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1) The mutation 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 does 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 ‘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 such multidimensional crisis phenomenon. 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, ‘crisis systems’ are developing at the regional level due to cross-border contagion. They demand 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. The actors of development must 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 that reality, 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 populations, and governance crises will concentrate 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 deteriorations of a situation 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 in 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 terms 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 places to develop such a culture of collective action, with strict respect for 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.

SUMMARY – THE 3X3 MESSAGE STRATEGY
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 generates 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 implementation at the time they occur, 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.

2) Partnership is what will enable AFD to go beyond one-off impacts and contribute to systemic responses to crises. The Agency will never act alone in fragile contexts. It will mobilise coalitions of legitimate actors, articulating the comparative advantages of partners (i) within the France team (SCOs, Ministries and public operators, businesses, research institutions, etc.), (ii) among its peers 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 assets of the digital revolution (speed, ubiquity, network, collaborative work, etc.) to reinforce its knowledge and proximity to the field – one of its trademarks – and the monitoring of impacts. Lastly, AFD will seek to complement its preventive approaches by investing in decision-making issues 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 context, within a coalition framework that combines the complementary know-how of actors in terms of security, diplomacy, humanitarian work, development and research.

“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 contemporary crises’ challenges.

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 Strategic Project (POS 4).

Indeed in the 2025 prospective exercise that AFD undertook, the crises – environmental, political, social, economic – are an important feature of each of the world’s evolution scenarios. Accompanying our partners to anticipate and manage these crises is therefore a crucial issue for the relevance of the Agency’s cooperation offer for achieving the Sustainable Development Goals. Other recent studies 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 “Support to Fragile States and Situations of Fragility” promoted by the Ministry of 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 context 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 “crises determinants”) (ii) “vulnerability to crises” and (iii) “resilience”.

Fragility (or “crises 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 to take into account the cumulative effects of these different types of fragilities and transmission belts between crises of 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 confusing 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 endure 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 switch to violence.

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 their organisation and their means of living 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 dynamics of reinforcement or reduction of 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 leads to analyse the multiple forms of fragility likely to act in combination (economic, political, social, health-related, environmental), themselves capable of provoking 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.

**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 can 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 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 a 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 will jeopardise the achievements and development prospects of our partners and will aim to limit the spillover effects of crises.

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3. Definition drawn and adapted from Gestion de crise, maintien et consolidation de la paix, Thierry Tardy, De Boeck, 2009.
Chronic crises, 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/post-crisis/crisis phases), an interference of regional and international players, forced displacements affecting neighbouring countries, etc.

Besides, middle-income countries are mostly those that must absorb the regional effects of these crises (for example, the Syrian refugee crisis primarily affects Turkey, Lebanon and Jordan).

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" (objectives 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 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";

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 "main lines of action" that present some of the evolutionary steps taken in the Group’s different entities. These "main lines of action" will be further developed with the support of the Crisis and Conflicts Unit (CCU) 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 placed 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 underlie 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 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 it 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 the 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.

The causes of crisis

Social causes

- Increase vulnerability

Environmental crisis

Exacerbate fragilities

Climate change and demographic pressure

Political crisis

Health crisis

Economic crisis

Fragility trap

Institutional causes

- Economic causes

- Environmental causes

Consequences

1) Reduce the determinants of crises

2) Strengthen the territories’ response capacities

3) Improve AFD’s response in the contexts of crises and crisis resolution

In order to “reduce the risk of crises undermining the achievements and development prospects of our partners” and to “contain the effects of contagion” (objectives 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;

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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

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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.

1 These capacities are usually divided into three layers: the ability to anticipate (“anticipatory capacity”), the ability to absorb (“absorptive capacity”), and the ability to adapt (“adaptive capacity”). Definitions drawn and adapted from: The 3AS, Tracking Resilience Across BRACED, Aditya Bahadur et al., Overseas Development Institute, 2015.

