

**Economic and Social Commission for Western Asia (ESCWA)**Thirty-first session  
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Item 8 of the provisional agenda

**Governance of recovery and prevention: essential State  
functions and processes****Summary**

The growing human and socioeconomic costs of conflict, and its regional and global repercussions, have prompted fragile and conflict-affected countries, and the international community, to focus on improving prevention efforts. The present document highlights the core functions needed to build a State that can lay the foundations for recovery and sustainable peace. It also provides actionable recommendations in the following three key areas: transforming the public sector for sustained prevention; promoting social cohesion to foster inclusion; and investing in people to achieve human development. The document sets out key action points, and identifies national institutions and processes that could implement the related policy recommendations, so as to strengthen conflict mitigation, prevention and recovery.

The Commission is invited to discuss the contents of the present document, and comment on the recommendations therein.

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## Introduction

1. The ramifications of conflict on people and institutions will dominate the national development agendas of several Arab countries for generations to come. The human and economic costs resulting from violent conflict, coupled with other shocks such as the COVID-19 pandemic, the war in Ukraine or extreme weather events, further exacerbate fragility and vulnerability. Such circumstances pose serious risks for the current and future stability of several Arab countries. The present document advocates that strengthening institutional capacity in fragile or conflict-affected countries offers a critical opportunity for the mitigation and prevention of conflict and its relapse.
2. Prevention is a key component of sustainable recovery. The focus on prevention is an integral part of General Assembly resolution 76/6 of 15 November 2021. In a policy brief entitled “[A new agenda for peace](#)”, the United Nations called for investment in national prevention capacity and infrastructure for peace, emphasizing that whole-of-government and whole-of-society approaches grounded in sustainable development that leave no one behind would make national prevention strategies more effective.
3. The present document proposes a prevention and recovery framework that rests upon a public sector that fosters social cohesion and human development. It proposes several pathways to strengthen institutional capacity for prevention, despite fragility and conflict. It also identifies several key national institutions that could implement the prevention framework.

### I. Impact of conflict and associated risks of current and future instability

4. Major or lingering conflicts persist in several Arab countries. The protracted nature of some of these conflicts have left many areas in a situation of fragility, where neither peace nor war prevails. Grievances are increasing, and weakened public institutions lack the capacity to provide their populations with basic essential services such as health, education, water and sanitation; the very infrastructure of human development.
5. This state of affairs continues to drive conflict in some areas, while increasing the risk of conflict relapse in others, thereby further exacerbating the vulnerabilities of affected populations. The Economic and Social Commission for Western Asia (ESCWA) has shown the dire impact of conflict on human lives, economies and institutions. Loss of life, malnutrition, lack of schooling, and large-scale physical destruction of infrastructure cause persistent challenges for socioeconomic development and increase intergenerational poverty traps.<sup>1</sup>
6. As shown in figure 1, economic development in Iraq, Libya, the State of Palestine, Somalia, the Sudan and Yemen has been on the decline. The war in Libya has caused a significant loss in the country’s economic potential, which was estimated by ESCWA at 783 billion Libyan dinars (\$580 billion)<sup>2</sup> in the period 2011–2020. Should the war continue, these losses could reach 628.2 billion Libyan dinars (\$465 billion) between 2021 and 2025. In other words, continued conflict would cost the Libyan economy a total of 1,411.6 billion Libyan dinars (\$1,046 billion) between 2011 and 2025.<sup>3</sup> In addition to conflict and political instability, the economic repercussions of the COVID-19 pandemic on these countries has been significant.

