Lessons for Impact Assessment for Fragile and Conflict States in a Post-COVID Environment

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Introduction

Firstly, it is important to acknowledge that the COVID pandemic has threatened the global economy in many ways. One dimension of this is the undermining of progress toward ending global poverty**.** The pandemic led to 97 million more people being in poverty in 2020[3]. Secondly, the pandemic redirected financial resources away from longer-term development objectives in order to address short-term covid-related exigencies. Thirdly, the need to expedite a global resource to covid, in the context of a freeze on human interaction, forced new ways of conducting business, including how impact assessment is conducted.

In light of the above albeit terse summary of the COVID impact, there are opportunities to use the lessons learned from the pandemic to improve how we engage in impact assessment, especially in fragile and conflict-affected states (FCS)[4]. This paper explores four of the ways in which our IA business model may be changed, as follows: (i) stakeholder engagement and remote technologies; (ii) those communities most reliant on natural resource asset management have faced significant economic vulnerability due to breakdowns in service delivery and supply chain issues; (iii) gains to coupling covid response with climate change investments; and (iv) lessons learned from the ways in which IA changed to accommodate the rapid response needed to process covid-related project financing..

Changes in Stakeholder Engagement and Increased Uptake of Remote Technologies

The World Bank Group rehauled its environmental and social impact assessment framework, from that of the Safeguards Policies to that of an Environmental and Social Framework (ESF) and

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[2] This is a draft paper to inform the presentation on this topic on May 7, 2022, as part of a IAIA session "The COVID Pandemic, Disasters, Conflict, Impact Assessment and Beyond." The views expressed in this draft paper are the personal views of the co-authors and do not represent the official views of the World Bank Group.

[3] https://blogs.worldbank.org/opendata/updated-estimates-impact-covid-19-global-poverty-turning-corner-pandemic-2021.

[4] The list of fragile and conflict-affected situations (FCS) released annually by the World Bank, distinguishes between countries based on the nature and severity of issues they face. The classification uses the following categories: countries with high levels of institutional and social fragility, and countries affected by violent conflict.

its ten Environmental and Social Standards (ESS), just prior to the onset of COVID. One of the ESF's innovations is its advocacy for ongoing stakeholder engagement, which has opened the door to more options. Specifically, ESS 10 on Stakeholder Consultations, has acted as backstop in assuring social inclusion in project decision-making.

In some FCS countries, it was never before possible to do the type of stakeholder engagement that was used in conventional developing country contexts. For example, in Baghdad (pre-covid), it was considered dangerous to advertise gatherings and have large mixed groups together, so door-to-door consultations or small stakeholder consultations with a cluster of similar, and or adjacent households, were convened to avoid security and social concerns. COVID has enabled these non-conventional methods of convening stakeholders for consultation to be acceptable options.

Secondly, there has been a huge uptake of remote supervision technologies, often drawing from remote technologies already in place in FCS due to insecure security contexts, and thus inability to access populations and project sites. Specific to the World Bank, the Geo-Enabling Initiative for Monitoring and Supervision (GEMS) initiative builds capacity among government agencies and partners on the ground to leverage low-cost open-source technology, such as KoBoToolbox, and simple methods for digital data collection and analysis to gain real-time insights on local dynamics that can inform decision making.

Using GEMS systematically allows development actors to enhance the accuracy and accountability of M&E and create customized platforms for remote supervision, real-time risk management and coordination across projects and partners.

For example, centralized digital portfolio platforms can now remotely supervise and map operations across projects, sectors, and countries, as in the Azerbaijan Rural Investment Project. Here, project-specific digital M&E platforms have monitored field activities using structured indicators, photos and other rich data. In addition, enhanced Third Party Monitoring (TPM) has allowed direct access to TPM data (i.e. a "monitor-the-monitors" approach), providing more transparency.

These methods have included real-time monitoring of environmental and social risks and safeguards. For example, in Myanmar, GEMS helped to manage environmental and social risks and monitor mitigation measures during implementation of a nation-wide electrification project.

In the case of COVID-19, GEMS support included: baseline assessments of critical infrastructure and service provision; real-time tracking of delivery of equipment and goods (e.g. machinery, medications, face masks); monitoring of social protection activities (e.g. public works, cash transfers, trainings); and multi-stakeholder engagement (e.g. perception or feedback surveys).

GEMS has also assisted in economic livelihood support specific to COVID-related economic downturns. For example, in Afghanistan, GEMS helped track the distribution of seeds to over 280,000 farmers across the country as part of a COVID-19 emergency response project.

A partnership between GEMS and the European Space Agency (ESA) is building capacity in the use of Earth Observation through satellite imagery for development monitoring.

To further scale the implementation of GEMS and support governments and development partners globally through digital M&E systems, GEMS is now teaming up with the **Global Evaluation Initiative (GEI)** to offer its capacity-building support to developing countries and partner agencies around the world and strengthen monitoring systems through simple technology and sustainable methods.

There are certainly other remote technologies, such as drones, high-frequency telephone surveys, and social media monitoring, the use of all of which has expanded to collect baseline data as well as to monitor project supervision.

These covid-related disruptive technologies have resulted in both good and bad indirect impacts. For example, in Latin America region saw both – improved connectivity helped stakeholder engagement in some instances, while disruptions to M&E processes stunted local engagement with beneficiaries in other instances Covid has resulted in lowered barriers to entry in stakeholder engagement for those who have access to telecom services but may not have had the physical mobility or the leisure time to attend in-person meetings. Stakeholder engagement surveys have also legitimized the use of anonymity in on-line surveys, with the caveat that mechanisms are in place to prevent multiple entries from a single respondent.

The resultant lesson is that adjusting to non-traditional stakeholder engagement means there is greater need for cultural interpretation of results and making sure that those with remaining barriers are not left out.