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 for AFD to pursue instrumental innovation in 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 take place. This continuum should lead to strengthened partnerships and coordination with international and local actors.

4) An adequate human resource management system, both in setting up an appropriate incentive and career management scheme, in strengthening teams at headquarters and in the network, and in 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 intervenes 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.
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 globalization dynamics. This connected world knows crises that are less and less confined to a single country and that 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. They 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[14], unlike local and/or intra-state conflicts that have progressed in a significant manner (ethnic rivalries, religious separatism, rebellions, etc.). The vast majority of today’s wars are between actors who do not come in the form of regular armies, but rather through asymmetric fighting confronting a State and non-state actors.

Contemporary wars are marked by situations of acute social crisis and dynamics of fragmentation of societies[15]. 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 strong socioeconomic 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[16]. 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. Atrocities perpetuated 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 actors, war contractors, gangs, militias or semi-regular armies do business together[17]. 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[18]. 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[19]. It has been estimated that more than half of the population of developing countries are likely to be exposed to the risk of flooding and/or storms between now and 2025.

1.1.3 Pandemic crises, a threat to international health security

Although not new, vulnerability to epidemic risks threatens 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 population circulation, (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, whether it is AIDS, Severe Acute Respiratory Syndrome (SARS)[20], the Ebola virus or various forms of influenza (H5N1, H1N1, etc.), are precisely the countries that combine weak institutions and a low human development index.

While the increase in disasters is partly a result of the increase in extreme climate events due to ongoing climate change, 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)[21].

16 Despite a worrying reversal in the last five years.
17 AFD’s a conflict today” initiative of La Documentation Française, 2012
18 Nouvelle guerre, talk at the Bordeaux, Bertrand Badie, 2015.
19 States of fragility 2016, OECD.
20 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 ally both political and criminal motives. The term ‘social violence’ refers to a broader manifestation of grievances, criminal behaviours and interpersonal violence”.
23 AFD, 2016.
26 The impact of the new international development agenda.
27 Ukraine, report of the Special Rapporteur on Human Rights in Ukraine.
28 Box 4
29 AFD’s a conflict today” initiative of La Documentation Française, 2012
30 States of fragility 2016, OECD.
31 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 ally both political and criminal motives. The term ‘social violence’ refers to a broader manifestation of grievances, criminal behaviours and interpersonal violence”.
34 The World Bank in the 1990s, for example, was more violent deaths, is absolute numbers, in significantly poorer countries (including Brazil and India) than in Syria
39 Criminal motives. The term ‘social violence’ refers to a broader manifestation of grievances, criminal behaviours and interpersonal violence”.
40 As with the Health Index.
41 ‘Rupture de la social contract between the structures that challenge the authority of the State and the citizens, the expansion of criminal networks and parallel structures that challenge the authority of the State, the manipulation of identities by entrepreneurs of violence.
42 Since the end of the “Cold War, armed conflict has taken on new forms: conflicts between States have generally become less frequent[14], unlike local and/or intra-state conflicts that have progressed in a significant manner (ethnic rivalries, religious separatism, rebellions, etc.). The vast majority of today’s wars are between actors who do not come in the form of regular armies, but rather through asymmetric fighting confronting a State and non-state actors.
43 Political violence (iii) through challenging the legitimacy and authority of the State. This violence can be explained in particular by:
1. The rupture of the social contract between the State and the citizens
2. The expansion of criminal networks and parallel structures that challenge the authority of the State
3. The manipulation of identities by entrepreneurs of violence.
44 Despite a worrying reversal in the last five years.
45 AFD’s a conflict today” initiative of La Documentation Française, 2012
46 Nouvelle guerre, talk at the Bordeaux, Bertrand Badie, 2015.
47 States of fragility 2016, OECD.
48 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 ally both political and criminal motives. The term ‘social violence’ refers to a broader manifestation of grievances, criminal behaviours and interpersonal violence”.
51 As with the Health Index.
52 As with the Health Index.
53 As with the Health Index.
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 in 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.8 The case of Somalia further exemplifies this intertwining of socio-political and environmental crises overlaid with latent and lasting conflicts as well as drought and food crisis phenomena.