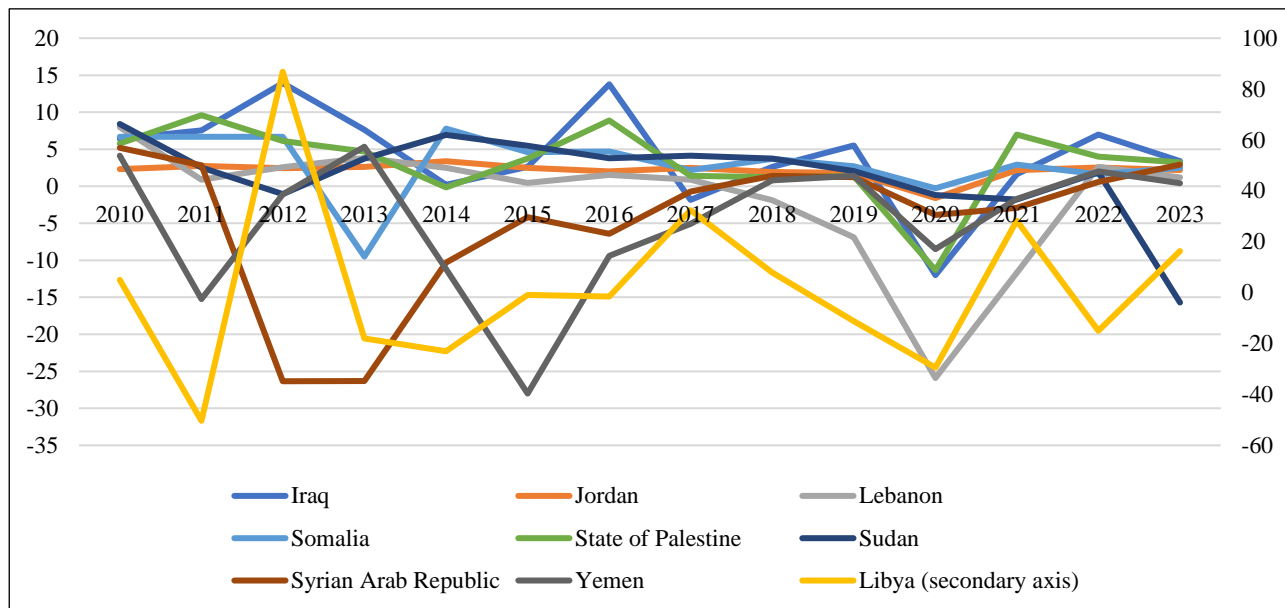
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<sup>1</sup> ESCWA, [Protracted Conflict and Development in the Arab Region: Trends and Impacts in Conflict Settings, Issue No. 4, 2015](#); ESCWA, [The Impact of Conflict from Childhood to Adulthood Evidence for the Arab Region: Trends and Impacts in Conflict Settings Issue No. 5, 2018](#).

<sup>2</sup> When the report was published in December 2020, the exchange rate was 1.35 Libyan dinars to \$1 on 2 December 2020. According to the Central Bank of Libya, the exchange rate was 4.7 Libyan dinars to \$1 on 12 April 2022.

<sup>3</sup> ESCWA, [The economic cost of the Libyan conflict, 2020](#).

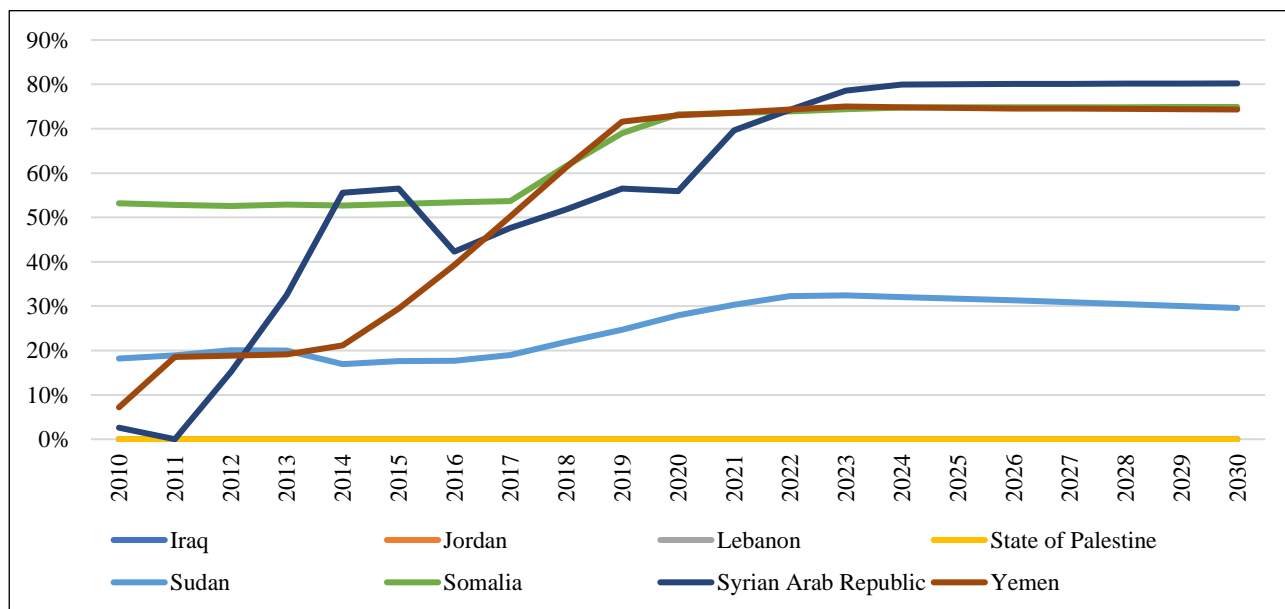
**Figure 1. GDP growth in selected Arab countries, 2010–2023**



