

Comments and Recommendations on the Refreshed FCV Strategy (2026–2030):

Addressing Foundational Gaps and Conflict Sensitivity in the MENA Region

The proposed "Towards a Refreshed FCV Strategy" correctly identifies that **Jobs, Justice, and Security are vital legs of stability**. However, it is obvious that the strategy's main focus is to address only the problem of the rising poverty rate in the FCV affected countries through a private-sector led jobs creation. The other two legs are only dealt with as elements that need to be addressed only to enable the private sector to create jobs and not as "legs" that should be addressed on their own merits. The fact is the **poverty issue cannot be addressed in isolation of the context of fragility and conflict**. In contexts of fragility and conflict, there is a prominent need for a strategy that transcends traditional approaches. Therefore, **the strategy must adopt conflict-sensitive Key Performance Indicators (KPIs) that do not merely measure the number of jobs created, but also assess the inclusivity and equity of job distribution across various segments of society**. This ensures that economic gains do not transform into a source that fuels tensions or reinforces existing divisions. While equitable economic opportunities contribute to strengthening social cohesion, biased economic policies—even if unintentional—can exacerbate feelings of exclusion and injustice. Consequently, performance indicators should be designed in a manner that reflects the extent to which interventions contribute to fostering trust between citizens and the state, and to building a sustainable peace based on the fair sharing of resources and opportunities. One of the main issues raised in the evaluation of the IEG (Independent Evaluation Group) of the current strategy was the gaps in linking diagnostics to operational decision-making¹. **The new strategy should allow for adaptations to FCV issues to help address drivers of fragility and conflict beyond promoting the favorable business environment for private sector.**

Furthermore, the move toward **adopting predictive classification systems** for fragility and conflict raises questions regarding **transparency, the methodologies employed in these classifications, and their political implications**. Categorizing countries across a spectrum of fragility can significantly impact international funding and investment flows, which necessitates clear safeguards on how these classifications are produced and the involvement of local actors in their interpretation and use.

Additionally, **linking resource allocation to the willingness of governments to implement specific reforms** may, in practice, lead to reduced support in the most fragile contexts where institutional and political capacity for reform is already limited.

¹ Evaluation of the World Bank Group Strategy for Fragility, Conflict, and Violence, 2020-25, November 2025, The Independent Evaluation Group, <https://ieg.worldbankgroup.org/evaluations/evaluation-wbg-strategy-fragility-conflict-violence-2020-25>

The strategy should consider that **reducing funding in such cases could exacerbate social and humanitarian conditions rather than incentivizing reform.**

The strategy does not address the foundational "floor" of Service Delivery (Health, Education, Social Protection) and Institutional Capacity. In fragile settings, such as the ones prevailing in many of the MENA countries, the collapse of basic services is often the primary driver of poverty and displacement, and might even be contributing factors to fragility and conflicts. Stability requires more than just market mobilization; it requires a functional social contract maintained by capable institutions that can deliver essential services across conflict lines.

Furthermore, the strategy's reliance on the private sector as the main source of jobs assumes a neutral economic environment that rarely exists in conflict zones. In many MENA contexts, the private sector is often aligned with factions directly involved in the conflict. **The CVF strategy should include a strong commitment for more rigorous safeguards to ensure "equal arm's length" engagement.** Without this, interventions risk inadvertently funding patronage networks or reinforcing the power structures that drive the root causes of conflict. As proposed, the success indicators for proposed strategy would be simply the number of private-led jobs created without accounting for the positive, or negative, impacts these jobs have on the ongoing fragility and conflict context. **The strategy must adopt conflict-sensitive key performance indicators that measure the inclusivity of job creation across sectarian or factional lines to ensure that economic gains do not inadvertently fuel further grievance.**

Another concern that was highlighted by the IEG, was that while Third Party Implementation (TPI) enabled continuous engagement when Operational Policy 7.30 (on dealings with *de facto* governments), the reliance on Third-Party Implementers (TPIs) has hindered long-term development since TPIs do not have motivation to hand over resources and responsibilities to national actors. A recent case study by the Institute of Development Studies examined the World Bank's engagement, through TPI, in different social protection programs in Yemen². The latest engagement was through the UNICEF (the United Nations Children Fund) as a TPI. UNICEF partnered with the Social Fund for Development, a parastatal national actor, to deliver assistance to the

² Lazer, K. (2026) *Social Protection Financing in Yemen*, BASIC Research Case Study, Brighton: Institute of Development Studies, DOI: [10.19088/BASIC.2026.003](https://doi.org/10.19088/BASIC.2026.003)

needed population. However, “UNICEF had little motivation to hand over increasing control of resources to the SFD”. Furthermore, the latest division in the SFD also highlight the necessity to diversify, and invest in building the capacity of, national partners. **The WBG must revisit its guidance for TPI engagement and shift toward building the sustainable capacity of independent local organizations to ensure the sustainability and resilience of delivery platforms.**

Finally, in fragile and fragmented contexts, conflict-sensitive interventions cannot be achieved without a genuine partnership with local civil society organizations. These organizations serve as a mirror reflecting the diversity of society and act as an essential bridge to ensure that interventions reach all groups, including the most marginalized and vulnerable. **Engaging with civil society is not merely a technical option; it is a strategic necessity to ensure local ownership and to avoid any perceived or actual bias toward one party over another.** Inclusive civic partnerships contribute to building trust, enhancing social cohesion, and ensuring that development is a participatory process reflecting the aspirations of all citizens, rather than just technical interventions lacking community roots."

Signatories:

- 1- Arab Watch Coalition, Regional
- 2- Building Foundation for Development, Yemen
- 3- Aden Foundation for Arts and Sciences, Yemen
- 4- Yemen Observatory for Human Rights, Yemen
- 5- Abductees' Mothers Association, Yemen
- 6- Centre de Développement de la Région Tensift, Morocco
- 7- Union of Social, Charitable, and Development Associations and Institutions, Yemen
- 8- Medalah, Yemen
- 9- Debin for Environmental Development, Jordan
- 10-Arab Forum for the rights of Persons with Disabilities, Regional
- 11- Studies and Economic Media Center, Yemen
- 12-Association Tunisienne de Droit de Développement, Tunisia
- 13-Yemen Organization for Promoting Integrity, Yemen
- 14-Lebanese Union of Persons with Physical Disabilities, Lebanon
- 15-The Organization for Women and Children, Iraq
- 16-Espace Point de Depart, Morocco
- 17-Tunisienne Association pour la Gouvernance Locale, Tunisia
- 18-Phenix Center, Jordan
- 19-Association Talasemtane pour l'Environnement et le Développement, Morocco
- 20-Al-Amal Women's and Sociocultural Foundation, Yemen
- 21-Wedyan Association for Society Development, Yemen



22-Social Justice Platform (SJP), Egypt

23-Karam Shaar Advisory, Syria

24-Centre de Développement de la région de Tensift, Morocco

25-Lebanon Eco-Movement, Lebanon