In addition, the forms of violence have evolved as a result of deep crises, leaving stigma for decades. El Salvador, Guatemala and Honduras experienced civil wars in the 1980s and 90s. The ensuing weakening of the State, the forms of violence have evolved as a result of deep crises, leaving stigma for decades. El Salvador, Guatemala and Honduras experienced civil wars in the 1980s and 90s. The ensuing weakening of the State, poaching), etc.

1.2.2 Climate change, a threat multiplier

Climate change acts as a "threat multiplier"9 by exacerbating existing pre-existing crises, economic and/or institutional weaknesses. In addition to the interactions between climate change and health and environmental crises mentioned previously, climate change 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 and/or semi-arid regions.10 Climate change also impacts on the forced displacement of populations. By affecting agricultural production, environmental degradation and climate change drive economically dependent populations to 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 intervenes. At each phase of demographic transition, new issues are emerging that governments will have to take into account, or risk 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.

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.11

1.3.1 From local to global

In an interconnected world, local grievances are now linked to regional and even international issues.12 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 stimulated 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 Haram13, ambivalence of the group is to be found in its positioning between the local and the global. 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 whereby armed conflicts, stemming from distinct local dynamics and coming from different actors, modalities and issues, mesh with each other and blur the temporal, social, and political boundaries that initially distinguished them. A case in point is the conflict in Syria and in Iraq. The Iraq crisis, which branched into 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 5

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.14 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 that 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.

Box 6

Conflict systems in West Africa31

Several “conflict systems” are destabilising West Africa. For example, the conflict system around the Sahel and Sahara regions is a concatenation 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 profit from 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 “Senegambia” conflict system which concerns Senegal, Gambia, Guinea and Guinea Bissau.
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 short-term 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. 40% of countries emerging from armed conflict fall back into conflict within ten years.

Chronic crises can take several forms32. 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 characterized by the entanglement of a multitude of crises (local, environmental crises, etc.), constituting a self-perpetuating crisis system, as in the Sahel.


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

2.

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 An approach by the fragilities of the State, progressively enlarged

Evolving 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 do not feed the 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 is to understand the situation in its various dimensions (economic, social, political, environmental) in order to better comprehend its causes, local dynamics, and stakeholders relations.

As a second principle of action, AFD must also continue to promote “double dividend” operations (the previous Strategy referred to “dual operations”), which combine development and crises along with violence prevention. These operations are designed to finance a development asset, as in all AFD-funded projects, with a complementary aim: 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 preceding Strategies, AFD must continue to seek to articulate 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 of 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, that now make the fight against fragilities and crisis response a priority. Japan, for its part, invests massively in Disaster Risk Reduction.


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 2015 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 the 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 the development); the “FOCUS” principle (identify causes of fragility, support appropriate and State-led plans, mutually account for results through pact’s); 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 stages of a single project – often too short to achieve systemic effects; (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 evaluation-capitalisation processes in order to have sufficient analyses to adjust the programmes to volatile contexts; (ix) Good development support on fragile, at-risk and crisis affected contexts: OECD 2015

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 loss for local populations and for conflict resolution in the medium term. How to reconcile contradictory injunctions of action and protection? 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 dimension 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 of instrumentalising AFD interventions by local actors (“development brokers”) 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.

The “Do No Harm” approach should be the cornerstone of any external intervention.

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* Seneca Conference (March 2015), UNHCR Conference for the adoption of the Sustainable Development Goals (September 2015), World Humanitarian Summit (April 2016), Habitat III conference (October 2016).
* Sentos Conference (September 2015), World Humanitarian Summit (April 2016), Habitat III conference (October 2016).
* Good development support on fragile, at-risk and crisis affected contexts: OECD 2015
* Good development support on fragile, at-risk and crisis affected contexts: OECD 2015
* Ibid.
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 the 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. 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 on 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 made a particular investment in 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", 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 neighborhoods reinforce the feeling of marginalization of young people. To address these challenges, the study suggests developing programs that prioritize marginalized neighborhoods in large cities while encouraging citizen participation and access to employment.