Source: ESCWA staff calculations and projections, based on national statistical sources and the [World Economic Forecasting Model](#).

7. Figure 2 shows the percentage of people living below the \$2.15 a day poverty threshold in Yemen between 2010 and 2030. The results indicate that conflict has had, and will continue to have, a large impact on poverty rates in many affected countries. Yemen, which performed relatively well in 2010, currently has a significant part of its population living in extreme poverty.

**Figure 2. Percentage of population living below the \$2.15 a day poverty threshold in Yemen**



Source: ESCWA staff calculations, based on data from the World Bank's [Poverty and Inequality Platform](#).

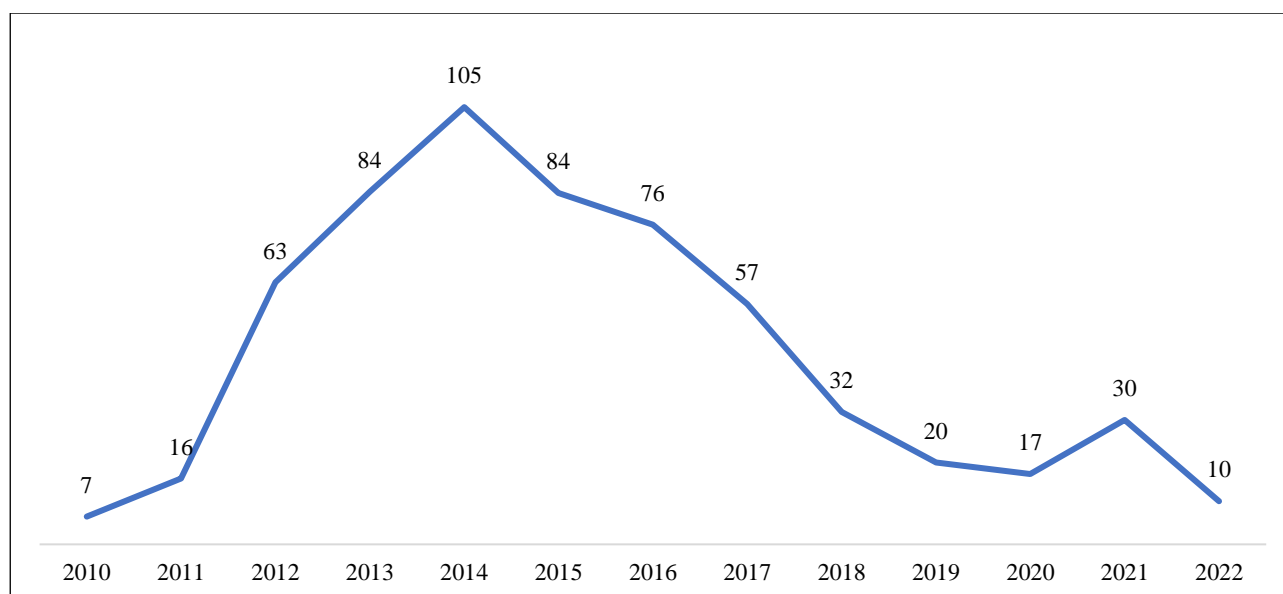
Note: Libya is not included owing to a lack of data.

