# Strategy Vulnerabilities to crises and resilience 2017-2021



#MondeEnCommun

AFD wishes to thank the many contributors to this strategic document, and particularly the NGO members of Coordination Sud, the CCSA team from the World Bank, Mercy Corps, the Overseas Development Institute (ODI), the authors of the OECD's States of Fragility 2016 Report, the International Crisis Group, Professor Bertrand Badie, the teams of the French Ministry for European and Foreign Affairs and those of the Department of Finance for their revisions and their input for this document. Thank you also to Xavier Lhote who led the collective preparation of this Strategy, as well as Guillaume Signorino who assisted him in this task. Also, to each of the members of AFD's "crisis prevention and post-conflict recovery" team and the management of the Cross-Cutting Support Department, to the members of the Steering Committee, of the network of focal points and of the the Working Group for the AFD Group 2018-2022 Strategy, and to the SPC/PIL team for their valuable revisions and input.

## Preamble

In its Strategy 2018–2022, AFD has set the preservation of peace as one of its overarching goals. Crises – be they related to security, political, health, food, economic, social or environmental issues – are increasingly intertwined and less and less confined to a single territory or country. Poorly managed, **they threaten our partners' development acquis and future prospects.** Achieving the Sustainable Development Goals thus requires a collective mobilisation of efforts around this common challenge.

Due to its historical and geographical ties with Africa, the Mediterranean and the Caribbean, **France is particularly exposed to the impacts of crises** in some territories. Our fellow citizens expect the State to give itself the means to act not only on the effects of crises, but also on their root causes. As a result, **solidarity with the most vulnerable populations and France's interest converge** in the efforts to strengthen the capacities of the most fragile societies and States to prevent and cope with shocks.

AFD Group's action to combat fragilities is part of the implementation of France's new strategic response to the fragilities "Prevention, Resilience and Sustainable Peace". Cognizant of the need to combine perspectives in contexts of crisis and fragility, AFD has committed to implementing "3D" development so as to incorporate the third "D" in the Defence, Diplomacy and Development triptych.

AFD commits to working in co-ordination with actors in the diplomatic and defence spheres in view of actions in crisis prevention and management and post-crisis recovery. Defending the idea of a complex and changing world, particularly in crisis-affected countries, the Agency will continue its efforts to promote a concerted approach. This will be grounded in an **analytical approach** mobilising the French team and its partners to gain deeper insights into unstable contexts and their underlying dynamics, and into **innovative and agile intervention modalities** that couple rapid results and long-term responses in a logic combining prevention and sustainable recovery.

# Our strategic commitment: "3D" development in contexts of crisis and fragility

Cross-cutting perspectives between development, diplomacy and defence actors is crucial to obtain a granular diagnosis of fragilities in the countries and societies in which AFD Group finances projects. The Group will reinforce its network of partners, consistent with and complementary to the action of humanitarian groups, diplomats, the military and other development actors in the French team, and to the action of its peers.

When intervening in armed conflicts in the name of international order, France's responsibility is to act effectively and in the long term. Otherwise, there is a risk that French resources be wasted and conflicts be resumed. No external military operation can be a lasting success if peace has not been planned for and if, in parallel, a development action has not programmed, separately but in a commensurable and coordinated manner. To "win peace", it is crucial to implement action by development professionals, alongside local actors, institutions or civil society organisations, provided that this action can be adapted to highly specific contexts so as to make up the third "D" of the Defence, Diplomacy and Development triptych (the "3Ds"). AFD Group will pursue its efforts to advocate, vis-à-vis the various actors in France's international action, the importance of having a sound analytical basis for contexts of crisis and fragility to gain deeper insights into unstable contexts and their underlying dynamics. AFD also commits to working with diplomats and the military to build a "3D" vision geared to conflict prevention. The more we intervene upstream of crises, each in our own field, the more effective our action will be.

# CONTENTS

SUMMARY –THE 3X3-MESSAGE STRATEGY	6
1) The changing face of crises: a shared challenge between France and its partners	. 7
2) Making the fight against vulnerabilities and crisis response a main axis of AFD's action	. 7
3) Making AFD a benchmark donor, more agile, partnership-oriented and innovative	. 8

## EXECUTIVE SUMMARY – THE ESSENTIALS OF THE STRATEGY IN SIX PAGES 9

Nhy talk about vulnerability to crises now?	. 10
Fragility, vulnerability to crises and resilience	. 10
Aims of the Strategy	. 11
Chronic crises, the starting point for reflection	. 12
Nhat positioning for AFD?	.13
The main lines of action	. 13
The levers of transformation for AFD	. 14

1.	CRISES IN COMMON	15
1.1	Increased exposure to crises	16
	1.1.1 Societies at risk of fragmentation	16
	1.1.2 More intense and more frequent natural disasters	16
	1.1.3 Pandemic crises, a threat to international health security	17
1.2	Multidimensional and interconnected crises	18
	1.2.1 From one crisis to another: the contagion effects	18
	1.2.2 Climate change, a threat multiplier	18
	1.2.3 Demography, an accelerator of change	
1.3	The regionalisation and globalisation of crises	
	1.3.1 From local to global	19
	1.3.2 Self-perpetuating conflict systems	19
1.4	Protracted and chronic crises, the risk of "fragility traps"	20

## 

2.1	Contributions and limitations of previous AFD strategies in crisis contexts	22
	2.1.1 A gradually broadened approach focused on the fragilities of the State	22
	2.1.2 Relevant recommendations, which remained to be operationalised	22
	2.1.3 Take into account recent developments in the international agenda	22
2.2	What lessons from AFD's interventions in fragile states?	23
	2.2.1 AFD, a donor better fit to intervene in crisis and conflict situations	23
	2.2.2 Operational recommendations for project design	24
2.3	In-house intellectual production is rich and varied but insufficiently integrated with operational practices	24
	2.3.1 Multiple sources of knowledge	24
	2.3.2 Youth at the heart of the analysis	24

## 

3.1	Support the inclusion of marginalised populations and territories	28
3.2	Promote access to inclusive, participatory and transparent public institutions	29
3.3	Prevent economic shocks and limit their impacts	30
3.4	Prevent and reduce the impacts of disasters and health crises	31

## 4. ADAPT AFD'S ORGANISATION AND MEANS 32

4.1 N	Make AFD an agile and innovative donor in crisis contexts	33
Z	4.1.1 Upgrade our instruments and operational procedures	33
Z	4.1.2 Methodological tools for crisis contexts	34
Z	4.1.3 Strengthen partnerships: the comprehensive approach, from acting in silos to acting within a network	36
Z	4.1.4 Have adequate human resources	38
4.2 <i>A</i>	A comprehensive Group Strategy, tailored to geography and sectors	38
4.3 k	Knowledge production: upcoming research programmes	39
4.4 <i>A</i>	Accountability and monitoring indicators	40
Z	4.4.1 Accountability – an annual report presented to the Board of Directors	40
Z	4.4.2 Monitoring indicators	40
Z	4.4.3 "Crisis Vulnerabilities" Strategy and Sustainable Development Goals	41
Gloss	sary	42
List c	of Acronyms and Abbreviations	43

### BOXES

Box 1: Definitions used	11
Box 2: The strategic model	
Box 3: The main operational lines of action	
Box 4: The drivers of contemporary violence (OECD, 2016)	
Box 5: Natural disasters and the risk of conflict	
Box 6: Conflict systems in West Africa	
Box 7: The international agenda on fragile states and crisis situations	
Box 8: Implementing projects in crisis contexts	
Box 9: AFD's main lines of action to address issues of inclusion	
Box 10: AFD's lines of action to address issues of inclusive governance	
Box 11: Line of action to address economic shocks	
Box 12: AFD's main lines of action for preventing and reducing the impact of disasters and health crises	
Box 13: The "Peace and Resilience" Fund and "Initiatives", a regional and multi-year approach to respond at the scale of a crisis basin	33
Box 14: The toolbox for project training in areas of insecurity	
Box 15: Local participatory development approaches	
Box 16: Addressing gender issues through inclusion	
Box 17: A shared analysis of fragilities	
Box 18: Tools and instruments adapted to crisis contexts	
Box 19: Integrating uncertainty: a critical challenge for resilience; an area for research and innovation	

## **FIGURES**

Figure 1: Number of disasters by year and by region (1960-2016)	. 17
Figure 2: AFD's Logical Intervention Framework for the Strategy	. 26
Figure 3: The comprehensive approach in crisis contexts: act together on the crisis continuum	. 37

# SUMMARY – THE 3X3-MESSAGE STRATEGY

# 1) The changing face of crises: a shared challenge between France and its partners

AFD's motto, "A world in common", illustrates the interdependence of women and men who share the same space and destiny. Crises – whether relating to security, politics, health, food, economics, social, environmental issues – are increasingly intertwined and less and less confined to a single territory or country. If poorly managed, they **threaten the achievements and development prospects of our partners**. Achieving the Sustainable Development Goals therefore requires **collective mobilisation of efforts** around this shared challenge.

As a result of its historical and geographical ties with Africa, the Mediterranean and the Caribbean, **France is particularly exposed to the impacts of crises** in **certain transitional territories**. Our fellow-citizens expect the State to give itself the means to act on the effects of crises, but also on their root causes. Thus **Solidarity with the most vulnerable populations and France's interest come together** in the work of building the capacities of the most fragile and vulnerable populations to help prevent and cope with shocks.

1) While the most serious crises of the twentieth century reflected geopolitical oppositions, contemporary crises are **mainly of socio-political origin** (political and social exclusion, bad governance, **inadequacy of health systems**) – and are therefore difficult to solve without tackling these fragilities at their roots. The issue of social cohesion, which is particularly acute in societies at risk of fragmentation, is based as much on the quality of the relations among citizens as it is between the State and its citizens.

2) It is increasingly difficult to isolate crises according to their economic, social, security or environmental nature. Entire regions struggle to break out of 'fragility traps' where social, economic and institutional determinants of crises combine – under the 'accelerator' effect of climate change and demographic transformations. The Sahel region is particularly representative of this phenomenon of multidimensional crisis. This requires an overall view of the underlying fragilities, so as to break the transmission belts between crises while acting in depth on their determinants.

**3)** From the Afghanistan-Pakistan border to the Great Lakes region of Africa via the Sahel, Lake Chad and the Syria-Iraq region, real 'crisis systems' are developing at the regional level due to **cross-border contagion**. These require that action be taken at the scale of these crisis basins.

These three characteristics explain why entire regions are trapped in protracted crises, and why humanitarian or military responses are no longer able to resolve, or even curb, them. They are also what has prompted us to renew our perspectives and intervention modalities. By working in an articulated approach with the actors of the diplomatic and military spheres, as well as with humanitarian actors, the development actors have the capacity to provide a relay to these short-term responses so as to have a long term action on the economic, social, institutional and political levers. Faced with this challenge, AFD's counterparts are redirecting their strategies towards reducing the fragilities that make the crisis more likely, strengthening the resilience of states and societies to shocks as well as the management of territories vulnerable to crises. Indeed without decisive action, extreme poverty, violence, hot spots of forced displacement of population, and governance crises will be concentrated in those areas tomorrow.

# 2) Making the fight against vulnerabilities and crisis response a main axis of AFD's action

Although the instruments and modalities of action will differ according to the territory concerned, three principles will characterise the Agency's approach to vulnerabilities:

1) AFD will invest in anticipating and acting upstream of crisis, that is in the reduction of economic, social, environmental and institutional fragilities, to prevent continuous shocks or deteriorating situations from turning into crises. Indeed, the 'cost of inaction' in terms of crisis prevention is exorbitant: missed development opportunities, human costs, budgetary cost (external interventions, humanitarian aid), and contagion risks.

However, all crises cannot be prevented or even foreseen; breaks are in fact inherent to the development process. AFD will therefore seek to **strengthen the resilience of societies**, **institutions and territories** – in other words, their capacity to cope with shocks and uncertainty – so that they do not

jeopardise the achievements and prospects of development. Prevention and preparedness are combined in the **Disaster Risk Reduction** (DRR) approach, which is a key pillar of the 'climate' and 'vulnerability' Strategies. Because crisis resolution processes are never linear, **the post-crisis recovery approach must integrate the risks of relapse** and seize the opportunities for transformation that these times of transition make possible.

2) In addition to preventive action and support for the recovery of societies, the Agency will fully assume action during the crisis, within a coalition framework that combines the complementary know-how of actors in the areas of security, diplomacy, humanitarian work, development and research. Positioning the Agency within such a 'comprehensive and articulated approach' requires a clear vision of the roles of each professional community, their respective timeframes and their modes of interaction, as well as a daily practice of these

collaborations. The Agency will invest in shared tools, methods and meeting venues to develop such a **culture of collective action**, in strict compliance with the differentiated skill sets and mandates.

3) To overcome the phenomena of social breakdown, the Agency will prioritise economic, social, political, cultural *inclusion and the respect for human rights* in all its actions. Indeed the inclusion of young people, women and marginalised **populations,** and the establishment of a **participatory approach** at all levels are key to helping societies become more just and more peaceful. The cohesion of society and the relationship between the State and its citizens cannot be envisaged in economic, social, cultural or political frameworks generating social exclusion. The gender issue is also an issue of social cohesion: the structural exclusion of half of the population of a society creates missed opportunities, frustration and violence.

# 3) Making AFD a benchmark donor, more agile, partnership-oriented and innovative

1) Agility is a condition for success in contexts characterised by high volatility and complexity. It requires (*i*) an approach to adapt human resources, (*ii*) a more dynamic and flexible risk management of operations, (*iii*) an approach aimed at analysing, monitoring, and anticipating evolving contexts, (*iv*) a dynamic monitoring and evaluation approach to projects so as to guide their implementationtheir implementation en route, and (*v*) a combination of fast-impact actions and long-term commitments. To be able to act not only in crises but also on crisis situations and their determinants, the Agency must assume the impact of its activities on political dynamics. To this end, it will provide the means for a thorough context and stakeholder analysis by mobilising its network of partners.