Increased Pressures on Natural Resource Assets and Natural Resource-Reliant Communities

The widening wealth gap and breakdown in supply chain and service delivery can degrade natural resource assets in communities that are reliant on the revenues from natural resource asset management. As introduction, the pandemic has been linked with between-country inequality, directly offsetting the reduction in the income gap between countries from 2013 to 2017[5]. Within country inequality has also increased: In 2021, average incomes of people in the bottom 40 percent of the global income distribution are 6.7 percent lower than pre-pandemic projections, compared to those of people in the top 40 percent who are down 2.8 percent[6]

This wealth gap is coupled with covid-related isolation from services. The UN-World Bank joint study, *Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict*, highlights role of equitable access to services like health, social protection, and education as crucial components to build public trust, minimize fragility, and overcome the effects of the pandemic. Those that faced fragility before the pandemic need this support especially, as otherwise they may be

[5] https://blogs.worldbank.org/opendata/covid-19-increasing-global-inequality
[6] https://blogs.worldbank.org/developmenttalk/covid-19-leaves-legacy-rising-poverty-and-widening-inequality

forced toward unsustainable use of their natural resource assets, whether to extract and sell non-renewable natural resource assets or through a sudden shift to subsistence-level production based on sub-optimal use of natural resource assets as inputs to economic productive activities.

In response, governments are trying to provide service delivery to help stabilize areas in turmoil. In countries with an already tenuous ability to supply/deliver services to contested/fragile areas, traditional delivery of these services has been disrupted and resources have been moved to health sector. Redirection of scarce resources toward health have meant fewer resources for environmental protection and conservation activities. For example, rapid onset of decreased tourism in protected areas has meant lower funding for guards, resulting in both increased poaching opportunities as well as increased pressure on natural resources which support eco-tourism.

As a response to mitigate these pressures to degrade natural resource assets, World Bank financing is helping countries scale up social protection interventions (e.g. cash-for-work programs, alterative economic livelihood activities) to address the crisis and build resilience.[7]

The Duality of Covid and Climate Change Impacts

Covid and climate change are two global disruptions playing out at the same time. The intersection of these disruptions holds the possibility for positive and negative changes. For one, we see the negatives of the Covid-CC intersection playing out through current supply chain problems. As the pandemic worsens poverty and inequality, its effects on the global supply chain also push those that are dependent on selling raw environment assets (e.g. tropical hardwoods, "green" minerals) into precarious situations as they cannot sell and move these assets.

This is true, even though the prices of the end products these raw environmental assets feed into are spiking. For example, when raw resource inputs are extracted, often from places with high dependence on natural resources, and processed far away, with the value-add concentrated in countries that focus on manufacturing/processing (e.g. China as center of supply chain universe).

When NR assets extracted from Africa and elsewhere have less demand or ability to reach supply chain centers, local communities miss out on revenue associated with natural resource extraction licenses and/or export fees.

Nonetheless, opportunities for positive change at the intersection of COVID response and climate change, for example: a new report "COVID-19 and Climate-Smart Health Care: Health Sector Opportunities for Synergistic Response to the COVID-19 and Climate Crises" provides a

[7] https://thedocs.worldbank.org/en/doc/bb1b191f6b1bd1f932d0ddc5492987ec-0090012021/original/WBG-Responding-to-the-COVID-19-Pandemic-and-Rebuilding-Better.pdf

framework based on lessons from the global COVID-19 health response to help countries build stronger health systems and leapfrog toward climate-smart universal health coverage[8].

COVID-related influxes of development financing to prevent gains made in poverty reduction, present an opportunity to connect economic growth more closely to climate-change oriented actions. For example, the World Bank Group is supporting 11 African countries through more than $5 billion in investments over the next five years to help restore degraded landscapes, improve agricultural productivity, and develop climate-resilient infrastructure[9], with a focus on those countries most impacted by COVID-related economic downturn.

Looking forward, recovery measures can pose a crossroads between boosting sustainable and inclusive natural resource asset management or undermining/degrading natural resource assets in exchange for short-term development gains. Promising steps are being taken through adoption of sustainable recovery frameworks and using new methods of engagement, but it is crucial that fragility and conflict do not become excuses not to apply best practices. Addressing the dual crises of the pandemic and climate change together can build more resilient livelihoods and stability by interrupting unsustainable and inequitable systems, by allowing leapfrogging of technological hurdles, and by creating locally-grounded peace and stewardship.

Changes in IA Processes Due to the Need for COVID Rapid Response

Lastly, there have been innovations introduced in IA processes within the World Bank in order to facilitate a rapid COVID response. Detailed design templates for COVID-related environmental and social impact assessments and mitigation plans facilitated a quick turn-around in IA document preparation to accompany project financing. The World Bank also centralized its internal review function for COVID-related IA document clearance; this also hastened the review and clearance phase turn-around time.

Both of these changes in IA processes have remained specific to COVID-response projects to date. Two areas of possible concern are (i) raised expectations for quicker IA preparation, review, and clearance turnaround for all projects; and (ii) shorter project preparation times may result in slower initial disbursement rates in project implementation if client capacity and ownership for project specifics were not built into project preparation.

Conclusion

The above will be further informed by conversations held in the context of the IAIA session as well as further research to refine the above arguments. A final paper will be submitted prior to June 2022.

[8] https://www.worldbank.org/en/news/press-release/2021/11/03/covid-19-responses-could-help-fight-climate-change

[9] https://thedocs.worldbank.org/en/doc/bb1b191f6b1bd1f932d0ddc5492987ec-0090012021/original/WBG-Responding-to-the-COVID-19-Pandemic-and-Rebuilding-Better.pdf