8. Other humanitarian-development challenges that could hamper efforts towards sustainable development include the following:

- An estimated 72 million people in the Arab region are dependent on some form of humanitarian assistance, compared with 42 million in 2014.<sup>4</sup>
- The Arab region hosts 30 per cent of all forcibly displaced persons worldwide.<sup>5</sup>
- The average rate of youth unemployment (aged 15–24) in Iraq, Libya, the State of Palestine, Somalia, the Sudan, the Syrian Arab Republic and Yemen stood at 31.17 per cent in 2021, and at 30.63 per cent in 2022.<sup>6</sup>

9. Trends of conflict intensity, as measured by the number of fatalities, have been decreasing since 2014 (figure 3), while conflict impact remains at the same levels, if not worse. Despite declining trends of violence, the ramifications of conflict on people, including forced displacement or humanitarian aid dependency, remain as high as when violence was at its peak in 2014.

**Figure 3. Total number of fatalities in conflict-affected countries (*Thousands*)**



Source: Uppsala Conflict Data Program (UCDP).

Note: Figure 3 includes all three types of violence (State-based armed violence, non-State conflict, and one-sided violence incurring 25 fatalities in a calendar year), as per the UCDP definition. The countries are Iraq, Jordan, Lebanon, Libya, the State of Palestine, Somalia, the Sudan, the Syrian Arab Republic and Yemen.

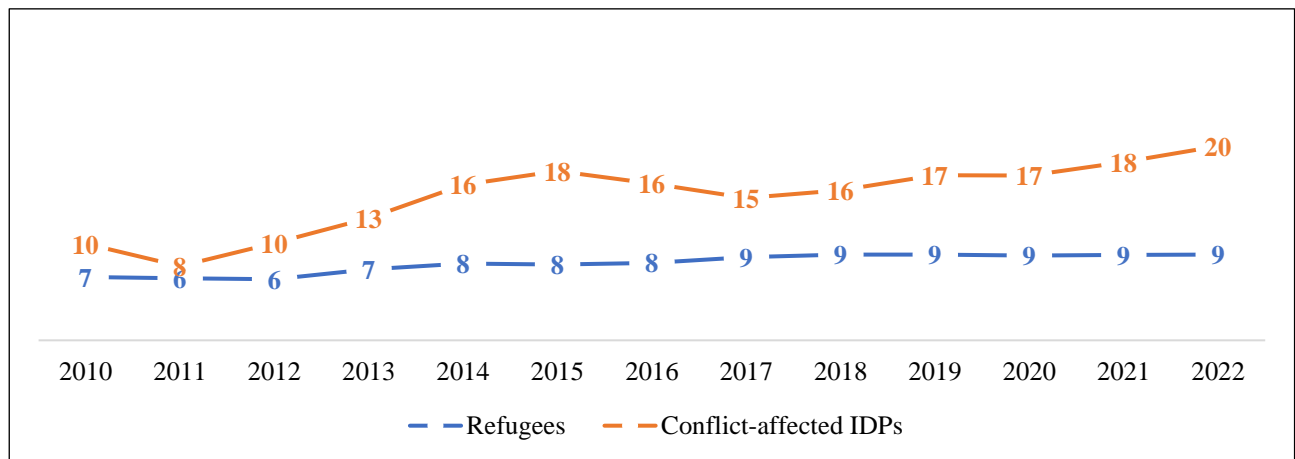
10. The Arab region hosts about 30 per cent of all forcibly displaced persons worldwide. Figure 4 shows that since 2015, the number of forcibly displaced persons has increased after renewed hostilities in some Arab countries. The number of internally displaced persons (IDPs) has been increasing, while the number of refugees has remained relatively constant. This is indicative that peace remains elusive, coupled with a lack of progress in reversing de-development trends caused by conflict in the places of origin of the displaced. People not returning to their homes is a clear indicator that a trend of lingering conflict remains (a state of no war-no peace), particularly in countries that host large numbers of IDPs.

<sup>4</sup> According to the latest data from the United Nations Office for the Coordination of Humanitarian Affairs (OCHA).

<sup>5</sup> According to latest data from the Refugees Data Finder and Internal Displacement Monitoring Centre of the Office of the United Nations High Commissioner for Refugees (UNHCR).

<sup>6</sup> ESCWA calculations based on data from ILOSTAT.