**2) Partnership** is what will enable AFD to go beyond oneoff impacts and contribute to systemic responses to crises. **The Agency will never act alone** in fragile contexts. It **will mobilise the "3D" approach (Development-Diplomacy-Defence) and coalitions of legitimate actors**, articulating the comparative advantages of partners (*i*) within the France team (CSOs, ministries and public operators, businesses, research institutions, etc.), (*ii*) among its peers (*iii*) and among local actors (private sector, civil society organisations, local authorities) to address the complexity of the challenges, as understood by our partners. It will position itself at the appropriate territorial scale where it has a comparative advantage to act.

3) Innovation, which is partnership-based by nature, is essential to adapt responses to changes in crisis. The Agency will continue to transform its methods of analysis and project design as

well as its range of **financial instruments**, such as the "Peace and Resilience Fund" and the Initiatives that it finances. It will mobilise the advantages of the digital revolution (speed, ubiquity, network, collaborative work, etc.) to reinforce its knowledge and proximity to the field – which is one of AFD's hallmarks – and the monitoring of impacts. Lastly, AFD will seek to complement its preventive approaches by taking up issues related to **decisionmaking in the face of uncertainty**, especially in situations where risks cannot be sufficiently characterised because of their complexity and/or the urgency to act.

AFD will fully assume action in crisis contexts, within a coalition framework that combines the complementary know-how of actors in the areas of security, diplomacy, humanitarian work, development and research.

66

"

AFD will continue to transform its methods of analysis and project design as well as its range of financial instruments, to adapt its responses to the challenges of contemporary crises.

# EXECUTIVE SUMMARY OF THE STRATEGY

## Why talk about vulnerability to crises now?

AFD has chosen to make the fight against vulnerabilities and the response to crises one of the main axes of its activity for the AFD Group 2018-2022 Strategy.

Indeed in the 2025 foresight exercise that AFD undertook, crises – environmental, political, social, economic – are an important feature in each of the scenarios of how the world could change. Accompanying our partners to anticipate and manage these crises is therefore a crucial issue for the relevance of the Agency's cooperation offer to **achieve the Sustainable Development Goals**. Other recent studies<sup>1</sup> have identified the ability to work in chronic crises and to act on the breeding ground in which these crises take root as one of the conditions for donor effectiveness in the future.

This Strategy falls within the framework of the **French Strategy** "Prevention, Resilience and Sustainable Peace" promoted by the Ministry for European and Foreign Affairs: it constitutes its operational version in AFD's field of competence.

This document lays out AFD's strategic vision in crisis contexts while highlighting (*i*) AFD's analysis of contemporary crises, (*ii*) operational and sectoral focus areas for preventing and responding to these crises and (*iii*) the levers of internal transformation to gain relevance and agility in these contexts.

## Fragility, vulnerability to crises and resilience

The Strategy defines what is meant by (*i*) "fragility" (or crisis determinants) (*ii*) "vulnerability to crises" and (*iii*) "resilience".

Fragility (or "crisis determinants") is the breeding ground in which crises take root. The Strategy identifies three types of structural determinants of crises: (I) social, (*ii*) economic, (*iii*) institutional. These determinants are analysed **in a multi-dimensional way**<sup>2</sup>



to take into account the cumulative effects of these different types of fragilities and transmission belts between crises of a political, economic, health, social and environmental nature.

Thus, when these fragilities accumulate on a territory, we will speak of a "fragility trap". **Climate change** is included as a "threat multiplier" likely to increase and further reinforce existing fragilities. Similarly, **demographic transformations** are perceived as an accelerator of change whose dynamics can modify – positively or negatively – existing social, institutional or economic equilibriums.

However, not all crises can be prevented. That is why, without supplanting the notion of fragility, the notion of "vulnerability to crises" proposes to focus on exposure to shocks and the capacity of societies, territories and institutions to prepare for crises, to manage them and to recover from them. We therefore define vulnerability to crises as *the propensity of a society, an institution or a population to suffer the negative consequences of a crisis.* This concept, linked to a given risk of crisis, should not be confused with the broader meaning of vulnerability in the expression "vulnerable populations". Hence, the Strategy does not specifically consider "vulnerable populations" but focuses on communities and territories likely to be victims of a given crisis or to fall into violence.

66

It is increasingly difficult to isolate crises according to their economic, social, security or environmental nature. This requires an overall view of the underlying fragilities, so as to break the transmission belts between crises.

<sup>1</sup> The development agency of the future. Fit for protracted crises? ODI, 2015; *The Last Mile in Ending Extreme Poverty*, Brookings Institution Press, 2015. <sup>2</sup> States of *Fragility*, OECD, 2016. In counterpoint to the concept of vulnerability to crises, **resilience** can be defined as the ability of a society, a household or an individual to absorb and recover from shocks, whilst adapting its organisation and its way of life to cope with the uncertainty that these shocks generate.

This approach to crises through (multi-dimensional) fragilities, vulnerability to crises and resilience has several advantages: (i) it makes it possible to analyse the dynamics of reinforcing or reducing the fragilities of a territory or a society, so as to avoid the "fragile state" versus "non-fragile state" dichotomy; (ii) since it is not strictly associated with a State, it makes it possible to analyse these dynamics on the scale of a territory whether local, regional or cross-border – and of a society; (iii) beyond the institutional weaknesses, it enables the analysis of multiple forms of fragility likely to act in combination (economic, political, social, health-related, environmental), themselves capable of causing crises of a very different nature - thus integrating the guidelines for Disaster Risk Reduction (DRR) and conflict analysis; (iv) finally, while the "Fragile States" approach leads to responses aimed at "fixing" the State, the "vulnerability to crises" lens leads to anticipation and prevention-based methods of action, which rely on acting on the determinants of crises as much as on strengthening the resilience of the societies, institutions and territories concerned.

### Box 1 Definitions used

**Crises**: long identified with a sudden event (war, natural disasters, epidemics), crises may also emerge gradually and describe a state of lasting or recurring instability. We thus speak of **"protracted crises"** to characterise those that have afflicted Somalia or Afghanistan for several decades, or **"chronic crises"** those that affect Haiti or the Sahel. In the context of this Strategy, a crisis is defined as a situation of instability likely to destabilise a State, an institution or a population facing this situation.<sup>3</sup>

The concept of risk, for its part, takes two elements into account: the probability that a hazardous event occur, and the severity of its consequences. If well managed, a shock (earthquake, conflict, transmissible disease) need not degenerate into a crisis. **Risk management** is therefore critical for the governance of a society and a region. Beyond the reduction of the fragilities that make a crisis more likely, the most important challenge for development actors is therefore to support developing societies to anticipate and manage their risks in order to increase their resilience.

## Aims of the Strategy

AFD will seek to reduce the risk that crises will jeopardise the achievements and development prospects of our partners. Crises are inherent to development, which is a process by which societies undergo economic, social, institutional, political and environmental transformations. While some crises seem necessary to make these transformations possible, others, in contrast, threaten the achievements of development or jeopardise its prospects by weakening the social, economic, institutional or environmental capital of a society, or of some of its individuals. This can be seen in the protracted crisis that has been affecting the North and South Kivu regions in the Democratic Republic of the Congo for more than twenty years. Although some crises can be avoided (think, for example, of a flu epidemic handled at an early stage), others are the product of exogenous shocks over which humans have little influence (such as earthquakes). Crises are therefore ambiguous from the development angle, depending on their nature and the way they are managed. AFD will also aim to **limit the effects of contagion crises**, both to seek to contain their spillover effect across a territory and to break the chain of transmission from one crisis to another (for example, an economic crisis turning into a social crisis, then a political crisis, etc.)

AFD will seek to reduce the risk that crises jeopardise the achievements and development prospects of our partners, and will aim to limit the spillover effects of crises.

<sup>&</sup>lt;sup>3</sup> Definition taken and adapted from: Gestion de crise, maintien et consolidation de la paix, Thierry Tardy, De Boeck, 2009.

# Chronic crises, the starting point for reflection

Chronic crises are the starting point for reflection on this Strategy because they are characteristic of a situation combining: multiple fragilities, cyclic crises (with successive crisis/postcrisis/crisis phases), interference by regional and international players, forced displacements affecting neighbouring countries, etc. Besides, middle-income countries are mostly those that have to absorb the regional effects of these crises (for example, the Syrian refugee crisis primarily affects Turkey, Lebanon and Jordan).

#### Box 2

### The strategic model

The diagram below illustrates the elements presented above. On the left, there are three **structural determinants of crises** (social, institutional/political and economic fragilities) on which upstream action is possible in order to limit the occurrence and frequency of the onset of crises.

As can be seen on the right-hand side of the diagram, crises can feed into one another via **transmission belts** and combine to form a "**crisis system**". If poorly resolved, crises exacerbate existing fragilities and foster the emergence of future crises. This diagram illustrates why many countries and subnational areas are experiencing repeated cycles of crises. For example, 90% of civil wars observed during the last decade have been in countries that had already experienced a conflict during the previous 30 years.

The vision proposed is thus a holistic vision of crises, which takes into account their risk of recurrence. Crisis resolution today (post-crisis management) must also seek to prevent the emergence of tomorrow's crises.



## What positioning for AFD?

In order to "reduce the risk of crises undermining the achievements and development prospects of our partners" and to "contain the effects of contagion" (end goals of the Strategy), AFD has identified three major objectives:

1) Reduce the determinants of crises: this means acting on the systemic sources of fragility. We thus ask ourselves what structural causes make certain communities, territories or institutions more vulnerable than others to crises;

**2)** Strengthen the territories' response capacities<sup>4</sup> to natural disasters, violent conflicts and/or health crises. This means strengthening "all the physical and intangible resources that a community, a system or a territory can mobilise to limit the damage that a specific hazard would cause";<sup>5</sup>

**3) Improve AFD's response** in the contexts of crises and crisis resolution. Behind this objective is the intention of transforming the Agency's approaches, partnerships, methods and instruments to achieve sustainable impacts. It is by transforming itself that AFD can provide truly transformational responses and foster a global effort to help communities better prepare and recover from shocks and crises. The "build back better and safer" approach to reconstruction illustrates this ambition.

## The main lines of action

The Strategy provides a consolidated vision of the AFD approach to crises and of the methodological elements that can be applied in our operations. It is part of a **logic of subsidiarity compared to the other strategic documents of the Group**, and therefore does not define the "fight against vulnerabilities to crisis" approach on a sector or geography basis.

As the Strategy embodies the evolution of AFD's positioning, the choice was made to identify the "main lines of action" that present some of the **initiatives taken** by the Group's different entities. These "main lines of action" will be further developed with the support of the Crisis and Conflicts Unit (CCC) to strengthen AFD's capacity for action, both in preventing and in responding to crises. In relation to the specific objectives of the Strategy (see the explanatory diagram in Part 3), each "line of action" is the subject of a separate descriptive sheet in the appendix, written with the department(s) involved in **adapting their approaches to the contexts of vulnerabilities**. Each one briefly identifies the issues of the subject in relation to the purpose of the Strategy, AFD's possible achievements in the field so far, and the principles for intervention in the future.

These fact sheets, intended for internal use, summarise **elements of doctrine and positioning** that will undergird the intervention frameworks for the departments concerned. They are not intended to be exhaustive and often summarise more substantial work helping to consolidate AFD's know-how in the fight against vulnerabilities and response to crises. This

consolidation work will continue on other important themes (security-development linkages, humanitarian-development linkages, etc.).

#### Box 3

## The main operational lines of action

AFD has chosen to identify "main lines of action" that will contribute to the evolution of its practices in crisis contexts. They constitute operational versions of specific objectives (see explanatory diagram). These lines of action are the result of discussions with the technical and geographical departments and highlight (*i*) recent activities implemented in crisis contexts, (*ii*) ongoing activities that are being formalised within the Agency, (*iii*) new activities on which the technical and geographical departments wish to position themselves. These are covered in a specific annex, for internal use.

<sup>&</sup>lt;sup>4</sup> These capacities are usually divided into three types: the ability to anticipate ("anticipatory capacity"), the ability to absorb ("absorptive capacity") and the ability to adapt ("adaptive capacity"). Distinction taken and adapted from: The 3As: Resilience Across BRACED, Aditya Bahadur et al., Overseas Development Institute, 2015. <sup>5</sup> De la pauvreté à la vulnérabilité : Evolutions conceptuelles et méthodologiques, Nicolas Sirven, Mondes en développement, 2007.

## The levers of transformation for AFD

The Strategy finally has an ambitious objective of internal transformation articulated around four levers:

1) Strengthen the Agency's capacity for context analysis and adapt its operational approaches (notably by promoting multi-country, multi-sector, multi-year and multi-stakeholder approaches). This will also imply that AFD pursue the innovation of financial instruments for crisis contexts.

**2)** Adapt our methodological tools so that AFD operations are as relevant as possible in complex contexts, notably by integrating enhanced monitoring and evaluation mechanisms and dynamic risk management.

**3)** Support coordination and partnerships with AFD's external stakeholders. AFD alone does not have the critical mass needed to be transformational on these highly complex areas. It is within the scope of a coalition framework with other donors but also within the "Team France" format (where each institutional actor provides complementary answers on diplomatic, security, humanitarian or stabilisation aspects when seeking to address

or prevent the crisis) that the AFD response must intervene. This continuum should lead to strengthened partnerships and coordination with international and local actors.

**4) An adequate human resource management system,** by setting up an appropriate incentive and career management scheme, by strengthening teams at headquarters and in the network, and by training staff.

