventions; small-scale irrigation; credit; and extension and training. Over time, the



SPA placed increasing focus on supporting small-scale off-farm income-generating activities, a key household survival strategy adopted by smallholders in sub-Saharan African countries. It should be noted that, in some countries, the SPA interventions were also designed to address post-conflict reconstruction, especially where past resource allocations disparities had rendered the IFAD target group particularly vulnerable to natural disaster or civil strife. For example, the Special Country Programme in Niger (SRS 009-NG/023-NG) included a specific component for assisting in the socio-economic reintegration of displaced persons; and the Agricultural Rehabilitation Programme in Mauritania (SRS 001-MR/022-MR) offered a framework for the allocation of land resources to landless Mauritanian refugees in the wake of the 1989 cross-border conflict between Senegal and Mauritania. By implementing the only multilateral programme specifically targeted at sustainable natural resource management among small and poor farmers in sub-Saharan Africa, IFAD developed considerable experience in conceptualizing resource conservation issues, designing sustainable responses and supporting effective implementation.

5. **Kidal Food and Income Security Programme (1988-97) in Mali.** The programme was initiated in November 1998 within the framework of the SPA and financed with a loan of USD 10.15 million and a grant of USD 0.85 million. Cofinanciers included IsDB (USD 2.5 million), UNICEF (USD 0.4 million), WFP (USD 0.34 million) and ACORD (USD 0.25 million). The programme was designed to rehabilitate and develop the economy of the Kidal region, and to assist the voluntary return and social integration of destitute pastoralists living under precarious conditions in neighbouring countries.

6. As the start-up of implementation in 1990 coincided with social and civil unrest throughout the whole of northern Mali, effective programme activity could start only in 1993, concentrating on group development support and distribution of seed and farm tools on credit. Implementation came to a halt in 1994 owing to increased rebel activities in the project area. The official cessation of hostilities in 1995 made it possible to resume programme implementation in 1996, but the returnee population in the project area increased dramatically from 3 000 to at least 30 000 people. This notwithstanding, the project helped to establish a large number of beneficiary associations in 1996, 320 of which (including 54 women's associations) received credit for agricultural inputs, vegetable gardening schemes and income-generating activities.

7. **Special Assistance Project for Cyclone-Affected Rural Households (1991-97) in Bangladesh.** Following the devastating cyclone which hit Bangladesh in April 1991, IFAD stepped forward to design a project, in less than six months, to rehabilitate the production base of the cyclone victims and help strengthen the ability of the coastal communities to withstand such natural disasters in the future. Project implementation began in early 1992, financed by an IFAD loan of USD 15.4 million and supplemented by grants from Danish International Development Assistance (USD 2.1 million) and the European Union (EU) (USD 2.0 million). Main items of support included assistance to purchase agricultural inputs, power tillers, livestock, boats and fishing equipment, rehabilitate minor irrigation works, and stimulate off-farm activities involving women. The mid-term review of 1994 noted that the project had been fairly successful in helping rural households to replace their lost assets and that, to a certain extent, it had restored the critical flow of income to such households.

8. **Rehabilitation and Development Project for War-Torn Areas in the Department of Chalatenango (1992-2000) in El Salvador.** The project was part of IFAD's efforts to support the Central American peace process through post-emergency rehabilitation activities. The loan of USD 12.98 million on intermediate terms was approved by the Executive Board in December 1992, only 10 months after the ceasefire was declared effective. This early engagement permitted IFAD to build on the work already carried out by UNHCR among the returnees and demobilized soldiers, and



by NGOs and civil society in general. The project has been cofinanced by a number of partners, including EU, UN agencies and NGOs. Project activities include provision of credit, extension, training, and on-farm soil conservation; and project implementation is mainly carried out by local NGOs.