**Figure 4. Total number of refugees and IDPs (Millions)**

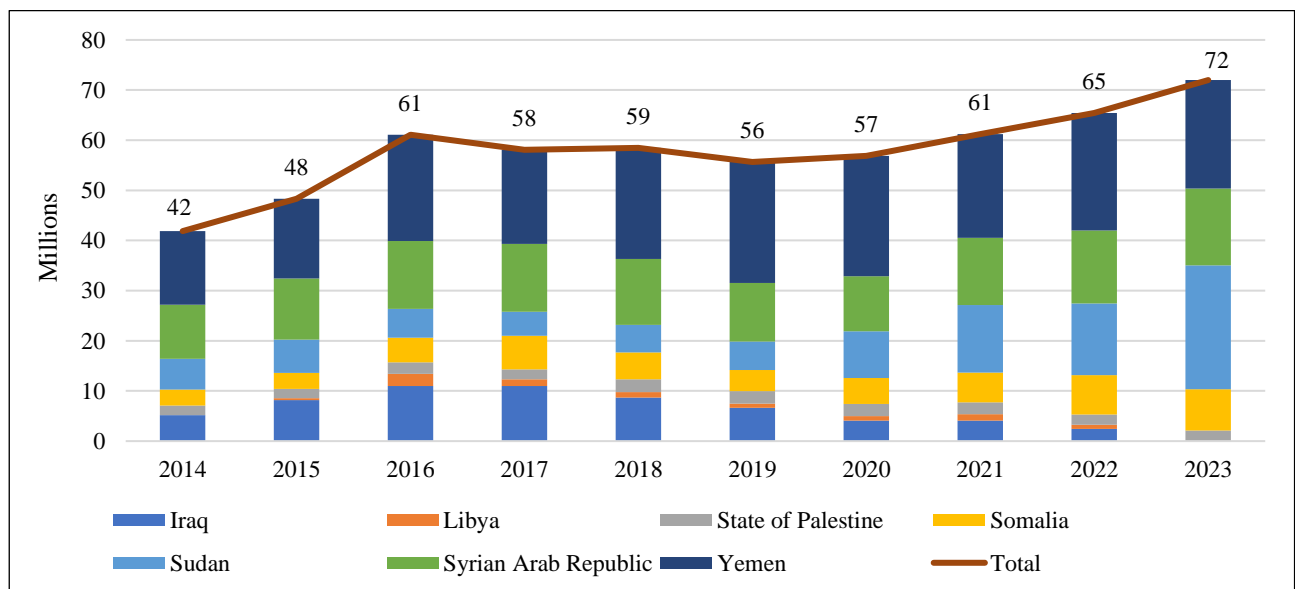


Source: UNHCR Refugees Data Finder and Internal Displacement Monitoring Centre.

Note: Refugees include those under the mandates of both UNHCR and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). The countries are Iraq, Jordan, Lebanon, Libya, the State of Palestine, Somalia, the Sudan, the Syrian Arab Republic and Yemen.

11. Lingering or major conflicts in the Arab region have led to a growing number of people dependent on some form of humanitarian assistance. Figure 5 shows the number of people in need of some form of humanitarian assistance in Iraq, Libya, the State of Palestine before the 2023 Gaza war, Somalia, the Sudan, the Syrian Arab Republic and Yemen. About 36 per cent of people in the State of Palestine, Somalia, the Sudan, the Syrian Arab Republic and Yemen need some form of humanitarian assistance, constituting 15 per cent of the region’s total population.<sup>7</sup>

**Figure 5. People in need of humanitarian assistance**



Source: OCHA, [Global Humanitarian Overview](#), 2022.

Note: Numbers for 2023 do not include the latest data from Gaza since the outbreak of the war.

<sup>7</sup> The total number of aid-dependent people divided by the total population of the eight countries and of the Arab region, respectively.

12. Since the 1948 Naqba, the 2023 Gaza war is unparalleled in terms of casualties and devastation in the State of Palestine, profoundly impacting the lives of Palestinians in Gaza and in the West Bank. Gaza ranks among the world's most densely populated regions, home to 2.3 million Palestinians of whom over 66 per cent have been refugees since 1948. The ongoing siege and bombardment of the occupied enclave have rendered 2.2 million Gazans in need of humanitarian assistance. Their grievances have been further exacerbated by the access constraints faced by humanitarian agencies, which are unable to keep pace with the scale and depth of needs.