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40 The following topics, in particular, have been investigated in depth: urban crises; labor-intensive projects; support for the private sector in vulnerable contexts.
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 phenomena of marginalization, 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 a strong population demand for justice, participation and transparency. The first two specific objectives (i) support the inclusion of marginalized 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 giving itself 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.
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 noted in the dynamics of exclusion, marginalisation and strengthening inequalities, especially horizontal inequalities.

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. 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.). These “horizontal” inequalities 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 and one’s mother tongue, freedom of worship, etc.) or geographic (territorial inequalities). 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 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;
2. Identify the populations and regions most vulnerable to crises that should be targeted (socio-economic characteristics, demographic characteristics, etc.);
3. 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 conflict prevention or response.

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 with forced displaced people, (iii) psychosocial support, (iv) the 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 urban excluded 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 for forced displacement). AFD will also seek to expand psychosocial activities within its activities to (i) manage individual and community trouble disorders and destructuration, 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 switch 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 conflict-affected areas to promote stability and reduce the risk of conflict. AFD will promote integration programmes adapted to these contexts.

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 requirements, 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.

3.2 Promote access to inclusive, participatory and transparent public institutions

The consultations also exposed 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

Schematically, these deficits of governance are translated by the weak capacity of the State and public institutions to (i) fulfill basic sovereign functions (defense, 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 of the population, both in number and in sufficient 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 organizations, professional organizations, 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); and, at central, decentralized 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.
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 radically challenging 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.¹⁰⁰

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 is reversed (case of the cocoa crisis in Ivory Coast 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 conflict¹⁰¹ as well as episodes of falling commodity prices leading to conflict¹⁰².

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 conjuncture of at least five factors:

- the sometime 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.


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.

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 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 intervention but also 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.

³³³ Box 12

AFD will collaborate with PROPARCO.

State-society and inter-community relations are fundamental to peace and social cohesion. Strengthening these relations must be at the heart of governance interventions.
The approach described above requires the continuation of the acculturation process of the 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:

- 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. Make AFD an agile and innovative donor in crisis contexts

#### 4.1 Upgrading 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, to the level closest to beneficiaries. For AFD, this means modifying its operational approaches and designing a new generation of projects capable of being simultaneously:

1. **Multi-country**, to act at the level of “crisis basins” (rather than having a series of projects managed country by country);
2. **Multi-sector**, to make possible a critical mass of public services without waiting for the deployment of a public policy throughout a territory;
3. **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 €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 are needed 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 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 give itself decision-making criteria (including “Do No Harm” criteria) in order to qualify, monitor and reassess risk throughout the duration of a project.

Efforts must intensify in crisis situations, to strengthen the capacity of local actors to fulfill their core function. Empowering local actors must be an objective in its own right for all our projects.

D. Pursue instrumental innovation

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 post-crisis 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) fulfill 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 that 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 (CIFs or CRfs) 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 to unintentionally exacerbate existing conflicts or to artificially create 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 to more particularly mobilise local actors in the treatment of 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 14

The toolbox for project training in areas of insecurity

AFD is forced to strengthen its presence in areas at risk or of insecurity. In these contexts, the operational methods will be adapted to allow the Agency to fully fulfill 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 weakness of 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 for 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 capacities.

Projects in contexts of insecurity.

EAFD 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 (PNPD) 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.

Box 15

Local participatory development approaches


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 issue is particularly 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%.

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 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 connection with the various actors of the French crisis management system.
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). 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.

**Tools and instruments adapted to crisis contexts**

Financial tools for crisis contexts:
Fund for Studies and Expertise in Crisis Resolution (FEESIC) The FEESIC finances missions for expert appraisal, needs assessment, and technical feasibility studies in crisis resolution context.