The Strategy's monitoring indicators focus exclusively on these internal transformation objectives. Indeed, the "Vulnerabilities to crises and resilience" Strategy aims to apply to all countries where AFD operates and not just to the so-called "fragile" countries – bearing in mind that every society has vulnerabilities and that the accumulation of factors of fragility can, under certain conditions, lead to the crisis. Because the challenges of vulnerability and resilience to crises and how to address them may differ significantly depending on the sector and geography concerned, each AFD geographical and technical department will apply the principles of this Strategy to identify key issues, objectives and actions to be carried out in their field of intervention.

# CRISES IN COMMON

<sup>Y</sup> 15

AFD's motto, "A world in common", illustrates the interdependence of humanity in the management of a shared space - following a twentieth century marked by globalisation dynamics. This connected world is experiencing crises that are less and less confined to a single country and which increasingly tend to set in over long periods of time. The following sections sum up in a few facts the environment in which AFD must now learn to carry out the development activities it finances. Three major trends require developing a holistic vision of crises and their causes in order to acquire the means to act on more than just their effects.

## 1.1 Increased exposure to crises

#### 1.1.1 Societies at risk of fragmentation

Since the end of the Cold War, armed conflict has taken on new forms: conflicts between States have generally become less frequent,6 whereas local and/or infra-state conflicts have increased significantly (ethnic rivalries, regional separatism, rebellions, etc.).7 The vast majority of today's wars oppose actors that are not part of regular armies,8 or they emerge as asymmetric combats between a State and non-state actors.

#### Box 4

### The drivers of contemporary violence (OECD, 2016)9

In its report States of Fragility (2016), the OECD has distinguished several forms of violence:

- Social violence<sup>10</sup>: stemming from deep discontent, criminal behaviour or interpersonal violence; it is one of the leading causes of violent death worldwide.
- 2. Political violence (internal) through challenging the legitimacy and authority of the State. This violence can be explained in particular by:
  - the rupture of the social contract between the State and its citizens;
  - the expansion of criminal networks and parallel structures that challenge the authority of the State:
  - the manipulation of identities by entrepreneurs of violence.
- 3 Urban violence: violence is now concentrated in urban areas.<sup>11</sup> The rural exodus has fostered the emergence of areas that are not or poorly controlled by the State, which is now challenged by alternative forms of governance. Urban growth also accentuates structural inequalities and social exclusion..

Contemporary wars are marked by situations of acute social crisis and the dynamics of societal fragmentation.<sup>12</sup> The Middle East and North Africa, for example, have experienced a series of social protests, some of which have turned into civil wars. The conflicts in Afghanistan, Somalia, Sudan and South Sudan have been going on for decades, with a very strong socio-economic dimension linked to unequal access to power and wealth.

Wars, however, are only one facet of contemporary violence. In 2015, more than half of the geographical areas with the highest homicide rates in the world were unaffected by armed conflict.13 In Latin America, trafficking and homicides go as far as threatening the central institutions. Terrorism, despite its profound changes and the very different forms it can take, remains a significant transnational threat. Often considered as "the weapon of the weak", it materialises the risks of a world that is both connected and asymmetrical. Attacks perpetrated by citizens against their own countries illustrate the challenge of inclusion and social cohesion. in both the North and the South. Civil wars, terrorism, urban violence: these different forms of violence are today shaping war economies that thrive in mafia networks, where local and transnational economic agents, war contractors, gangs, militias or semi-regular armies do business together.14 The boundaries between political and criminal agendas thus tend to become blurred, making conflict resolution much more complex than it may have been in the past.

### 1.1.2 More intense and more frequent natural disasters

The frequency and intensity of natural disasters are without precedent in modern history, a development linked in particular to the combination of the increase in the world population and climate change.<sup>15</sup> Up to the beginning of the 1990s, fewer than 300 disasters were observed in the world per year, whereas there have been more than 500 each year since the beginning of the new millennium.<sup>16</sup> It has been estimated that more than half of the population of developing countries is likely to be exposed to the risk of flooding and/or storms between now and 2025.

<sup>6</sup> Despite a worrying reversal in the last few years

What is a conflict today? Website of La Documentation Francaise. 2012.

<sup>&</sup>lt;sup>8</sup> Nouvelle guerres. l'état du monde, Bertrand Badie, 2015.

<sup>9</sup> States of Fragility 2016, OECD.

<sup>&</sup>lt;sup>10</sup> For the OECD, (States of Fragility 2016): "political violence describes the use of force towards a political end that is perpetrated to advance the position of a person or group defined by their political position in society. Governments, state militaries, rebels, terrorist organisations and militias engage in political violence, as well as actors who may adopt both political and criminal motives. The term 'social violence' refers to a broader manifestation of grevances, criminal behaviours and interpersonal violence".

<sup>&</sup>lt;sup>11</sup> Urban Violence Patterns across African States, Clionadh Raleigh, International Studies Review. <sup>12</sup> Nouvelle guerres. l'état du monde, Bertrand Badie, 2015.

<sup>&</sup>lt;sup>13</sup> In 2015, for example, there were more violent deaths, in absolute numbers, in supposedly peaceful countries (including Brazil and India) than in Syria.

<sup>14</sup> World Development Report: Conflict, Security and Development, World Bank, 2011. See also "Conflict and Development", Jean-Paul Azam, in The Oxford Companion to the Economics of Africa, Shanta Devarajan, Ravi Kanbur and Louis Kasekende, Oxford University Press, 2012, pp. 110–114. <sup>15</sup> Réduction de Risques de Catastrophes, [Disaster Risk Reduction] AFD, 2016.

<sup>&</sup>lt;sup>16</sup> This includes all disasters (natural and technological) / Source: EM-DAT: The OFDA/CRED International Disaster Database.





While the increase in disasters is partly a result of the increase in extreme climate events due to ongoing climate change,<sup>18</sup> material and human loss and casualties caused by natural disasters can be further explained by urban growth and the concentration of populations in risk areas (especially coastal areas). In sub-Saharan Africa for example, 700,000 people lived in flood-prone coastal areas in 2000. They will be 5 million in 2030 and up to 25 million by 2060 (according to the most pessimistic scenarios).<sup>19</sup>

## **1.1.3 Pandemic crises, a threat to international health security**

Although not new, vulnerability to epidemic risks threatens the progress made over the last 50 years in terms of global health. The risk of health crises is rising due to a combination of factors: (*i*) the intensification of the movement of populations, (*ii*) demographic growth, (*iii*) urban concentration, (*iv*) inadequate health systems and (*v*) climate change. These all favour the rapid spread of diseases and increase their frequency.

The countries most exposed to pandemics, be it AIDS, Severe Acute Respiratory Syndrome (SARS),<sup>20</sup> the Ebola virus or various forms of influenza (H5N8, H1N1, etc.), are precisely the countries that combine weak institutions and a low human development index.

Political and institutional crises therefore constitute a factor of exposure to health crises, just like food crises. In Haiti, the 2011 cholera outbreak affected nearly 300,000 people and resulted in more than 5,000 deaths, whereas in the Dominican Republic – a less vulnerable country since better prepared – it only caused 153 deaths. International health security is thus threatened by the weakest link in the epidemiological chain. These findings call for a strengthening of the most fragile health systems, in a dual logic of solidarity with the most vulnerable populations and preservation of the "common good", international health.

Climate change also exacerbates health risk<sup>21</sup> by modifying the dynamics of certain infectious diseases, including those transmitted by mosquitoes (malaria, dengue) or by water (diarrhoea, cholera), and by increasing the impact of atmospheric pollution on health (asthma, chronic bronchitis, cancers).

Numerous studies have shown that the economic cost of pandemics far exceeds the amount that would need to be invested to reduce their risk of occurrence, illustrating how international resources are poorly allocated between prevention and risk management.<sup>22</sup>

<sup>&</sup>lt;sup>17</sup> Emergency Events Database (EM-DAT) of the Centre for Research on the Epidemiology of Disasters (see: http://www.emdat.be).

<sup>&</sup>lt;sup>18</sup> EM-DAT: The OFDA/CRED International Disaster Database.

<sup>&</sup>lt;sup>19</sup> Les Etats fragiles, Julien Serre, 2016.

<sup>&</sup>lt;sup>20</sup> In Hong Kong in 2009, the authorities were able to deploy a series of extremely restrictive measures to contain Severe Acute Respiratory Syndrome (SARS). These measures helped to limit the number of deaths. This pandemic killed almost 800 people around the world, mainly in Asia.

<sup>&</sup>lt;sup>21</sup> Taken from the Sectoral Intervention Framework for Health, AFD, 2015-2018.

<sup>&</sup>lt;sup>22</sup> People, Pathogens and Our Planet: The Economics of One Health, World Bank, 2012

# 1.2 Multidimensional and interconnected crises

## **1.2.1 From one crisis to another: the contagion effects**

The interconnection of crises of different types leads to the diffusion effect between them. Post-revolutionary Tunisia illustrates this phenomenon: drawing its roots from a latent socio-economic crisis, the Tunisian revolution has weakened an economy that was heavily dependent on tourism and foreign investment, reinforcing the breeding ground for the social crisis, and fuelling in turn the political crisis. The transmission belts between political, social, health and economic crises are also clearly demonstrated in the Ebola epidemic which is said to have cost the economies of Liberia, Guinea and Sierra Leone several billion dollars.<sup>23</sup> The case of Somalia further exemplifies this interweaving of socio-political and environmental crises overlaid with latent and lasting conflicts as well as drought and food crises.

In addition, the forms of violence have evolved as a result of deep crises, leaving scars for decades. El Salvador, Guatemala and Honduras experienced civil wars in the 1980s and 90s. The ensuing weakening of the State, the trauma suffered by the populations, and the availability of firearms fostered the emergence of criminal networks that have spread to the point of threatening the authority of the State. Since 1999, the number of homicides has increased in El Salvador (+101%), in Guatemala (+91%) and in Honduras (+63%).

#### Box 5

18

## Natural disasters and the risk of conflict

In a context of global warming, researchers expect to see stronger causal links between natural disasters and conflicts.<sup>24</sup> From 2005 to 2009, for example, more than 50% of the people affected by natural disasters were living in fragile countries or in States affected by conflicts. This is because conflict situations weaken the resilience of territories and push people to move into marginalised areas that do not have the resources to absorb such population flows. The lack of infrastructure also affects the physical and mental health of populations and may lead to health crises. Moreover, conflict situations fuel the emergence or spread of new crises: health crises, food crises, environmental crises (deforestation, poaching), etc.

### 1.2.2 Climate change, a threat multiplier

Climate change acts as a "threat multiplier"<sup>25</sup> by exacerbating pre-existing economic, social and/or institutional weaknesses. In addition to the interactions between climate change and health and environmental crises mentioned previously, climate change also exacerbates pressures on food security and access to water. One billion people have no access to drinking water, and the OECD estimates that by 2050 nearly 4 billion people could be living in areas where there is insufficient available water. According to the World Water Council (2015), 80 to 90% of the resources have already been used in arid or semi-arid regions.<sup>26</sup>

Climate change also impacts the forced displacement of populations. By affecting agricultural production, environmental degradation and climate change drive populations that are economically dependent on the environment to migrate, especially from rural areas to urban areas. Although these movements primarily take place within the same country and generally involve short distances, they are nevertheless imposed upon the most vulnerable people.

## **1.2.3 Demography, an accelerator of change**

In the short or medium term, demographic challenges will impact many countries in which AFD operates. At each phase of demographic transition, new issues are emerging that governments will have to take into account, or run the risk of allowing fragilities to develop or worsen: fecundity and mortality control, youth social inclusion, care for the elderly, improvement of social protection schemes, management of migration flows, spatial distribution of territories, etc. These dynamics can positively or negatively affect development trajectories. However, in some areas of intervention – such as in sub-Saharan Africa – demographic issues exert a growing pressure on income distribution, the use of social services, access to employment, natural resource management and space (land management, urbanisation, etc.). This situation generates risks (instability, security, migration, for example) in already degraded contexts.

<sup>&</sup>lt;sup>23</sup> Centers for Disease Control and Prevention, https://www.cdc.gov/vhf/ebola/outbreaks/2014-west-africa/cost-of-ebola.html

<sup>&</sup>lt;sup>24</sup> When Disasters and Conflicts Collide: Improving Links Between Disaster Resilience and Conflict Prevention, GSDR, 2013.

<sup>&</sup>lt;sup>25</sup> 'A New Climate for Peace', an independent report commissioned by the G7 members, submitted under the German G7 Presidency, 2015. *Shockwaves*, World Bank, 2016. <sup>26</sup> Les Etats fragiles, Julien Serre, 2016.

## 1.3 The regionalisation and globalisation of crises

Natural disasters, conflicts, climate change, economic or health crises transcend political boundaries. This regionalisation of crises can be explained in particular by the increase in connectivity, human mobility and the intensification of trade. This makes crisis management more complex and can cause chain reactions with consequences that are difficult to predict.27

### 1.3.1 From local to global

In an interconnected world, local grievances are now linked to regional and even international issues.<sup>28</sup> This interrelatedness of local and international questions complicates crisis resolution and can anchor protest groups on cross-border territories. In Mali, for instance, local conflicts over the use of agricultural or grazing land resonate with a national conflict between Tuareg groups and the central authorities in Bamako, a regional crisis dynamic driven by the break-up of Libya and grounded in a dissenting "imaginary" of an international jihadist movement fuelled by activists in London, Karachi or Khartoum. In the case of Boko Haram,<sup>29</sup> an ambivalence exists in the positioning of the group between local and global levels. Indeed Boko Haram finds the source of its revolt in political dynamics at the local level, but the group has spread its actions to Southern Nigeria, within neighbouring countries (Niger, Chad and Cameroon) and at the international level (relations with other jihadist movements, affiliation with the Islamic State).