## II. Shocks and megatrends that may exacerbate conflict risk

13. The overall level of conflict risk in the Arab region has increased in the past decade. As of 2021, the Arab region is more vulnerable and less resilient to conflict than it was in 2010. According to the ESCWA Arab Risk Monitor, a key driver of deterioration is the “conflict risk” domain (+10 per cent vulnerability and -11 per cent resilience compared with 2010 levels). This deterioration is mainly attributed to the outbreak and persistence of armed conflicts in the last decade. The Arab region also saw a marked deterioration in the “economic risk” domain (+9 per cent vulnerability and -15 per cent resilience compared with 2010 levels). Owing to increased reliance on foreign trade and capital markets, coupled with contracting fiscal space, Arab countries are now more vulnerable and susceptible to the impact of shocks than they were in the previous decade. The “climate hazard risk” domain also recorded a deterioration, caused by the growing effects of natural disasters on people and communities. However, the region is increasingly building resilience to climate hazards, largely owing to stronger climate adaptation strategies and funding. Only the “social risk” domain improved in 2021, driven by expanding social safety nets and decreasing infant mortality.

**Table 1. Evolution of risk in the Arab region**

Risk domain	Component	2010	2015	2021	2021 versus 2010	
Conflict risk	Vulnerability	0.29	0.41	0.32	10%	Deteriorated
	Resilience	0.48	0.44	0.43	-11%	Deteriorated
Climate hazard risk	Vulnerability	0.11	0.16	0.18	59%	Deteriorated
	Resilience	0.30	0.35	0.47	56%	Improved
Natural resource risk	Vulnerability	0.47	0.49	0.49	5%	Deteriorated
	Resilience	0.39	0.39	0.38	-4%	Deteriorated
Economic risk	Vulnerability	0.39	0.40	0.43	9%	Deteriorated
	Resilience	0.65	0.59	0.55	-15%	Deteriorated
Social risk	Vulnerability	0.37	0.34	0.33	-9%	Improved
	Resilience	0.50	0.53	0.51	4%	Improved
Institutional risk	Vulnerability	0.66	0.69	0.70	7%	Deteriorated
	Resilience	0.43	0.41	0.40	-8%	Deteriorated

Source: ESCWA analysis, based on [E/ESCWA/CL6.GCP/2023/TP.1](#), [E/ESCWA/CL.6GCP/2023/TP.2](#) and [E/ESCWA/CL6.GCP/2023/TP.5](#).

14. Violent conflicts are also increasingly linked to global challenges, such as economic shocks, extreme weather events, pandemics and natural disasters, all further exacerbating fragility and vulnerability. ESCWA has examined various megatrends and catalysts or shocks that could pose future risk.<sup>8</sup>

<sup>8</sup> ESCWA, *Trends and Impacts in Conflict Settings, No. 6: Developing a Risk-Assessment Framework for the Arab Region*, 2020.

15. Climate change has resulted in more frequent and extreme weather events, affecting economic development, political stability, and living standards. These extreme weather events have diminished the resistance of many vulnerable communities. Several conflict-affected countries are already suffering the effects of such weather shocks. For example, a surge in destructive desert locusts brought on by climate change has had detrimental consequences on food security in already fragile Arab countries, namely Somalia, the Sudan and Yemen.<sup>9</sup> Furthermore, in 2020 alone, floods in Somalia triggered 979,000 new displacements, while floods in Yemen resulted in 223,000 new displacements, thus displacing more people than conflict in that same year (293,000 and 143,000 new displacements by conflict in 2020, respectively).<sup>10</sup> The collapse of the two dams in Derna, Libya, is another example where conflict and extreme weather meet with disastrous outcomes. The dams collapsed owing to lack of maintenance and inadequate operations: fragmented, divided and weak institutions did not follow up or supervise maintenance work, nor were there (institutional) systems in place for disaster prevention and management.

### **III. Institution-building, prevention and recovery: policy recommendations**

16. A General Assembly [resolution](#) and a Security Council [resolution](#) adopted in 2016 on sustaining peace define prevention as the avoidance of the outbreak, escalation, continuation, and recurrence of violent conflicts. Prevention, at its core, is about building inclusive societies that offer opportunities for sustainable development, so as to avoid or stop repeated violent crises. While there is no shared conceptual understanding, a distinction can be made between operational prevention (more short-term actions to prevent imminent escalation of specific crises), and structural prevention (long-term initiatives to prevent structural drivers of conflict).<sup>11</sup> Operational and structural prevention are both necessary conduits to post recovery.