Civil Society Organisations (CSOs) Calls for projects – Crises and Crisis Resolution (APDCs). 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) finances projects in the most sensitive areas. The OICC bloc is divided into three parts. The first part, known as the 'buffer' reserve, is a 10% reserve of the Initiative-CSO envelope to respond to unforeseen situations in crisis situations. The second part, called the 'emergency budget', can be exploited as required according to the specificities of the 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.

D. Pilot: assess and explain the changes throughout the project, adapt to the context continuously with the implementation of 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, did not allow 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 of development, security, humanitarian aid and diplomacy. While it is essential that each actor remains concentrated on his or her core business – 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 collation of analyses, the development of shared strategies, and the coordination of actions.

This supposes that:

1. 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;
2. a robust coordination between security and development specialists, each within its 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 of 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 are natural partners in dealing with situations of vulnerability and crisis. The consultation process initiated since 2013 has largely contributed to changing AFD's practices and developing reflexes of consultation. This dialogue will continue in the framework defined by the Transversal Framework for Action "Relationship with Civil Society Organizations". AFD will also seek to strengthen its partnerships with local civil society organisations (CSOs), notably to value (i) their fine 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 the support of communities vulnerable to crises a priority line of action. AFD's partnerships with decentralised cooperation actors will integrate the specific issues of the contexts of vulnerabilities and crises.

Dialogue between actors in diplomacy and development is crucial for conflict prevention and for assistance with crisis resolution. For the Agency, 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 of Foreign Affairs which contribute to preventive diplomacy, crisis management and resolution.

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-construction 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 (Ergence, Rehabilitation, Development), 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 "diplomacy, defence and development" format will allow the sharing of analyses and strategies for action between the Ministry of the Armed Forces (DGSR), the Ministry of European and Foreign Affairs (MEAE) and its implementing agencies (the Centre for Analysis, Forecasting and Strategy – CAPS, the Directorate General for Globalisation – DGM, the CCDS), and AFD.

**Figure 2. The comprehensive approach in crisis contexts: working together on the crisis continuum**

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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, ADB, AfDB, AFD, 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, WP) in crisis regions. It will furthermore strengthen its involvement in the OECD’s INCAF network alongside the Ministry of 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 geographical situations. This requires a human resource system supportive of talent and ensuring security to 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 diversify skills and strengthen the expertise of mobilised staff – whether international or local. In particular, a psychological support unit will be available to assist personnel mobilised staff – whether international or local. In particular, a psychological support unit will be available to assist personnel

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, external 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 integration process of new operational approaches and conflict-sensitive methodologies. “Vulnerabilities” focal points have been appointed in the various AFD departments (in the integration studies and research 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, crisis and vulnerability prevention; (ii) train the project teams to the ‘No Harm’ training course; (iii) sensitise the project teams to psychosocial activities; (iv) present tools and operational approaches adapted to contexts of concern and 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 raising awareness among AFD counterparts, in collaboration with other donors. Dedicated training will be proposed.

D. A communication effort in France and abroad

The purpose of the communication 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-a-visthe 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 to share 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 in all the countries in which the Group intervenes, regardless of the crises envisaged and the financing instruments mobilised.

Because vulnerability and resilience-related challenges and how to respond to them 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 department will apply the Strategy principles to identify key issues, objectives and actions to be taken in these contexts. 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 (CIRs) and country Strategies (CIRs). As a series of thematic annexes, for internal use, provides guidelines intended to be adapted to the different Sectoral Intervention Frameworks (SIFs).

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 globalised control, which include middle-income or emerging countries, those experiencing rapid growth, in Asia and Latin America;
- 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 which will receive at least half of the State subsidy and two-thirds of the subsidies implemented by AFD. Furthermore, 75% of the State 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.