### 1.3.2 Self-perpetuating conflict systems

In addition, conflicts persist in "conflict systems". This term refers to situations where armed conflicts, stemming from distinct local dynamics and involving different actors, modalities and issues, mesh with each other and blur the spatial, social and political boundaries that initially distinguished them.<sup>30</sup> A case in point is the conflict in Syria and in Iraq. The Iraq crisis, which is rooted in the marginalisation of Sunni Arabs, and the Syrian crisis, which arose from the contestation of the authority of Bashar al-Assad, are now resonating and feeding off one another to create a "crisis system".

#### Box 6

### Conflict systems in West Africa<sup>31</sup>

Several "conflict systems" are destabilising West Africa. For example, the conflict system around the Sahel and Sahara region is the conjunction of several local and national conflicts between the governments of Mali and Niger but also between Tuareg rebels and other ethnic groups in these two countries. These conflicts impact Mauritania through the development of transnational mafia networks that take advantage of the region's chronic instability to expand their smuggling and illicit trafficking activities. Jihadist groups in North Africa, such as Al Qaeda in the Islamic Maghreb (AQIM), also benefit from

this instability to expand in Mali, Niger and Mauritania, thus becoming a serious threat to the stability of the States in the region.

The conflict system around the Gulf of Guinea is another complex conflict system involving several local and national conflicts. Thus, the insurgency of the Niger Delta region in Nigeria directly impacts the national security of Benin and Togo by boosting the emergence of maritime piracy in the region. Two other conflict systems have a destabilising impact in West Africa: the conflict system in the Mano River region affecting Sierra Leone, Liberia and the Ivory Coast, and the "Senemgambia" conflict system which concerns Senegal, Gambia, Guinea and Guinea Bissau.



<sup>&</sup>lt;sup>27</sup> White Paper on Defence and National Security, French Ministry of the Armed Forces, 2013.

<sup>&</sup>lt;sup>28</sup> Human Development Report 2014, UNDP, 2014.

 <sup>&</sup>lt;sup>29</sup> Comprendre Boko Haram, Afrique Contemporaine, 2015.
 <sup>30</sup> Tchad/Darfour: vers un système de conflits, Cairn, R. Marchal, 2006.

<sup>&</sup>lt;sup>31</sup> Responding to the Challenge of Fragility and Security in West Africa, World Bank, 2014. Map repository: FNSP. Sciences Po - Map-making workshop.

## 1.4 Protracted and chronic crises, the risk of "fragility traps"

As a result of these transformations, crisis situations tend to set in, confronting populations and institutions with recurring shocks and making it impossible for individuals to plan for the future. These "chronic" or "protracted" crises combine the shortterm needs of populations with long-term fragilities. Chronic crises are characterised by a "permanent emergency" of needs over the years (and sometimes decades) – as in the case of Haiti, where the extreme vulnerability to crises exposes its population to daily violence, natural disasters and health crises such as cholera.

Thus in societies most vulnerable to crises, entire territories are trapped in protracted crises that humanitarian or security responses are no longer able to resolve or even contain. Forty per cent of countries emerging from armed conflict fall back into conflict within ten years. Chronic crises can take several forms.<sup>32</sup> Some feed on a main conflict that persists over time. This was the case of the conflicts in Sri Lanka, in Colombia, and it is still the case today of the Israeli-Palestinian conflict. Others are characterised by the entanglement of a multitude of crises (local, environmental crises, etc.), constituting a self-perpetuating crisis system, as in the Sahel.



The interconnection of crises of different types leads to the diffusion effect between them.

<sup>&</sup>lt;sup>32</sup> Protracted conflict and humanitarian action, ICRC, 2016.



CRISIS MANAGEMENT WITHIN AFD AND THE DONOR COMMUNITY: A LONG HISTORY, WITH RECENT DEVELOPMENTS

# 2.1 Contributions and limitations of previous AFD strategies in crisis contexts

## 2.1.1 A gradually broadened approach focused on the fragilities of the State

Setting aside the static and strictly institutional visions of fragility, the previous AFD Strategy on "conflict resolution and fragile states" (2007-2009) was already concerned with the dynamics of fragilisation, that is, with the process of dislocation of a State or of a society. This reflection led to advocating interventions as far upstream of potential crisis as possible, in a preventive approach. This required working on situations of fragility so that they would not feed a breeding ground for conflict. In 2013, a joint doctrine note was added to the Strategy to incorporate new recommendations from the international community, including the OECD Development Assistance Committee guidelines and the 2011 World Development Report (WDR) findings.

## 2.1.2 Relevant recommendations, which remained to be operationalised

The recommendations highlighted in the previous Strategy remain fully valid for the implementation of AFD projects in areas of fragility and crisis. This is particularly the case of the "Do No Harm" approach when setting up AFD projects in these contexts, which should be the cornerstone of any external intervention. The primary objective of this approach is to avoid contributing inadvertently to the causes of the crisis or the structural weaknesses in which it takes root. This means understanding the situation in its various dimensions (economic, social, political, environmental) in order to better comprehend its causes, local dynamics and stakeholder relations.

As a second principle of action, AFD must also continue to prioritise "double dividend" operations (the previous Strategy referred to "dual operations"), which combine development with the prevention of crisis and violence. These operations are designed to finance a development asset, as in all AFDfunded projects, but also incorporate a complementary goal: to contribute to the reduction of certain fragilities diagnosed as being likely to fuel the crisis, and to strengthen the capacity of States and societies to face the next crises.

Lastly, as a third structuring principal of the previous Strategies, AFD must continue to seek to dovetail humanitarian interventions and development operations in order to reduce tensions between immediate and long-term needs. After several years devoted to the operationalisation of these recommendations on a relatively small number of projects, the challenge for the period covered by this Strategy is to systematise their application in all of AFD's activities, while integrating inputs from international discussions in recent years.

## 2.1.3 Take into account recent developments in the international agenda

The issue of vulnerability and crisis response is increasingly gaining ground in the development community. Most donors have specific strategies to frame their interventions and strive to adapt their systems. This is true for the systems of the United Nations, the World Bank, the United Kingdom or Germany, which now make the fight against fragilities and the response to crises a priority. Japan, for its part, invests massively in Disaster Risk Reduction.

The analysis of these Strategies and messages from the major international conferences on crises<sup>33</sup> has identified several recommendations that AFD needs to take into account when designing its framework for action: (i) strengthen social cohesion between citizens on the one hand, and between the State and its citizens on the other hand; (ii) make fragile populations the primary actors in crisis prevention and resolution - this notably includes the implementation of participatory approaches to policy-making and project development,34 (iii) ensure that everyone benefits from external assistance, especially the most marginalised groups;<sup>35</sup> (iv) go beyond purely bilateral responses to crises and develop regional (multi-country) approaches, at the crisis basin scale;<sup>36</sup> (v) move out of a sectoral response to promote, in line with the SDGs, a multi-sectoral approach to work in an integrated manner across a territory, and provide a critical mass of basic services and economic opportunities (vi) avoid the "stop and go" effects of external assistance, especially in the case of chronic or protracted crises, which require sustained investment; (vii) support our partners in the long term (15-20 years) as part of a process approach that goes beyond the duration of a single project - often too short to achieve systemic effects; (viii) invest in real-time monitoring-evaluationcapitalisation processes in order to have sufficient analyses to adjust the programmes to volatile contexts.37

**66** *The "Do No Harm" approach should be the cornerstone of any external intervention.* 



<sup>&</sup>lt;sup>33</sup> Sendai Conference (March 2015), UNGA Conference for the adoption of the Sustainable Development Goals (September 2015), World Humanitarian Summit (April 2016), Habitat III Conference (October 2016).

<sup>&</sup>lt;sup>34</sup> The World Bank's Fragility Forum, 2015.

<sup>&</sup>lt;sup>35</sup> Good development support in fragile, at-risk and crisis affected contexts, OECD, 2015.

<sup>&</sup>lt;sup>37</sup> Operating in situations of conflict and fragility, European Commission, 2014.

#### Box 7

### The international agenda on fragile states and crisis situations

AFD draws insights from the cycle of international conferences on assistance to fragile countries and vulnerability situations. The Agency contributes to implementing the commitments made by France within the framework of:

- 1. The 2005 Paris Declaration on Aid Effectiveness, which marked the first step toward an international joint discussion on aid effectiveness in fragile and conflict affected situations;
- 2. The principles of the OECD Development Assistance Committee (DAC) for intervention in fragile States, which lay down a set of good practices for development actors working in fragile situations;
- 3. The "International Dialogue on Peacebuilding and State Building", which brings together DAC members, the G7+ group, and civil society, and its New Deal for Engagement in Fragile States endorsed during the Fourth High Level Forum on Aid Effectiveness held in Busan (2011). Its principles are: the objectives of consolidating peace and strengthening the State (policy, security, justice, institutions and economy as the bases of development); the "FOCUS" principle (identify causes of fragility, support appropriate and state-led plans, mutually account for results through pacts); the "TRUST" principle (aimed at ensuring aid effectiveness and strengthening national capacities).
- 4. The World Humanitarian Summit (2016), which highlighted the importance of humanitarian-development coordination in crisis contexts and led to the adoption of the "Grand Bargain" (principles to make international aid more effective in these contexts).

# 2.2 What lessons from AFD's interventions in fragile states?

From 2013 to the end of 2015, the Assessment and Capitalisation Division carried out three in-depth studies and 82 decentralised studies on AFD's interventions in fragile countries. This work highlighted the evolution of AFD's practices in crisis contexts.

## 2.2.1 AFD, a donor better fit to intervene in crisis and conflict situations

AFD was a historically ill-equipped actor to intervene in the early phases of the response to a violent crisis. AFD's positioning and procedures, however, have been able to adjust through the creation of new tools and new financing methods. In addition, there is now considerably more dialogue with external partners, be it with civil society organisations, the French system, or other donors. Still, several operational tensions remain. This is in particular the case for:

- 1. Time management: Acting quickly while keeping time for context analysis is necessary in order to "Do No Harm". There is thus a tension between speed of execution and relevance, and even the sustainability of our interventions in complex terrains. This tension has been managed notably by initiating concomitant actions for the short, medium and long terms to meet the requirements for rapid first results without affecting the quality and sustainability criteria of the operations financed.
- 2. Risk management: interventions sometimes take place in dangerous contexts, which threaten the safety of physical assets or even people. Failing to act, however, would entail a cost for local populations and for conflict resolution in the medium term. How to reconcile contradictory imperatives to act and to protect? Cautious risk management would encourage AFD to move away from those areas most in need of international assistance to focus its activities on the most stable areas. This tension has been managed by setting up dynamic risk management frameworks, which allow for a global analysis of different risk dimensions and their monitoring at different key moments of the project.
- **3.** Consideration of the political economy and stakeholder dynamics: How to ensure that AFD projects strengthen social cohesion in a highly politicised environment, where power relations and informal links are difficult to decode? How to reduce the risk that AFD interventions will be instrumentalised by local actors ("development brokers"<sup>38</sup>) sometimes involved in the conflict? This tension has been managed in particular by recognising the political dimension of aid, which impacts local power struggles, and by providing means for a careful socio-political analysis of contexts.

<sup>&</sup>lt;sup>38</sup> Development Brokers and Translators: The Ethnography of Aid and Agencies, David Lewis, David Mosse, Kumarian Press, 2006.

## 2.2.2 Operational recommendations for project design

Evaluations recommend strengthening stakeholder analysis, in the project appraisal phase, in order to understand the risks tied to the context and identify "facilitating" stakeholders. More generally, need assessments should be enhanced (through the analysis of the nature of the crisis, the degrees of vulnerability, the typology of beneficiaries and needs) to target priority investments and identify concerted / co-financed actions with other donors. Moreover, the dialogue with communities should be reinforced when the programme is being designed (definition of objectives, selection of projects, distribution and execution of tasks), with the aim of encouraging the active participation of beneficiaries in the project implementation.

#### Box 8

# Implementing projects in crisis contexts

The evaluation studies conclude that it is possible to "run projects in turbulent times and maintain a satisfactory overall level of performance" as long as the implementation of projects meet (*i*) a fundamental need for (*ii*) a clear initiative led by an independent intervention body, and (*iii*) an approach involving the close monitoring of project activities and continuity over time, despite the risks of serious failures and changes among our institutional partners.

## 2.3 In-house intellectual production is rich and varied but insufficiently integrated with operational practices

### 2.3.1 Multiple sources of knowledge

For a number of years AFD has been focusing on the theme of vulnerabilities from an analytical point of view and has funded numerous studies that notably contribute to enriching the knowledge on societies vulnerable to crises. The Operations Department (AFD/DOE) has also initiated several thematic capitalisation projects to integrate the results of internal experience and those of its main partners into its operations.<sup>39</sup> In addition, the Macro-Economic Analysis and Country Risks Department (AFD/IRS/DEP) has developed a robust methodology for socio-political risk analysis that fits into the country risk rating. The method combines the analysis of "structural vulnerabilities" (economic, political and social vulnerabilities conducive to the emergence of a breeding ground for social and political disorders) with that of "trigger factors" which can transform latent tensions into socio-political unrest. Together with the Ministry of European and Foreign Affairs, AFD is co-financing the World Bank-UN report on the role of development in conflict prevention. The outcomes of this analytical work must further impact the way AFD designs its programs, which involves designing co-production processes (of knowledge, strategic frameworks, programs...) between research actors, Strategy and Operations.