17. A range of local, national, regional and international actors work in distinct but mutually reinforcing ways to address the fundamental causes of violent conflict. Preventing conflict and charting a solid path to recovery involve complex societal and institutional systems in which these actors operate, and require proactively addressing deeper underlying risks that prevent sustainable development and peace.

18. Institutions provide a regulatory framework for governing individuals and group behaviour, and which limits the harm actors can inflict, thus serving as “the immune system” of a society.<sup>12</sup> In fragile and conflict-affected countries, national institutions are weakened and may be perceived as less inclusive, more biased, and less trustworthy. Consequently, building the capacity of institutions offers a critical opportunity for conflict prevention and recovery.

19. A national policy for institution-building, prevention and recovery should provide a set of interventions that aim to disrupt the mechanisms that cause conflict and its recurrence, including what fuels the war economy and what delegitimizes the State and its institutions in the eyes of the local population. Figure 6 introduces a simple prevention and recovery framework, which takes into account macroeconomic trends and global challenges, and discusses opportunities for national institutions in the following three key areas:

- Strengthening the public sector for sustained prevention.
- Promoting social cohesion to foster inclusion.
- Supporting human development for resilience and recovery.

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<sup>9</sup> ESCWA, [Arab LDCs: Development Challenges and Opportunities](#), 2021.

<sup>10</sup> [Internal Displacement Monitoring Centre](#).

<sup>11</sup> Harsh Desai, [Conflict prevention in fragile contexts](#), 2020.

<sup>12</sup> World Bank, [World Development Report 2011: Conflict, Security, and Development](#), 2011.