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 will thus contribute to the World Bank’s flagship report entitled “For a lasting Peace: a tool for conflict prevention” that was published in September 2017. 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 has also been 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 evidence-based policy making) lies less in the quantity or quality of 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. The AFD Group’s learning approach on 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 investing the field of decision-making 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 (DMUD), 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 on this new field of research and innovation.

See the Methodology Note on taking into account the vulnerabilities and risks of disaster in CIRs, PN/CIC/C, 2015

References:

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 strategy’s implementation starting in 2018 for countries with a composite risk indicator INFORM greater than 5th 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 150% 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 transversal 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 2019).

C. Emblematic operations on new themes

- At least 1 operation per year integrating an objective for preventing 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.

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”.

“..."
A protracted crisis is defined as a situation where a significant development action is long identified with sudden, if caused by a shock) deterioration of the living outcome of an activity or intervention including through reduced exposure to hazards, lessened vulnerability of people and property, wise management of land, the environment, and improved preparedness for adverse events. Risk Uncertainty, whether positive or negative, that will affect the outcome of an activity or intervention. Fragility trap Situation characterized 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 became blurred. 

**Glossary**

**Anticipatory capacity**
“The ability of a system to anticipate and reduce the impacts of a particular hazard through preparation and planning.”

**Absorptive capacity**
“The ability of social systems to absorb and cope with the impacts of shocks and stressors.”

**Adaptive capacity**
“The ability of social systems to adjust after a disaster and to adapt to future risks.”

**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.”

**Conflict**
“Opposition between individuals, groups or States over ideas, values, material goods or positions of power.”

**Crisis — long-term crisis — chronic crisis**
“Long identified with sudden, if caused by a shock) deterioration of the living outcome of an activity or intervention including through reduced exposure to hazards, lessened vulnerability of people and property, wise management of land, the environment, and improved preparedness for adverse events.”

**Disaster Risk Reduction (DRR)**
“Efforts to analyze and manage the causal factors of disasters, including through reduced exposure to hazards, lessened vulnerability of people and property, wise management of land, the environment, and improved preparedness for adverse events.”

**Risk**
“Uncertainty, whether positive or negative, that will affect the outcome of an activity or intervention.”

**Fragility trap**
“Situation characterized 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 became blurred.”

**List of Acronyms**

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<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
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<tbody>
<tr>
<td>3D</td>
<td>Defence, Diplomacy and Development</td>
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<tr>
<td>ADB</td>
<td>Asian Development Bank</td>
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<tr>
<td>AFD</td>
<td>Agence Française de Développement (French Development Agency)</td>
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<tr>
<td>ADFB</td>
<td>African Development Bank</td>
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<tr>
<td>APCC</td>
<td>Appels à projets crise et sortie de crise (Calls for Projects on crises and crisis resolution)</td>
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<td>AQMN</td>
<td>Al Qaeda in the Islamic Maghreb</td>
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<tr>
<td>CAD</td>
<td>Comité d’Aide au Développement (Development Assistance Committee)</td>
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<tr>
<td>CAPS</td>
<td>Centre for Analysis, Forecasting and Strategy</td>
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<tr>
<td>CAR</td>
<td>Central African Republic</td>
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<td>CCC</td>
<td>Cellule Crises et Conflicts de l’AFD (AFD’s crises and conflicts unit)</td>
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<td>CCAS</td>
<td>Cross-Cutting Solution Area (World Bank)</td>
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<td>CDCS</td>
<td>Crisis Centre (Ministry of European and Foreign Affairs)</td>
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<td>CICID</td>
<td>Comité Interministériel de la Coopération Internationale et du Développement (Inter-ministerial Committee for International Cooperation and Development)</td>
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<td>CIF</td>
<td>Cross-sectoral Intervention Framework</td>
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<td>CIP</td>
<td>Country Strategies</td>
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<td>CIR</td>
<td>Regional Strategies</td>
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<tr>
<td>CMI</td>
<td>Center for Mediterranean Integration, World Bank Group</td>
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<tr>
<td>CPDCO</td>
<td>Centre for Planning and Conduct of Operations</td>
</tr>
<tr>
<td>DCRS</td>
<td>Security and Defence Cooperation Directorate (MEAL)</td>
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<tr>
<td>DFD</td>
<td>Department for International Development (United Kingdom)</td>
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<tr>
<td>DGMRS</td>
<td>Directorate General for Globalisation and Development Strategy (Ministry of Defense)</td>
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<tr>
<td>DMDU</td>
<td>Decision Making Under Deep Uncertainty</td>
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<tr>
<td>DNH</td>
<td>“do no harm”</td>
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<tr>
<td>DOE</td>
<td>Direction des Opérations de l’AFD (Operations Branch of the AFD)</td>
</tr>
<tr>
<td>DPKO</td>
<td>Department of Peace Keeping Operation (United Nations)</td>
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<tr>
<td>DRR</td>
<td>Disaster Risk Reduction</td>
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<tr>
<td>FEEC</td>
<td>Fonds d’Etude et d’Expertise de Sortie de Crise (Fund for Studies and Expertise in Crisis Resolution)</td>
</tr>
<tr>
<td>FERC</td>
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</table>