### 2.3.2 Youth at the heart of the analysis

AFD has laid particular focus on understanding the dynamics of inclusion and exclusion of youth since this age group seems central to the phenomena of fragility or resilience in developing societies. The study *"Sahelian Youth: Exclusion Dynamics, Means of Insertion"*,<sup>40</sup> published in 2016, analyses the interactions between exclusion, poor governance and the resurgence of violence among young people in the Sahel countries (Mauritania, Senegal, Mali, Burkina Faso, Niger, Chad). Frustration among young people, arising from being neither represented nor supported by the State, fuels a powerful sense of injustice acting as a vector of mobilisation, and potentially violence – the effects of which are felt beyond the continent.

The study on youth exclusion dynamics in the Mediterranean area highlights the effects of economic, social, cultural and territorial inequalities on youth exclusion phenomena in Arab countries. Territorial inequalities and the precariousness of certain urban neighbourhoods reinforce the feeling of marginalisation of young people. To address these challenges, the study suggests developing programs that prioritise marginalised neighbourhoods in large cities while encouraging citizen participation and access to employment.



<sup>&</sup>lt;sup>39</sup> The following topics, in particular, have been investigated in depth: urban crises; labour-intensive projects; support for the private sector in vulnerable contexts.

<sup>&</sup>lt;sup>40</sup> Jeunesses sahéliennes : dynamiques d'exclusion, moyens d'insertion, AFD technical note, 2016.



STRATEGIC ORIENTATIONS OF AFD GROUP IN THE FIGHT AGAINST VULNERABILITIES AND IN RESPONSE TO CRISIS

End goal		Reduce the risks of crises threatening the achievements and the development	partners partners Limit the contagion	effects of crises	
Objectives	Improve AFD's response in crisis contexts in coalition with other actors	Act on the	causes of crises Strengthen	response capacities (resilience)	
SUSTAINABLE DEVELOPMENT GOALS	17 PARTNERSHIPS FOR THE GAALS	10 REUNCED A MERIALITIES	16 PAAE. JUSTICE AND STRONG INSTITUTIONS	В всели човк амо всломисяемин	3 ROOMAAIH ANDWELEBING
Specific objectives	Make AFD an agile and innovative donor in crisis contexts	Support the inclusion of marginalised populations and territories	Promote access to inclusive, participatory and transparent public institutions	Prevent economic shocks and limit impacts	Prevent and reduce the impacts of disasters and health crises
Action on the causes of crises and/or on strengthening resilience	<ol> <li>Update our operational methods</li> <li>Use appropriate methodological tools</li> <li>Strenghten partnerships</li> <li>A suitable HR system</li> </ol>	Open up poorly connected regions Work with the forcibly displaced Psychosocial support Respond to the phenomenon of radicalisation Economic and social integration of young people Prevention of urban violence	Access to justice and rights Governance of natural resources Citizen participation Asssistance with electoral processes Support for the deployment of administrations	Support for the private sector in fragile situations Support for counter-cyclical policies Strengthen the resilience of the agricultural sector	Disaster Risk Reduction Prevention and management of health crises Intervention in post-crisis urban contexts Social protection and insurance systems

Figure 3. AFD's Logical Intervention Framework for the Strategy

#### Purposes and objectives of the Strategy

The three objectives of the Strategy presented in the introduction are associated with five specific objectives that reflect AFD's priority choices in the prevention and handling of crises.

AFD identifies the phenomena of marginalisation, exclusion and inequality as drivers of contemporary violence. In parallel with

these exclusionary dynamics, the weakness of institutions and the questioning of their legitimacy reinforce these dynamics of tension in a context marked by citizens' strong demand for justice, participation and transparency. The first two specific objectives (i) support the inclusion of marginalised populations and territories and (ii) promote access to inclusive, participatory and transparent public institutions echo these analyses.



The third specific objective is to (*iii*) **prevent economic shocks and limit transmission belts**. This means limiting the impact of the crisis before it leads to an even deeper crisis. The fourth specific objective to (*iv*) **prevent and reduce the impact of disasters and health crises** is to strengthen AFD's prevention positioning by adopting the means to make territories more resilient to natural or health disasters. The last specific objective to **(v) make AFD an agile and innovative donor in a crisis context** is to transform AFD's intervention modalities in shifting and complex environments.

(27

# 3.1 Support the inclusion of marginalised populations and territories

Consultations for the development of the Strategy and the review of the academic literature have led to the following working hypothesis: the phenomena of violence observed today are partly rooted in the dynamics of exclusion, marginalisation and increasing inequalities, especially horizontal inequalities.<sup>41</sup>

#### Horizontal inequality, exclusion, marginalisation

This assumption is based on the observation that countries with high levels of exclusion also experience more social tension and violent conflict.<sup>42</sup> Rebellions, internal struggles or secession movements result from high levels of exclusion (or perception of exclusion), segmentation and low social cohesion. When this discrimination becomes institutional (political, administrative and economic control of one group over another), the probability of conflict increases sharply. This discrimination may also be territorial. In fact, the pockets of concentration of fragility and conflict are mostly in poor and neglected areas, far from capitals - or at their margins but poorly connected. In addition, inequalities between groups can also be a source of tension (ethnic groups, religious communities, etc.).43 These "horizontal" inequalities<sup>44</sup> can be economic (income gaps, differentiated access to the job market or to land ownership), social (unequal access to essential services such as health or education), political (national or local political representation, opportunity for political expression, etc.), cultural (access to education in

one's mother tongue, freedom of worship, etc.) or geographic (territorial inequalities).<sup>45</sup> Lastly, the perception of exclusion can also breed violence.

At the heart of the reduction of fragilities and the strengthening of resilience is the notion of social cohesion,<sup>46</sup> to which AFD tries to contribute at all levels. The interventions funded by AFD must indeed contribute to promoting inclusive growth by fighting against the formation of pockets of exclusion that would exacerbate the marginalisation of a part of the population or territories. AFD must therefore:

- 1. Understand the nature of the dynamics of crises and conflicts in its areas of intervention;
- Identify the populations and regions most vulnerable to crises and which should be targeted (socio-economic characteristics, demographic characteristics, etc.);
- Seek to strengthen social cohesion between communities, particularly in polarised societies and/or in societies where excluded minorities persist;
- **4.** Promote a multi-sectoral approach to address *(i)* the multiple dimensions of crises and *(ii)* propose an integrated response to prevent or respond to a conflict.

#### Box 9

### AFD's main lines of action to address issues of inclusion

Six main lines of action will aim to meet this specific objective. These are (*i*) the opening up of territories, (*ii*) intervention vis-à-vis forcibly displaced people, (*iii*) psychosocial support, (*iv*) a response to the radicalisation phenomenon (*v*) the economic and social integration of young people, and (*vi*) the prevention of urban violence.

#### **Target marginalised areas**

AFD will seek to act in isolated rural areas (opening up of territories), notably by developing rural transport, and increasing access to essential public services and energy sources as well as modern communication networks. AFD will also seek to expand its action in excluded urban areas, including those in the grip of violence.

#### Target marginalised populations (victims and/or actors of the crisis)

AFD will strengthen its action with people who are suffering the effects of a crisis (with a particular focus on forced displacement). AFD will also seek to expand psychosocial activities within its activities to (*i*) manage individual and community disorders and destructuring, which affect social cohesion, and (*ii*) help prevent the reproduction of violence phenomena.

AFD will also strengthen its action to deal with groups of people likely to turn to violence. This will include acting on the social roots of the phenomenon of radicalisation and contributing, through its projects, to the reduction of urban violence.

#### **Economic and Social Integration**

Strengthening training and professional integration schemes through economic activity is a priority in fragile conflictaffected areas to promote stability and reduce the risk of conflict. AFD will promote integration programmes adapted to these contexts.

<sup>44</sup> Horizontal Inequalities: A neglected Dimension of Development, Frances Stewart, 2002.

<sup>&</sup>lt;sup>41</sup> See definition in the Glossary.

<sup>&</sup>lt;sup>42</sup> Human Development Report 2014, UNDP.

<sup>&</sup>lt;sup>43</sup> To be distinguished from vertical inequalities, which relate primarily to differences in wealth between individuals or households.

<sup>&</sup>lt;sup>45</sup> Un monde d'inégalités: L'état du monde 2016, Dominique Vidal, Bertrand Badie, La Découverte.

<sup>&</sup>lt;sup>46</sup> The OECD defines social cohesion as the characteristic of a society that works towards the well-being of all its members and offers them the opportunity of upward social mobility, fights exclusion and marginalisation, creates a sense of belonging and promotes trust.

# 3.2 Promote access to inclusive, participatory and transparent public institutions

The consultations also revealed the links between failing public institutions and the risk of conflict. The Strategy hypothesises that strengthening governance and public institutions also strengthens the dynamics of peace and social cohesion.

#### State capacity deficit

Basically, these deficits of governance are translated by the weak capacity of the State and public institutions to: (*i*) fulfil basic sovereign functions (defence, security, justice, rule of law, administration and steering of public policies, legislation and regulatory framework, public management and taxation); (*ii*) deliver throughout the country the basic public services expected by the population, both in sufficient quantity and quality; (*iii*) ensure constructive and truly democratic relations between public authorities and society to promote concerted decision-making (citizens, users, representatives of the private

sector, civil society organisations, professional organisations, trade unions) within the different segments of society (political under-representation of certain socio-cultural groups, strong inequalities between social classes, management of older people in the face of a young and silent majority); *(iv)* at central, decentralised and local levels.

In addition to the technical capacities of the State and its responsiveness, the relationship between the State and society is critical in these contexts: it must be at the heart of governance interventions where social contracts and national cohesion are under tension. In addition, the widening of inequalities and the difficulties to access basic social services (health, education, water, etc.) once again crystallise the feeling of injustice and exclusion conducive to violence.

#### **Box 10**

## AFD's lines of action to address issues of inclusive governance

Five main lines of action will aim to meet this specific objective: (I) access to justice and rights, (*ii*) governance of natural resources, (*iii*) citizen participation, (*iv*) assistance with the electoral process, and (*v*) support for the deployment of public institutions.

#### Support the deployment of public institutions

AFD will seek to promote equitable access for all citizens to basic social services and public institutions (and in particular the judicial system).

#### Elections and citizen participation

In most of AFD's intervention countries, there is a growing demand from populations for more inclusive and participatory democracy. To meet these demands, AFD will seek to support citizen participation and democratic electoral systems with a view to strengthening social cohesion and inclusive dialogue between communities.

#### Governance of natural resources

Furthermore, the governance of natural resources and the extractive industries (oil, gas, minerals, wood, fishing resources) presents specific and particularly sensitive challenges in terms of conflicts. AFD will seek to strengthen its action around the management of natural resources to promote transparent and equitable governance.

# 3.3 Prevent economic shocks and limit their impacts

AFD also assumes that strong economic and social inequalities coupled with mass unemployment are breeding grounds for the emergence of socio-political crises – especially during sudden economic downturns. Indeed, the lack of access to economic opportunities for a whole section of the population is fuelling frustrations that could lead to a radical challenge to the economic and political systems. The example of Tunisia illustrates this in two ways: the growing clientelism of the Ben Ali regime, excluding a whole section of the population from economic opportunities, was at the origin of the Revolution; since then, the lack of recovery due to the inability to reform the Tunisian economic system has meant that unemployment remains high and the population is increasingly frustrated.<sup>47</sup>

In addition, economic crises can have sometimes extensive and profound socio-political repercussions:

#### ... through poor macroeconomic policy management

Mismanagement of macroeconomic policy and large public debt can generate economic crises and induce drastic measures to reduce expenditure (pay cuts for civil servants, lower social transfers, etc.) that feed social fragilities. Such fragilities have affected many countries in the past and can be multiplied in the context of a sharp rise in public and private debt.

#### ... or through national mono-specialisation

The concentration of exports on a limited type of goods, especially raw materials, exposes communities and territories to economic and social crises in the event of a reversal of international prices for these products. This is particularly the case when the price of raw materials on the international markets decreases (case of the cocoa crisis in Côte d'Ivoire or of oil in Venezuela, etc.). Similarly, low diversification of production sectors (e.g. in a highly agricultural economy) leads to socio-economic fragility, especially if the territory in question is subject to climate shocks (flood, drought, etc.). There is a growing literature on the economic causes of conflict. Studies carried out in several African countries have further highlighted the link between episodes of lower economic growth and the occurrence of civil conflict.<sup>49</sup>

#### The fragility of the agricultural sector

In addition, the rural and agricultural balance is now turned upside down. In societies extremely dependent on agricultural activity, economic and social systems are under great stress due to the conjunction of at least five factors:

- the sometimes very high demographic growth in certain areas;
- → accelerated social change (urbanisation, connection to international networks, changes in solidarity patterns);
- → the effects of interannual rainfall variability, amplified by climate change (desertification, drought, floods, decrease in observed productivity gains, expected productivity decline);
- the high volatility of agricultural prices due to the connection to the world market;
- → increasing gap in income and access to basic services between urban and rural areas.

These high-speed changes in territories and these increasingly frequent shocks leave little time for rural populations to adapt. Although resilience mechanisms exist within populations, they are not sufficient to cope with the rapid increase of vulnerabilities. Social structures, under pressure, feed tensions within rural territories.

#### Box 11

# Line of action to address economic shocks

#### Support for counter-cyclical policies

In the event of a major economic crisis, the availability of counter-cyclical funding would cushion the effect of major exogenous shocks and reduce the likelihood of a crisis. The range of counter-cyclical funding proposed by AFD may extend to other types of shocks, for example those related to natural disasters, and other types of innovative instruments. Adaptive social protection and insurance mechanisms make it possible to support compensation mechanisms as a way of ensuring the financial inclusion of vulnerable populations.

#### Strengthen the resilience of the agricultural sector

This will involve strengthening rural economic systems under intense pressure to mitigate crisis and conflict risks.

#### Support private sector recovery

The private sector can play a significant role in the context of vulnerabilities and crises, in both crisis prevention and resolution. It is a seedbed for social cohesion and wealth creation that increases the resilience of individuals and societies to shocks. Specific tools will be put in place to collaborate with PROPARCO.