9. **Gaza Strip and Jericho Relief and Development Programme (1994-96).** The programme was designed to respond to the development challenge brought about by the historic agreement of 13 September 1993 between the Palestine Liberation Organization and the Government of Israel; and specifically to restore sustainable agricultural production and promote employment-generating activities for resource-poor households. The programme was approved in December 1993 and funded by an IFAD grant of USD 3.0 million. Project components included: on-farm development; inputs for fisheries development; income-generating activities; and institutional support.

10. **Northern Region Foodcrops Development Project (1995-2003) in Angola.** Approved in December 1995, the project is financed by a loan of USD 10 million from IFAD's regular resources, a loan of USD 3.4 million under the SPA, and BSF.JP cofinancing of USD 3 million. It was designed to assist community rehabilitation and the re-establishment of food security in a war-devastated zone (i.e., the Northern Plateau) through an NGO-executed community rehabilitation component and the rehabilitation of a farmer demand-led system of adaptive research and extension. Project activities include: adaptive research, extension; training; community development funds for social infrastructure; and a de-mining programme. The project represents the first externally-financed investment in agriculture in the north of Angola, and aims at leading external assistance into the development phase. The project breaks new ground by organizing within itself the management of the transition from emergency rehabilitation to development, with the former creating the framework for future development activities.

11. **Rwanda Returnees Rehabilitation Programme (1997-98).** The programme was designed to help restore the productive capacity of the IFAD project areas and meet the urgent survival needs of vulnerable families. The programme, approved in September 1997, is financed by an IFAD grant of USD 2.8 million and a BSF.JP grant of USD 2.5 million. Main project activities are: provision of agricultural inputs, tools and livestock; rehabilitation of health centres; and support for capacity-building.

12. **Crop and Livestock Rehabilitation Project (1998-2002) in D.P.R. Korea.** The project was initiated to help restore grain and livestock productivity following the natural calamities that have afflicted D.P.R. Korea over the past three years. The project, which is to be financed by an IFAD loan of approximately USD 28.91 million, was approved by the Executive Board in December 1997. Main activities include: supply of key agricultural inputs; credit for livestock activities; and training and institutional support. The project's impact on food production is expected to be rapid, with a substantial, immediate pay-off in human terms. It is also expected to produce longer-term economic and institutional benefits by serving as a model for more sustainable production through greater specialization and more flexibility and decentralization in decision-making.

13. **Rural Development Project for the North-Eastern Region (1998-2003) in El Salvador.** The project was approved in December 1997 and is to be financed by IFAD with a loan of USD 18.0 million on intermediate terms. Project activities include: support to family income-generating activities (agriculture, microenterprises, marketing support, etc.); rural financial services; social and rural infrastructure; and land/water management. A large part of the target population has benefited from the relief-based operations of other agencies such as UNHCR; and some project activities, e.g., microenterprise development, will build on initiatives initiated under the sponsorship of UNHCR's Project for Refugees, Displaced Persons and Returnees. The project is expected to



contribute to the consolidation of the peace process inasmuch as the alleviation of rural poverty and agricultural development are priority items on the country's reconstruction agenda..

14. In addition to the above-mentioned projects and programmes, IFAD has also cooperated with other actors in post-crisis situations. Examples here include: cooperation with BSF.JP in a number of African countries; participation in the World Bank-initiated Farm Reconstruction Project in Bosnia and Herzegovina; and collaboration with UNHCR and other actors in countries such as Iran and Mali.



WORLD BANK FRAMEWORK FOR POST-EMERGENCY ASSISTANCE AND FOR EARLY INVOLVEMENT IN POST-CONFLICT SITUATIONS

1. The World Bank's policies on post-emergency assistance are reflected in the following two documents: (a) *Operational Policies on Emergency Recovery Assistance*, issued in August 1995; and (b) *A Framework for World Bank Involvement in Post-Conflict Reconstruction*, approved in April 1997. The first document sets out the rules for World Bank assistance in the wake of a variety of emergencies, while the second deals specifically with early involvement in post-conflict situations.