**List of Acronyms**

<table>
<thead>
<tr>
<th>Acronym</th>
<th>Definition</th>
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<tbody>
<tr>
<td>AFD</td>
<td>Agence Française de Développement (French Development Agency)</td>
</tr>
<tr>
<td>ADF</td>
<td>African Development Bank</td>
</tr>
<tr>
<td>APCC</td>
<td>Appels à projets crise et sortie de crise (Calls for Projects on crises and crisis resolution)</td>
</tr>
<tr>
<td>AQMN</td>
<td>Al Qaeda in the Islamic Maghreb</td>
</tr>
<tr>
<td>CAD</td>
<td>Comité d’Aide au Développement (Development Assistance Committee)</td>
</tr>
<tr>
<td>CAPS</td>
<td>Centre for Analysis, Forecasting and Strategy</td>
</tr>
<tr>
<td>CAR</td>
<td>Central African Republic</td>
</tr>
<tr>
<td>CCC</td>
<td>Cellule Crises et Conflicts de l’AFD (AFD’s crises and conflicts unit)</td>
</tr>
<tr>
<td>CCAS</td>
<td>Cross-Cutting Solution Area (World Bank)</td>
</tr>
<tr>
<td>CDCS</td>
<td>Crisis Centre (Ministry of European and Foreign Affairs)</td>
</tr>
<tr>
<td>CICID</td>
<td>Comité Interministériel de la Coopération Internationale et du Développement (Inter-ministerial Committee for International Cooperation and Development)</td>
</tr>
<tr>
<td>CIF</td>
<td>Cross-sectoral Intervention Framework</td>
</tr>
<tr>
<td>CIP</td>
<td>Country Strategies</td>
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<tr>
<td>CIR</td>
<td>Regional Strategies</td>
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<tr>
<td>CMI</td>
<td>Center for Mediterranean Integration, World Bank Group</td>
</tr>
<tr>
<td>CPDCO</td>
<td>Centre for Planning and Conduct of Operations</td>
</tr>
<tr>
<td>DCRS</td>
<td>Security and Defence Cooperation Directorate (MEAL)</td>
</tr>
<tr>
<td>DFD</td>
<td>Department for International Development (United Kingdom)</td>
</tr>
<tr>
<td>DGMRS</td>
<td>Directorate General for Globalisation and Development Strategy (Ministry of Defense)</td>
</tr>
<tr>
<td>DMDU</td>
<td>Decision Making Under Deep Uncertainty</td>
</tr>
<tr>
<td>DNH</td>
<td>“do no harm”</td>
</tr>
<tr>
<td>DOE</td>
<td>Direction des Opérations de l’AFD (Operations Branch of the AFD)</td>
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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 provinces. 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.