<sup>&</sup>lt;sup>47</sup> Fragility Assessment Report for Tunisia, WB/AFD, 2016.

<sup>&</sup>lt;sup>48</sup> Economic Shocks and Civil Conflict: An Instrumental Variables Approach, Miguel, E., S. Satyanath and E. Sergenti, Journal of Political Economy Vol. 112, No. 4, pp. 725-753, 2004.
<sup>49</sup> International Commodity Prices, Growth and the Outbreak of Civil War in Sub-Saharan Africa, Brückner, M. and Ciccone, A., The Economic Journal, Volume 120, pp.519–534, 2010.

# 3.4 Prevent and reduce the impacts of disasters and health crises

Each year, the most vulnerable developing countries suffer substantial human and economic losses as a result of natural disasters and/or health crises, which tend to hinder ongoing development processes. The prevention and management of these crises constitutes a major challenge for an institution such as AFD. The Agency will need (*i*) to position itself to prevent these risks (*ii*) to strengthen its preparation and management of crises and (*iii*) assist with crisis resolution by strengthening the resilience factors.

#### Box 12

# AFD's main lines of action for preventing and reducing the impact of disasters and health crises

AFD proposes four focus areas to meet this objective:

#### **Disaster Risk Reduction**

AFD will strengthen its actions in activities related to disaster risk reduction by seeking to both prevent risks, strengthen the response capacity of populations and institutions, and develop a risk culture.

#### Anticipation and management of health crises

AFD will continue its action in the prevention and management of health crises by strengthening epidemiological surveillance in its countries of operation but also by enhancing the access to health systems and basic health care.

#### Intervention in post-crisis urban contexts

International donors are increasingly required to intervene in contexts of urban fragility, forcing them to review their methods of instruction and intervention in these territories. AFD will seek to respond as closely as possible to crises in urban areas.

#### The development of social protection and the insurance system

In the face of natural disasters, which have the greatest impact on the poorest populations, social protection and insurance programs are an effective means of reducing loss and damage.



State-society and inter-community relations are fundamental to peace and social cohesion. Strengthening these relations must be at the heart of governance interventions.

# ADAPT AFD'S ORGANISATION AND MEANS



The approach described above requires the continuation of the acculturation process of AFD Group with regards to crisis issues; it must therefore be accompanied by an internal transformation process. All lines of action presented in this section contribute to the effective implementation of the Strategy internally and in the production of future knowledge. The activities listed below will ensure that AFD will:

- → Systematise the integration of vulnerability-sensitive methodologies throughout the project cycle as soon as the context requires;
- → Strengthen its internal capacity on crisis vulnerability issues, both at headquarters and in the network;
- → Evaluate and capitalise in real time on the experiences gained in these contexts;
- → Participate in debates and reflection on issues of vulnerability and resilience to crises and uncertainty, and contribute to the animation of a French, European and international community of expertise.

# 4.1 Make AFD an agile and innovative donor in crisis contexts

## 4.1.1 Upgrade our instruments and operational procedures

#### A. Develop integrated approaches

Faced with the extension of crises over time, actors must be able to adapt their interventions to deal with chronic crises. Donors are therefore called upon to deploy their activities at an earlier stage in the crisis, at the level closest to beneficiaries. For AFD, this means modifying its operational approaches and designing a new generation of projects capable of being simultaneously:

- Multi-country, to act at the level of "crisis basins" (rather than having a series of projects managed country by country);
- Multi-sector, to make possible a critical mass of public services without waiting for the deployment of a public policy throughout a territory;
- Multi-year, to plan for the long term and make provisions for funding sources over several years;
- **4.** Multi-actor, to combine the approaches and know-how of humanitarian actors in security and development.

#### Box 13

## The "Peace and Resilience" Fund and "Initiatives", a regional and multi-year approach to respond at the scale of a crisis basin

In November 2016, the Inter-ministerial Committee for International Cooperation and Development (CICID) approved the creation of a fund endowed with an additional  $\leq$ 100 million per year in grants. The Fund can be mobilised in response to all types of crises and in all the countries in which the Agency operates. However, four cumulative criteria must be met for AFD to mobilise this endowment: (*i*) areas exposed to shocks (endogenous or exogenous), (*ii*) which have weak capacity to overcome them (LDCs will therefore be targeted in priority), (*iii*) whose impacts threaten to spread across borders and/ or to affect the entire country, (*iv*) where AFD provides an added value.

The Fund finances "Initiatives" which correspond to a coherent set of projects implemented at the scale of a crisis basin. More specifically, an Initiative is based on: *(i)* a portfolio of projects (new and/or reformatted on the basis of challenges posed by the crisis) dedicated to the fight against the vulnerabilities in which the crisis takes root; *(ii)* one or several regional projects to respond to the regional dimension of the crisis; *(iii)* an analytical component.

#### An example: the Lake Chad Initiative

A natural border between four countries (Nigeria, Niger, Chad, Cameroon), Lake Chad and its periphery are at the centre of a security crisis linked to the terrorist group Boko Haram. The consequences of insecurity, combined with extreme poverty, chronic food insecurity and growing population pressure, are creating a very difficult and volatile situation in these areas. To respond to this crisis, AFD has chosen the logic of regional intervention. The "Lake Chad Initiative" plans to contribute – simultaneously in the four riparian regions of the four countries – to the empowerment of displaced and refugee populations through the revival of small-scale agricultural economic activity, the better management of natural resources, and the socio-economic integration of populations.

#### B. Adopt dynamic risk management

AFD's mandate is evolving and today fully integrates the fight against fragility, which leads the Agency to confirm – even strengthen– its presence in unstable areas. It will thus be a matter of reconciling this new mandate with the risk inherent to these contexts. AFD will seek to have as comprehensive a vision as possible of risks (security risks, moral, operational, legal, fiduciary, etc.) and set objective decision-making criteria (including the "cost of inaction") in order to qualify, monitor and reassess risk throughout the duration of a project.

#### **Box 14**

# The toolbox for project training in areas of insecurity

AFD has to strengthen its presence in at-risk or insecure areas. In these contexts, the operational methods will be adapted to allow the Agency to fully fulfil its mission without increasing the exposure of its staff or its partners. AFD has designed a toolbox entitled "Conducting operations in insecure areas" based on a compendium of good practices from a sample of partners faced with similar problems. More particularly intended for heads of projects, agency mission managers, agency directors and security managers, it presents the key principles for identifying and preparing projects in contexts of insecurity.

#### C. Strengthen the capacities of local actors

In AFD's country of intervention, the weak capacity of contracting authorities, be they public (ministries, local authorities, companies, banks), private or civil society organisations (banks, companies, professional or non-governmental organisations, and communities), is a major obstacle to sustainable and inclusive economic and social development. It is up to AFD to include more extensively the main actors concerned by crises – local civil societies, but also women and minorities (ethnic or religious) – at all levels of decision-making. Even if national and local capacities are insufficient to deal with a crisis, response plans must take into account the strengthening of local actors from the very beginning of the programme implementation. Affected people and their legitimate representatives should systematically be given leadership positions.

#### Box 15

## Local participatory development approaches

AFD has set up several programmes in which municipalities are the key players in the implementation of local development projects. The National Programme for Participatory Development (PNDP) in Cameroon, or the Municipal Development Programme (MDP) in Palestine, for example, have empowered local actors to manage the implementation of projects in crisis situations. Efforts must intensify, in crisis situations, to strengthen the capacity of local actors to fulfil their core function. Empowering local actors must be an objective in its own right for all our projects.

#### D. Pursue the innovation of financial instruments

AFD will continue to adapt the range of financial instruments that can be used in these contexts, notably by exploring the feasibility of the following tools:

- → A prequalification tool for local NGOs for more rapid postcrisis interventions (pilot studies in Gaza and Haiti);
- → "Humanitarian-development" co-financing tools with the Fondation de France and/or the French Foreign Ministry's Crises and Support Centre (discussions in progress);
- → Contingency loans, counter-cyclical instruments and insurance schemes as part of the DRR approach;
- → A revolving fund to support the private sector in fragile contexts (financed by the "Peace and Resilience" Fund) and a support mechanism for the private sector through a *mix of resources* with the Commission and the network of European donors.

#### E. Promote the use of digital tools and data

Digital tools and data are an opportunity for AFD to better understand crisis contexts. These tools make it possible to (i) better anticipate the risk of crisis and to assess the consequences of disasters, (ii) fulfil a warning and prevention function for populations and (iii) strengthen coordination and consultation between actors. AFD will use these various tools (satellite imaging, mobile devices, mobile data collection services, participatory technologies, UAVs (drones), dynamic maps, artificial intelligence, machine learning, cyber technologies) upstream and in the follow-up of its projects. Mapping tools common to several major donors are made accessible to all (including INFORM, which AFD will use in priority). Nevertheless, the French Development Agency also has the capacity to produce its own mapping tools. The increasing use of these data is a powerful instrument for objective decision-making in the prioritisation and intervention choices at the Country (or Regional) Intervention Frameworks (CIPs or CIRs) level and their adaptation to projects.

## 4.1.2 Methodological tools for crisis contexts

#### A. Understand: be able to apprehend and identify factors of vulnerability and resilience in order to "Do No Harm"

AFD's interventions must be based on a detailed analysis of the context to ensure that they do not have a negative impact. The "Do No Harm" methodology aims first and foremost to better understand the complexity of stakeholder roles, power relations, and to identify potential "connectors" (individuals or structures that reinforce the dynamics of reconciliation) and "dividers" (individuals or structures likely to be sources of tension). At the very least, this analysis will avoid unintentionally exacerbating existing conflicts or artificially creating new sources of tension. This modus operandi thus invites us to strengthen the production

of socio-political studies (qualitative analyses, mapping of actors, etc.) whose conclusions and recommendations will consolidate our project implementation.

## B. Mobilise: be able to build intervention logic with all stakeholders

Secondly, we must involve all stakeholders in the construction of the intervention logic and, more particularly, mobilise local actors in tackling vulnerabilities. A "Phase 0" could be introduced in projects to allow time for this consultation. These discussions should highlight a shared vision of the fragility components in a given zone, the actors involved and their respective positions, the desired situation and the changes and intermediate objectives for achieving it. In particular, it will be necessary to clarify and pool the "theories of change" that underlie each intervention.

#### Box 16

### Addressing gender issues through inclusion

Gender mainstreaming is essential to ensure respect for human rights, reduce inequalities and provide an adequate response to the needs of vulnerable populations. This is also necessary to reduce the negative externalities of aid (in line with the "Do No Harm" approach) and ensure that it meets the differentiated needs of men, women and young people. It will be cross-cutting to all AFD's activities in contexts of vulnerability. Resolution 1325 (and the six additional resolutions) of the United Nations Security Council on Women, Peace and Security (2000) recognised that wars have different consequences for women, and reaffirmed the need to give women a greater role in decision-making and the implementation of solutions both in terms of prevention and conflict resolution and post-conflict reconstruction. The gender question is mainly a social cohesion issue: the structural exclusion of half of the population of a society generates missed opportunities, frustration and violence. Conversely, when women are involved in the peace process, the likelihood of maintaining peace agreements (for at least 15 years) increases by 25%.<sup>50</sup> Through this approach, AFD aims to create a positive and sustainable dynamic for gender equality.

#### **Box 17**

### A shared analysis of fragilities

The World Bank, the European Union and the United Nations have developed joint methodologies for conducting upstream analyses of contexts to produce recovery and peacebuilding plans in crisis-prone countries. These Recovery and Peace Building Assessments (RPBAs) are based on in-depth and shared conflict-sensitive analysis through a highly inclusive consultation process (community and stakeholder consultations at all levels – including household surveys, perception studies, etc.). The Post-Disaster Needs Assessment (PDNA) tool has so far been used 60 times to date In natural disaster situations, including recently in Haiti. Under PDNAs, disaster preparedness exercises are being launched in a dozen countries. Invited to take part in some of these joint exercises, AFD will mobilise its expertise to actively contribute in conjunction with the various actors of the French crisis management system.

<sup>&</sup>lt;sup>50</sup> UN Women, Laurel Stone (2015): A study of 156 peace agreements, controlling for other variables, Quantitative Analysis of Women's participation in Peace Processes in "Reimagining Peacemaking: Women's Roles in Peace Processes, Annex II".

# C. Adapt: adapt the operating modes to reinforce the strategic role of local project management and ensure the implementation of activities for the benefit of local populations

Thirdly, project appraisal will mobilise appropriate operating modes (phasing of operations, introduction of contingency components, etc.), giving more flexibility to projects. In recent periods, AFD has developed specific know-how and tools for interventions in crisis contexts (see Box 18). This set of tools can be exploited as required according to the specificities of the contexts, in particular to ensure a better coordination between humanitarian and development actors, give a rightful place to the public authorities, and use the expertise of the field operators.

#### **Box 18**

# Tools and instruments adapted to crisis contexts

Financial tools for crisis contexts:

Fund for Studies and Expertise in Crisis Resolution (FEESC) The FEESC finances missions for expert appraisal, needs assessment and technical feasibility studies in a crisis resolution context.

Civil Society Organisations (CSOs) calls for projects on Crises and Crisis Resolution (APCCs). This instrument can be used to channel funding directly to international CSOs or other non-profit organisations, on the basis of calls for proposals, in crises and crisis resolution contexts.

The Crisis Intervention and Crisis Resolution Tool (OICC) aims to finance small-scale projects, mainly for the benefit of non-sovereign actors.

The 10% reserve of the Initiative-CSO envelope to respond to crises. The NGO Partnerships Division now reserves a maximum 10% of its funding each year to finance post-crisis or emergency-rehabilitation development projects.