2. **Provision of emergency recovery loans (ERLs).** The World Bank's main objective in emergency recovery assistance is to restore assets and production levels in the disrupted economy. Assistance is focused on investment and productive activities and may take the following four forms: (a) immediate support in assessing the emergency's impact and developing a recovery strategy; (b) restructuring of the existing portfolio for the country to support recovery activities; (c) redesigning projects not yet approved with a view to including recovery activities; and (d) provision of an emergency recovery loan.

3. The ERLs are designed to help rebuild physical assets and restore economic and social activities after emergencies. Five factors need to be considered when deciding on the provision of an ERL: (a) impact on economic priorities and investment programmes; (b) frequency of events; (c) urgency of assistance; (d) prospects for reducing hazards from similar natural disasters in the future; and (e) expected economic benefits. Normally, an ERL is fully implemented in two-to-three years and does not include any conditionality linked to macroeconomic policies. However, it may contain conditions directly related to emergency recovery activities and to preparedness and mitigation in the event the disaster recurs. The World Bank also highlights donor coordination and cooperation with NGOs in designing and implementing emergency recovery assistance. In addition to ERLs, the World Bank may finance free-standing projects for disaster prevention and mitigation.

4. **Early involvement in post-conflict reconstruction.** The framework for World Bank involvement in post-conflict reconstruction spells out three stages for early engagement in post-conflict situations, before post-conflict reconstruction as such and the return to normal operations. These are: (a) **Stage One: Watching brief.** This is needed during conflict, when no active portfolio is possible, to keep track of developments and build a knowledge base that will be useful in preparing effective and timely interventions once the conflict has moved towards resolution; (b) **Stage Two: A transitional support strategy.** This will be prepared when it becomes clear that there are opportunities for useful interventions and that there will be no deterioration in the situation; and (c) **Stage Three: Early reconstruction activities.** These are small-scale activities that can be undertaken relatively quickly and will not depend on normal World Bank project preparation procedures to any great extent. The following activities may be eligible for Stage Three support: urgent repair of vital infrastructure; urgent de-mining; demobilization; design of social safety nets in post-conflict situations; small-scale and microenterprise credit schemes to restart production and promote employment; schemes to promote employment through infrastructure rehabilitation; small-scale construction or reconstruction (social funds); start-up and recurrent costs of an emergency administration; technical assistance for restoring central and local government capacity; and planning and implementation of programmes to create the conditions for reintegrating populations displaced by conflict. In addition to responding to the urgent needs of early transition from a conflict situation,



these small-scale activities can function as pilot interventions that will provide lessons of experience for the design of later, larger-scale programmes.

5. A post-conflict programme (PCP) supported by the World Bank's development grant facility has been created to support its early involvement in post-conflict situations, mainly to finance activities under the initial early stages of post-conflict interventions. Initial PCP funding was USD 8 million for fiscal year 1998, based on a review of the likely areas for which proposals may be forthcoming in various post-conflict countries. The World Bank also stresses that, to complement its own allocation, it will seek contributions from bilateral or multilateral agencies, foundations, and other actors at the activity level in individual post-conflict countries.



OECD POLICY STATEMENT ON POST-CONFLICT ASSISTANCE

1. In May 1997, the Development Assistance Committee (DAC) of the Organization for Economic Cooperation and Development (OECD) adopted a policy statement entitled *Conflict, Peace and Development Cooperation on the Threshold of the 21st Century*. The policy statement contains the following three sections:

Principles and Goals for our Action

2. Work in war-torn or conflict-prone countries must be seen as an integral part of the cooperation challenge. Helping to strengthen the capacity of a society to manage conflict without violence must be seen as a foundation for sustainable development. Development cooperation must play its role in conflict prevention and peace building alongside the full range of other instruments available to the international community: economic, social, legal, environmental and military. The humanitarian community cannot be the sole vehicle for response to complex crises. There is a clear need for international responses that are more coherent, integrated and coordinated among governments, and inter-governmental and non-governmental organizations.