#### D. Steer: assess and explain the changes throughout the project, adapt to the context continuously by implementing project management processes

Fourthly, it will be necessary to set up project management processes in order to adapt continuously to changes in the context and to explain the changes. Enhanced monitoring will be integrated with projects in the most sensitive areas.

### 4.1.3 Strengthen partnerships: the comprehensive approach, from acting in silos to acting within a network

The different professional communities that work alongside fragile societies have long been confined to a "phase" of the crisis: military and humanitarian emergency management, development agencies responsible for "pre-crisis" or "post-crisis" phases. This fragmentation has often resulted in the aggregation of ad hoc actions that, despite their relevance, have not enabled the transformational effects required for crisis prevention or resolution. Confronted with a profound transformation of crises, these actors must change their approach by putting their respective actions at the service of a global crisis resolution strategy.

The challenge is to create the conditions for an articulated action combining the know-how of the professional communities in the fields of development, security, humanitarian aid and diplomacy. While it is essential that each actor remains concentrated on their core business, concerted – and often simultaneous – interventions are necessary. The challenge is to move from actions in silos to a real collective action structured in networks of actors with mandates, analyses, tools and complementary know-how. This coordination involves in particular the pooling of analyses, the development of shared strategies, and the coordination of actions.

This supposes that:

- humanitarian and development specialists work together, at the same time and on the same ground – and therefore have the appropriate forums for dialogue and information-sharing;
- there is a robust coordination between security and development specialists, each within their own mandate, with the aim of "winning the peace";
- **3.** development aid be put at the service of a genuine political strategy for crisis resolution, the responsibility of which is, for France, the Ministry for European and Foreign Affairs.

#### A. Act in "Team France" format

AFD is taking action in vulnerable contexts **as part of a "global approach"**, to serve France's foreign policy. In order to ensure the coherence of its actions and to exploit synergies in terms of analysis, strategy and operations, the Agency structures partnerships with the various actors involved in crisis prevention and management.

French **civil society organisations (CSOs)** are natural partners for dealing with situations of vulnerability and crisis. The consultation process initiated in 2015 has largely contributed to changing AFD's practices and developing reflexes of consultation. This dialogue will continue in the framework defined by the Cross-cutting Framework for Action "Relationship with Civil Society Organisations". AFD will also seek to strengthen its partnerships with local civil society organisations, notably to harness (*i*) their granular knowledge of the contexts of fragility, (*ii*) the financial means they can mobilise, (*iii*) their territorial roots and the local partnerships they have developed.

**French local authorities** can bring a lot to their counterparts in crisis situations. Cités Unies France (Federation of French local and regional authorities) has made support to communities vulnerable to crises a priority line of action. AFD's partnerships with decentralised cooperation actors will integrate the issues specific to contexts of vulnerabilities and crises.

Dialogue between **actors in diplomacy and development** is crucial for conflict prevention and for assistance with crisis resolution. One of the priority areas for partnerships will consist in strengthening the coordination between AFD's action and that of the various departments of the Ministry for European and Foreign Affairs which contribute to preventive diplomacy, crisis management and resolution.

In order to strengthen the humanitarian-stabilisationdevelopment coordination, the Agency works with the **Crisis and Support Centre (CDCS)** on a daily basis. Bimonthly meetings allow the sharing of crisis anticipation analyses and identify operational links between short-term interventions carried out by the Humanitarian Aid Mission (MAH) and the Stabilisation Mission (MS) and medium- and long-term operations led by AFD.

As regards the security-development link, strict respect for each mandate must allow each actor to fully operate within their own field of action. This "fair" distance is crucial in order to avoid any confusion of roles in the eyes of local populations and thus preserve their respective capacities for action. It is in this spirit that AFD has maintained close relations with several entities of the **Ministry of the Armed Forces** since 2014. They allow AFD to better grasp the dynamics of conflict and to contribute fully to the "peace dividend".

The transfer of the "governance" mandate to AFD has allowed for a rapprochement with DCSD, in charge of structural cooperation in the field of security and defence, in particular for the identification of joint projects on the governance-security continuum. The framework agreement between AFD and **Expertise France** (EF) made the "security-development" issue a pilot axis for collaboration between the two institutions. In the Central African Republic or in the Sahel, the donor and implementation operator are co-constructing a new generation of projects adapted to crisis contexts.

French research plays a key role in the analysis of intervention contexts. AFD wants to strengthen interactions between its own staff and the main players in the analysis of crisis areas in order to make its approaches and activities in these complex situations more relevant. In addition to the former links created with the Groupe URD (Urgence, Réhabilitation, Développement), which focuses on these issues, partnerships have been forged with various actors specialising in the field analysis of crisis to better understand the dynamics at work and the levers of action. In particular, a partnership with the International Crisis Group in the "diplomacy, defence and development" format will allow the sharing of analyses and strategies for action between the Ministry of the Armed Forces (DGRIS), the Ministry for European and Foreign Affairs (MEAE) and its implementing agencies (the Centre for Analysis, Forecasting and Strategy - CAPS, the Directorate General for Globalisation - DGM, the CDCS), and AFD.

#### Figure 3. The comprehensive approach in crisis contexts: working together on the crisis continuum<sup>51</sup>



<sup>51</sup> On the graph, crises are represented in their successive phases: crisis/recovery/post-crisis/crisis. MS: Stabilisation Mission; MAH: Humanitarian Aid Mission; OPEX: External operations; EMA: Chiefs of Staff of the Armed Forces; CPCO: Centre for Planning and Conduct of Operations; DCSD: Security and Defence Cooperation Directorate (MEAE).

#### B. Strengthen "bi-multi" partnerships and act within the "European aid system"

AFD will consolidate its partnerships in the fields of crisis prevention and post-crisis recovery with European bilateral donors (GIZ, KfW, DfID, SDC, Practitioners' Network), regional donors (EU, AfDB, ADB, IDB) and multilateral donors (WB). The "bi-multi" link will be sought between **bilateral**, **European and multilateral** actors in order to mobilise the comparative advantages of each institution in contexts requiring the combination of speed, flexibility and "scaling-up." AFD will also strengthen its links with the United Nations agencies (UNICEF, UNHCR, UNDP, DPKO) in crisis regions. It will furthermore strengthen its involvement in the OECD's INCAF network alongside the Ministry for European and Foreign Affairs.

AFD wishes to contribute to the emergence of a **genuine European system of development assistance in crisis contexts**. Dialogue with the EU will be consolidated from a strategic and operational standpoint and for the development of common tools. In the framework of this European aid system, European resources will be mobilised for prevention operations or in response to crises through trust funds and designated EU funds from national programmes. The Agency will engage partners in the field (local civil society, local authorities and bodies carrying out research into the countries of intervention) capable of acting closer to the beneficiaries.

### 4.1.4 Have adequate human resources

#### A. Human resources adapted to crisis contexts

It is crucial to send the right people to the most complex geographies. This requires a human resource system supportive of talent and ensuring the security of employees who are likely to work in fragile areas. Just like the work undertaken by the World Bank in 2016, an appropriate career-management policy will be put in place to diversity skills and strengthen the expertise of mobilised staff – whether international or local. In particular, a psychological support unit will be available to assist personnel subjected to stressful environments.

#### B. Specific support for Initiatives and projects

The implementation of this Strategy requires a broad mobilisation of AFD teams, in all departments. To ensure the sectoral and geographic integration of the "vulnerability to crises" issues in project appraisal, internal experts will be integrated into project teams and within geographical departments, at every stage of the project cycle or in the design of regional Initiatives. Members of the Crises and Conflicts Unit (CCC) will accompany project leaders in the process to integrate new operational approaches and conflict-sensitive methodologies. "Vulnerabilities" focal points have been appointed in the various AFD departments to relay internal studies and reflections on these topics. This network, led by the CCC team, will be expanded to include agency staff.

#### C. A dedicated training cycle

The CCC team will offer AFD staff several training modules in order to (*i*) raise awareness among teams on the themes of crises, vulnerability to crises and crisis prevention; (*ii*) train the project teams in the "Do No Harm" training course; (*iii*) sensitise the project teams to psychosocial activities; (*iv*) present tools and operational approaches adapted to contexts of crisis vulnerabilities. This will notably include the presentation of the toolbox "conducting operations in insecure areas" and the new risk-management tools. In addition to the training sessions, internal capacity building of AFD staff will be done through:

- → the capitalisation of knowledge of other donors and NGOs, particularly through experience-sharing workshops;
- → the organisation of internal and external seminars on crises and conflict risks issues within the different sectors and areas of intervention.

Achieving the objectives set out in this Strategy implies awareness-raising among AFD counterparts, in collaboration with other donors. Dedicated training will be proposed.

#### D. A communication effort in France and abroad

The purpose of communicating on the "Vulnerabilities to Crises and Resilience" Strategy is to enhance France's solidarity efforts in crisis prevention and post-crisis recovery, as well as its results, vis-à-vis French citizens, Europeans, and the populations of the countries in which the Agency intervenes. Conferences and events will be organised to publicise AFD-funded projects in these contexts. Greater internal communication efforts aimed at AFD agents will allow the sharing of experiences and lessons learned from innovative projects implemented within the Strategy framework.

# 4.2 A comprehensive Group Strategy, tailored to geography and sectors

This Strategy aims to improve AFD's capacity to anticipate crisis risk, and react when this risk materialises, in volatile and uncertain environments. It applies to all the countries in which the Group operates, regardless of the crises envisaged and the financing instruments mobilised.

Because vulnerability and resilience-related challenges and how to respond to them can differ significantly depending on sectors and geography (specific fragility features of the areas of intervention, strategic objectives of the CIRs, specific financial instruments), each AFD's geographic departments will apply the Strategy principles to identify key issues, objectives and actions to be taken in their field of intervention. In support of this principle of decentralised responsibilities on "crisis vulnerabilities" in the Strategy implementation, a specific methodological analysis of fragilities and resilience factors has been conducted for the development of regional Strategies (CIR) and country Strategies (CIP).<sup>52</sup> A series of thematic annexes, for internal use, provides guidelines intended to be adapted to the different Sectoral Intervention Frameworks (SIFs).

<sup>&</sup>lt;sup>52</sup> See the Methodology Note on taking into account the vulnerabilities and risks of disaster in CIPs, PIL/CCC, 2015.

France's differentiated partnerships have been established in concentric circles in foreign countries:

- → "Neighbourhood" priority countries, which include the Mediterranean, Western and Central Africa (including Cameroon and CAR), with special attention to the Sahel, and the neighbouring countries of the overseas territories (Haiti, Comoros, Madagascar);
- → countries of the African continent outside the "neighbourhood" (Eastern and Southern Africa);
- → partner countries for a controlled globalisation, which include middle-income or emerging countries, those experiencing rapid growth, in Asia and Latin America;

 $\rightarrow$  AFD's action also concerns the French overseas territories.

The November 2016 Inter-ministerial Committee for International Cooperation and Development (CICID) also set targets for the concentration of French aid on an updated list of 17 LDCs in Africa and Haiti<sup>53</sup> which will receive at least half of the state subsidy and two-thirds of the subsidies implemented by AFD. Furthermore, 75% of the State's financial effort in grants and loans (excluding debt cancellation) and at least 85% of that of AFD will be devoted to the Africa and Mediterranean zone.<sup>54</sup>

# 4.3 Knowledge production: upcoming research programmes

In parallel with the Strategy, several research projects on the themes of vulnerability to crises and resilience will reinforce AFD's knowledge capital. AFD's research department contributed to the World Bank's flagship report entitled For a Lasting Peace: a tool for conflict prevention which was published in 2018. AFD will notably propose research evidence on themes of violence and religion, education in conflict zones, the link between climate change and conflict, and also the economy of conflicts in Côte d'Ivoire. In addition to these contributions to the World Bank report, AFD has initiated a research programme on social cohesion and inequalities. Additional work will be undertaken in the coming years, for example on the intergenerational dimension of conflicts and on the sense of humiliation in the narrative of contemporary violence. In 2017, joint research with the geographical and technical departments was also carried out on the following themes:

- → urban violence in Latin America;
- → governance of extractive resources;
- → links between security and development;
- → citizen participation and elections.

As indicated in the "Summary" section, the issue of integrating knowledge into public policy (what Anglo-Saxons call evidencebased policy making) lies less in the quantity or quality of the work that AFD commissioned than in the appropriation of the analysis outcomes by the teams in charge of the design of the Strategies or operations. AFD Group's learning approach to crisis requires a continuous feedback loop between research, strategy and operations. Pursuing the approach adopted in recent years, much of the work on the theme of "Vulnerabilities and resilience" will involve multidisciplinary teams from research, strategy and operations. Research-action will be initiated. Each "Initiative" funded by the "Peace and Resilience" Fund will also include an analytical component, in order to base operational choices on a better understanding of the context and its developments.

Finally, AFD will seek to complement its approaches to risk prevention by progressively focussing on the field of decisionmaking in uncertain environment, especially in situations where, due to their complexity and/or urgency to act, risks cannot be sufficiently characterised.

#### Box 19

# Integrating uncertainty: a critical challenge for resilience; an area for research and innovation

Finding new ways to draft, make and implement decisions when dealing with uncertainty is perhaps one of the greatest challenges of the 21st century. Methods of analysis to take uncertainty into account are beginning to develop, for example within platforms such as the Decision Making Under Deep Uncertainty Society (DMDU), in which AFD has been participating for several years. The AFD2025 foresight exercise conducted in 2015-16 also enriched AFD's knowledge, methods and tools in this area. AFD will continue its exploration in this new field of research and innovation.

<sup>&</sup>lt;sup>53</sup> Benin, Burkina Faso, Burundi, Comoros, Djibouti, Ethiopia, Guinea, Haiti, Madagascar, Mali, Mauritania, Niger, Central African Republic, the Democratic Republic of the Congo, Senegal, Chad and Togo.
<sup>54</sup> CICID Report, 2016.