3. The task of international assistance is to help strengthen a country's indigenous capacities. Externally-supported programmes need to encourage broad participation and address the special needs of women, children and youth.

4. Development assistance will have the most impact in conflict prevention when it is designed and timed to address the root causes and precipitating factors of violent conflicts in ways that are relevant to local circumstances. Integrating women fully into all phases of the peace process will enhance the opportunities for building a just and equitable society.

Roles of Development Assistance in Different Phases of Conflict and Peace

5. **Before conflict flares up.** A great number of possible measures can be geared to help defuse the potential for violent conflict. These include, among other options, the more traditional areas of assistance, such as economic growth and poverty reduction programmes.

6. **In Fragile transitional situations.** It is important to move beyond saving lives to saving livelihoods and, at the same time, help transform a fragile process into durable peace in which the incentives for peace are strengthened.

7. **After conflict.** Post-conflict reconstruction is much more than just repairing physical infrastructure. Efforts by the developing countries and international assistance must fit within the context of a sound, even if rudimentary, macroeconomic stabilization plan. In the wake of conflict, donors should seize opportunities to help promote and maintain the momentum for reconciliation and needed reforms.

8. **In open conflict.** Other policy instruments such as humanitarian assistance, diplomatic initiatives and political or economic measures tend to move to the forefront of the international response. Contrary to many past assumptions, it has been found that a sharp distinction between short-term emergency relief and longer-term development aid is rarely useful in planning support for



countries in open conflict. Development cooperation agencies can continue to identify the scope for supporting development processes even in the midst of crisis, be prepared to seize upon opportunities to contribute to conflict resolution, and continue to plan and prepare for post-conflict reconstruction.

Key Action Required

9. In this section, the policy statement draws on the detailed points addressed in the DAC guidelines and highlights ten areas in which development cooperation can better respond to future conflict situations. These include: conflict prevention; early-warning; support to initiatives by non-OECD countries; coordination of assistance; and capacity-building for crisis management and resolution. With regard to the coordination of assistance, for example, the policy statement urges the reduction of institutional/budgetary/functional barriers between relief assistance, rehabilitation and development cooperation that can produce contradictions, gaps and obstacles to well-coordinated assistance.



NGO PERSPECTIVES ON POST-EMERGENCY SUPPORT

1. NGOs have traditionally been active practitioners in the field of relief and development, and play a special role in emergency and post-emergency situations due to their proximity to local people and familiarity with local conditions. Through their work “on the ground”, NGOs have accumulated a wealth of valuable knowledge on effective ways for providing post-emergency support.

2. Some of the above-mentioned knowledge can be found in the publication entitled *Rising From the Ashes: Development Strategy in Times of Disaster* (Mary B. Anderson and Peter J. Woodrow, 1989, Westview Press). The book is built on two important sources: (a) the perspectives of over 50 NGOs in Europe and North America and other actors; and (b) the findings of dozens of case studies made in the context of the international relief/development project undertaken by the Graduate School of Education, Harvard University, United States. The following conclusions can serve to provide useful ingredients in the search for guiding principles to ensure coherent and effective assistance in post-emergency situations:

- (a) Relief activities should be held to development standards. Thus, disaster response should be based on an appreciation of, and be designed to support and increase, local capacities.
- (b) Development interventions should be designed to prevent or mitigate disasters and to address people’s vulnerabilities.
- (c) Both relief and development programmes should be more concerned with increasing local capacities and reducing vulnerabilities than with providing goods, services, or technical assistance. In fact, such goods, services or technical assistance should be provided insofar as they support sustainable development by increasing local capacities and reducing local vulnerabilities.
- (d) Programming should not be solely preoccupied with meeting urgent physical/material needs, but should also integrate such needs into efforts that address the social/organizational and motivational/attitudinal elements of the situation.