# 4.4 Accountability and monitoring indicators

## 4.4.1 Accountability – an annual report presented to the Board of Directors

The Strategy will be subject to annual review and presented to the Board of Directors together with the Annual Review of the "Peace and Resilience" Fund. It will notably take stock of the monitoring indicators below. An external mid-term evaluation will be conducted in 2019. A more comprehensive assessment will be produced in 2022, compiling the annual reviews and results of the main decentralised and ex-post evaluations carried out at project level and implemented between 2017 and 2021.

### 4.4.2 Monitoring indicators

In order to monitor the implementation of the Strategy, AFD will monitor the performance of several indicators consistent with the main lines of intervention and the main objectives mentioned. AFD has opted for a monitoring system focused on internal transformation and designed around three groups of indicators:

#### A. Indicators based on the integration of adapted operating modes to meet the quality standards of aid in fragile contexts

Strategies adapted to the issues at stake:

- → 100% of the strategies whose implementation began in 2018 for countries with a composite risk indicator INFORM greater than 5<sup>55</sup> will use the methodology "Taking into account vulnerabilities and disaster risks";
- → 100% of the strategies starting in 2020 will use the methodology entitled "Taking into account vulnerabilities and disaster risks".

#### Training:

- → At least 25 project leaders will be trained in DRR by the end of 2018;
- All project managers/leaders working on an initiative project will be trained in conflict-sensitive programming by the end of 2019;
- → All project managers/leaders working in red zones will be trained in project design in contexts of insecurity by the end of 2020.

#### Methodologies:

- → 75% of projects funded by the "Peace and Resilience" Fund will incorporate a "Do No Harm" analysis by 2018, and 100% by 2021;
- → 75% of projects funded by the "Peace and Resilience" Fund will incorporate a strengthened monitoring and evaluation system by 2018, and 100% by 2021.

## B. Indicators associated with the implementation of projects to strengthen AFD's capacity in crisis contexts

Each of the following actions will be led by a cross-cutting Steering Committee and will give rise to a deliverable endorsed by the **COMEX** before the end of 2021:

- → Continued work on the evolution of the Group's security practices (priority 2017-2018);
- → Development of a dynamic project risk management process, which will be integrated in the project appraisal and execution cycle (deadline 2018);
- Implementation of a project on human resource management policy in fragile situations (deadline 2019);
- → Consolidation of the internal monitoring and early warning process, in line with the French inter-ministerial scheme (deadline 2018).

#### C. Emblematic operations on new themes

- → At least 1 operation per year integrating an objective to prevent urban violence;
- At least 10 operations per year integrating a psychosocial support component;
- → At least 15 operations, specifically targeting displaced populations and/or host populations during the Strategy period;
- → At least 10 operations specifically contributing to the prevention of radicalisation (inclusion of young people at risk or reintegration assistance) during the Strategy period;
- → At least 10 operations integrating a beneficiary participation scheme during the Strategy period.

# 66

The "Vulnerabilities" Strategy, through its multidimensional approach to crises, contributes to the strengthening of many SDGs, including Goal 16 "Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels.

55 The INFORM Index.

## **4.4.3 "Crisis Vulnerabilities" Strategy and Sustainable Development Goals**

The "Vulnerabilities" Strategy, through its multidimensional approach to crises, contributes to the strengthening of many SDGs, including Goal 1, "End poverty in all its forms everywhere", Goal 3, "Good health and well-being", Goal 10, "Reduce income inequality within and among countries", Goal 16 "Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels" and Goal 17 "Partnerships for the Goals".

The Strategy also contributes directly to achieving many of the SDG targets, including:

→ The Strategy's proposed activity in terms of access to essential services contributes to Target 1.4: "By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance";

- → The set of activities proposed by the Strategy contribute to Target 1.5: "By 2030, build the resilience of the poor and those in vulnerable situations, and reduce their exposure and vulnerability to climate-related extreme events and other economic, social and environmental shocks and disasters";
- → Governance activities contribute to achieving Target 16.6: "Develop effective, accountable, and transparent institutions at all levels".

## Glossary

#### Anticipatory capacity

The ability of a system to anticipate and reduce the impacts of a possible hazard through preparation and planning.56

#### Absorptive capacity

The ability of social systems to absorb and cope with the impacts of" shocks and stresses.57

#### Adaptive capacity

The ability of social systems to adjust after a disaster and to adapt to future risks.58

#### **Reactive capacity**

All the material and intangible resources that a community, a system or a region can mobilise to limit the damage that a specific hazard would cause.59

#### Conflict

Opposition between individuals, groups or States over ideas, values, material goods or positions of power.60

#### Crisis - long-term crisis - chronic crisis

Long identified with sudden events (war, natural disaster, epidemic), crises can also be of a gradual onset and describe a state of permanent or recurrent instability. We thus speak of "protracted crises" to describe those that have afflicted Somalia or Afghanistan for several decades or of "chronic crises" for those affecting Haiti or the Sahel. Under this Strategy, a crisis is defined as a situation of instability that could destabilise a State, an institution or a population afflicted by this situation.61

#### Humanitarian crisis

A humanitarian crisis is a situation resulting either from a particular shock (natural disaster, armed conflict, etc.) or from structural causes (increasingly limited access to basic services, steady degradation of livelihoods, etc.) and resulting in a sharp (and sudden, if caused by a shock) deterioration of the living conditions of an entire community: life and health threatened, multidimensional urgent needs (in food, water, medical care, essential goods, emergency education, psychosocial support, etc.). While the immediate response to these crises is generally provided by emergency organisations, the treatment of the "structural" causes of humanitarian crises is a matter for development action.

#### **Protracted crisis**

A protracted crisis is defined as a situation where a significant portion of a population is vulnerable to death, epidemics or disruption of their livelihood over a long period of time.62

#### **Fragile State**

Lacks the ability to develop mutually constructive relations with society and often has a weak capacity to carry out basic governance functions.63

#### Horizontal inequality

Inequality between groups: when inequalities in access to resources (economic, political, cultural, etc.) are perceived as particularly penalising one or more communities that consider themselves to be hampered in their access.

#### Do No Harm

Principle of ensuring that intervention does not inadvertently contribute to reinforcing factors of fragility or conflict. By extension, a set of context analysis methodologies and decisionmaking support tools enabling aid actors to influence projects to reduce their negative effects.64

#### Operations with "double (or dual) dividends"

Operations aimed at financing a development asset (infrastructure, access to health, etc.) while contributing to the reduction of factors making a State vulnerable to crises.65

#### Resilience

The ability of individuals, communities and states and their institutions to absorb and recover from shocks, whilst positively adapting and transforming their structures and ways of life in the face of long-term changes and uncertainty.66

#### **Disaster Risk Reduction (DRR)**

Efforts to analyse and manage the causal factors of disasters, including through reduced exposure to hazards, lessened vulnerability of people and property, wise management of land and the environment, and improved preparedness for adverse events.67

#### Risk

Uncertainty, whether positive or negative, that will affect the outcome of an activity or intervention.68

#### Fragility trap

Situation characterised by the combination of several sources of fragility, whether political, institutional, environmental, economic, social and/or health-related.

#### **Conflict system**

Situation in which armed conflicts, originating in different local dynamics with different agents, conditions and causes, become interrelated so that the spatial, social and political boundaries that initially distinguished them become blurred.6

<sup>56</sup> Taken and adapted from The 3As, Tracking Resilience Across BRACED, Aditya Bahadur et al., Overseas Development Institute, 2015. 57 Ibid.

<sup>58</sup> Ibid.

<sup>&</sup>lt;sup>59</sup> De la pauvreté à la vulnérabilité : Evolutions conceptuelles et méthodologiques, Nicolas Sirven, Mondes en développement, 2007.

<sup>60</sup> Definition taken and adapted from: Gestion de crise, maintien et consolidation de la paix, Thierry Tardy, De Boeck, 2009.

<sup>&</sup>lt;sup>61</sup> Definition taken and adapted from: Gestion de crise, maintien et consolidation de la paix, Thierry Tardy, De Boeck, 2009. <sup>62</sup> Quoted from: "The development agency of the future. Fit for protracted crises", ODI, 2015.

<sup>63</sup> Fragile States, OECD, 2013.

<sup>64</sup> Boite à outils – Mener des opérations dans les zones d'insécurité, Jean Laurent, AFD, 2016. Do No Harm, OECD/DAC, 2010.

<sup>&</sup>lt;sup>65</sup> Definition taken and adapted from: "What does resilience mean for donors?" OECD, 2016.

<sup>66</sup> Definition taken and adapted from: Gestion des Risques de Catastrophes et de Phénomènes Extrêmes pour les Besoins de l'Adaptation au Changement Climatique, summary for policymakers, GIEC 2012.

 <sup>&</sup>lt;sup>67</sup> UNISDR, Terminology on Disaster Risk Reduction, 2009.
 <sup>68</sup> Risk Management Guidelines, DFID, 2014.

<sup>69</sup> Tchad/Darfour : vers un système de conflits, Roland Marchal, Politique Africaine, 2006

# List of Acronyms and Abbreviations

20	Defense Diploment and Development
	. Defence, Diplomacy and Development
	Asian Development Bank
AFU	. Agence Française de Développement (French Development Agency)
AfDB	. African Development Bank
APCC	. Appels à projets crise et sortie de crise (Calls for projects on crises and crisis resolution)
AQIM	. Al Qaeda in the Islamic Maghreb
	. Centre for Analysis, Forecasting and Strategy
	. Central African Republic
CCC	. Cellule Crises et Conflits de l'AFD (AFD's crises and conflicts unit)
	. Cross-Cutting Solution Area (World Bank)
CDCS	. Crisis Centre (Ministry for European and Foreign Affairs)
	. Comité Interministériel de la Coopération Internationale et du Développement (Inter- ministerial Committee for International Cooperation and Development)
	. Cross-sectoral Intervention Framework
	. Country Strategies
	. Regional Strategies
СМІ	. Center for Mediterranean Integration, World Bank Group
CPC0	. Centre for Planning and Conduct of Operations
CSO	. Civil Society Organisation
DAC	. Development Assistance Committee
DCSD	. Security and Defence Cooperation Directorate (MEAE)
DfID	. Department for International Development (United Kingdom)
DGM	. Directorate General for Globalisation
DGRIS	. Directorate General for International Relations and Strategy (Ministry of Defence)
DMDU	. Decision Making Under Deep Uncertainty Society
DNH	. "Do no harm"
DOE	. Direction des Opérations de l'AFD (Operations Branch of AFD)
DPKO	Department of Peace Keeping Operation (United Nations)
DRR	. Disaster Risk Reduction
EC	. European Commission
EF	. Expertise France
EMA	. Chiefs of Staff of the Armed Forces
EU	. European Union
FEESC	. Fonds d'Etude et d'Expertise de Sortie de Crise (Fund for Studies and Expertise in Crisis Resolution)
FERC	. Fonds d'Etude et de Renforcement des Capacités (Fund for Studies and Capacity Building)
FEXTE	. Fonds d'Expertise Technique et d'Échange d'Expériences (Fund of Technical Expertise and Exchange of Experiences)

FFU	Fonds Fiduciaires d'Urgence (Fiduciary Emergency Fund)
FISONG	Facilité d'Innovation Sectorielle – ONG (AFD's special funding window for NGOs)
FTT	Financial Transaction Tax
GIEC	Groupe d'experts intergouvernemental sur l'évolution du climat (Intergovernmental Panel on Climate Change)
GIZ	German International Cooperation
HDI	Human Development Index
ICG	International Crisis Group
ICRC	International Committee of the Red Cross
	Inspection Générale d'Etat (General State Inspectorate)
INCAF	International Network on Conflict and Fragility
IPCC	Intergovernmental Panel on Climate Change
KfW	German state-owned development bank
LDCs	Least developed countries
MAH	Humanitarian Aid Mission
MDGs	Millennium Development Goals
MDP	Municipal Development Programme
	Ministry for European and Foreign Affairs
	Stabilisation Mission
MUJAO	Mouvement pour l'Unicité et le Jihad en Afrique de l'Ouest (Movement for United Jihad in West Africa)
NGO	Non-governmental organisation
ODI	Overseas Development Institute
OECD	Organisation for Economic Cooperation and Development
OICC	Outil d'Intervention de Crise et sortie de Crise (Tool for crisis intervention and resolution)
OPEX	External operations
PDNA	Post-Disaster Needs Assessment
PNDP	National Programme for Participatory Development
RPBAs	Recovery and Peace Building Assessments
	Severe Acute Respiratory Syndrome
SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goal
	Sectoral Intervention Framework
	United Nations
	United Nations Development Programme
	United Nations General Assembly
UNHCR	United Nations High Commissioner for Refugees
UNICEF	United Nations Children's Fund
WDR	World Development Report
	World Health Organization
WHS	World Humanitarian Summit

### What is AFD?

AFD is France's inclusive public development bank. It commits financing and technical assistance to projects that genuinely improve everyday life, both in developing and emerging countries and in the French overseas territories. In keeping with the United Nations Sustainable Development Goals, AFD works in many sectors - energy, healthcare, biodiversity, water, digital technology, professional training, among others - to assist with transitions towards a safer, more equitable, and more sustainable world: a world in common. Through its network of 85 field offices, AFD currently finances, monitors, and assists more than 2,500 development projects in 108 countries. In 2016, AFD earmarked EUR 9.4bn to finance projects in developing countries and for overseas France.

## AGENCE FRANÇAISE DE DÉVELOPPEMENT

Tel. +33 1 53 44 31 31 – Fax. : +33 1 44 87 99 39 5, rue Roland Barthes, 75598 Paris Cedex 12 – France

www.afd.fr