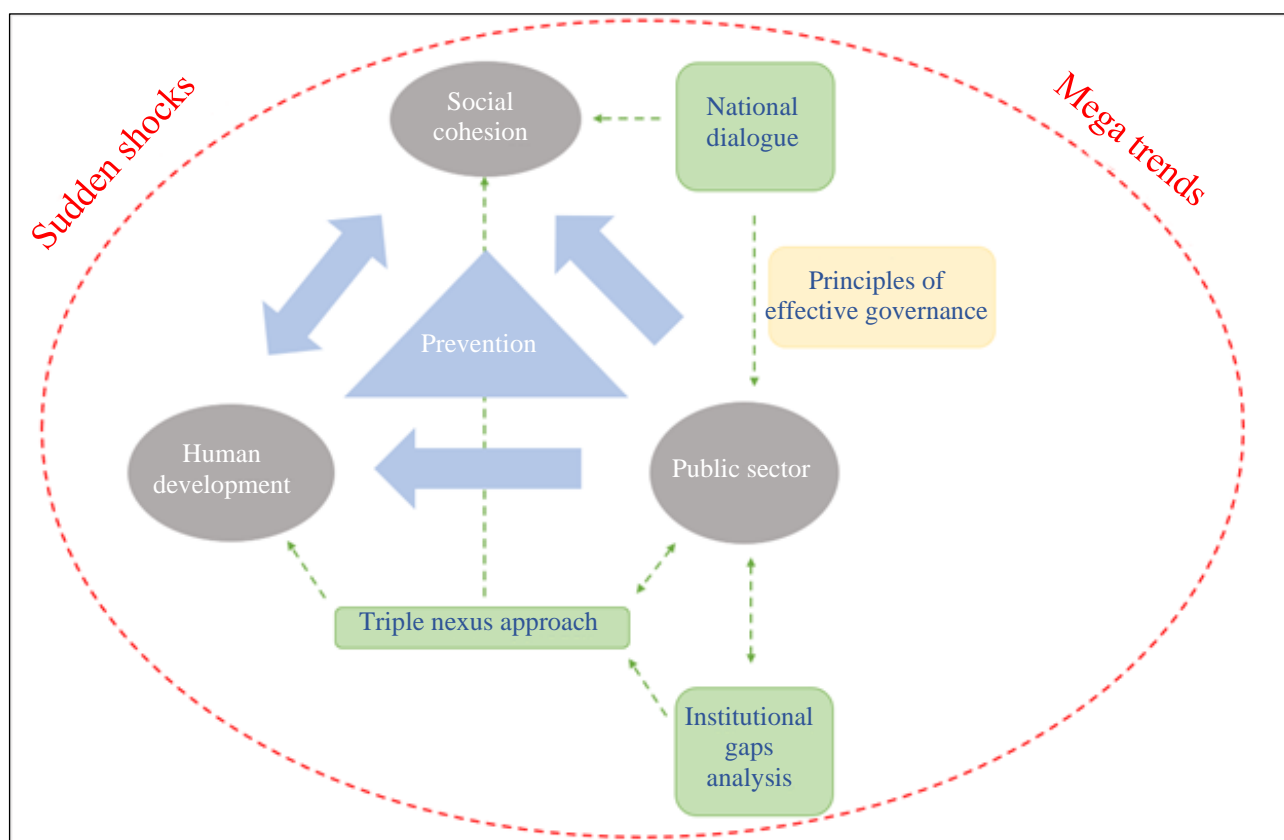


20. All three key areas are mutually reinforcing. Any hazard within one threatens the others, thus increasing vulnerabilities and weakening national capacity to deal with shocks, and in turn increasing the risk of conflict or its relapse. The role of the public sector is critical, as it requires working on a variety of points along the conflict cycle. National institutions carry out a range of activities, often simultaneously. In the above-mentioned framework, national actors are key players in conflict prevention by undertaking the following:

- Building institutional capacity.
- Influencing actors' incentives in favour of prevention and social cohesion.
- Investing in human development to address structural challenges and enhance resilience.

21. The remainder of the present chapter provides policy recommendations for the proposed prevention framework in the above-mentioned three key areas.

**Figure 6. Preliminary prevention and recovery framework**



Source: Developed by ESCWA.

### A. Strengthening the public sector

22. The recent Arab governance reports and other ESCWA publications review and quantify in detail the extent to which protracted conflicts have impacted the quality of State institutions.<sup>13</sup> The results give an indication of the extent to which conflict has eroded State institutions, and changed the way individual economic and political interactions occur. Restoring or strengthening the public sector enhances the provision of public goods to help improve living conditions in conflict-affected regions, and prevents the recurrence of violence while pushing recovery efforts forward.

<sup>13</sup> ESCWA, *Arab Governance Report II: Governance and Institutional Transformations in Conflict-affected Arab Countries*, 2016; ESCWA, *Arab Governance Report III: Institutional Development in Post-conflict Settings*, 2017.

23. As part of prevention and recovery efforts, working towards restoring the public sector inevitably enhances the critical functions of the State, including the following:

- Economic governance, including basic market development and upkeep, creating jobs, and managing public finances, natural resources and the environment.
- Administrative Governance, including delivering essential services, managing and developing a merit-based civil service, and building human capital and infrastructure.
- Political governance, comprising the constitution, elections, civil society and the media.
- Judicial governance, consisting of upholding the rule of law, facilitating truth and reconciliation, and implementing customary law.
- Security, including disarmament, demobilization and reintegration (DDR); a legitimate monopoly on the means of violence; upholding internal security and protecting national borders; and professionalizing the security services and ensuring their adherence to human rights.

24. Several national institutions could lead the strengthening of the public sector, depending on a country's institutional arrangements. Some countries have ministries of administrative reform or similar bodies within the executive office of the head of State. It falls on such administrative reform bodies to create a long-term strategy on rebuilding State institutions.

25. The Sustainable Development Goals (SDGs) provide all the necessary sectoral benchmarks on which to base institutional rebuilding and operational priorities. Such sectoral benchmarks should ideally be anchored in a fiscal framework that is augmented with corruption prevention mechanisms. Such a process is evolutionary and not time bound.

26. Institutions are rebuilt in terms of human capital, infrastructure and decision-making processes. The latter need to be supported with evidence-based mechanisms that stem from sound methodologies and data. It is crucial that the long-term strategy has the joint endorsement of key political actors in the Government, of the multilateral system and other donors. The long-term strategy should encompass each sector in terms of priority targets, the fiscal space required to achieve targets, and retaining (or financially securing) and further developing the human capital and infrastructure of institutions.

27. The present section sets out several options for restoring and strengthening the public sector to improve the provision of public goods, so as to mitigate vulnerabilities and ameliorate the living conditions of conflict-affected regions, by undertaking the following:

- Building consensus through mediation efforts or national dialogues to protect the integrity of public institutions from conflict.
- Strengthening bureaucratic quality and public administration.
- Understanding and addressing needs to prevent conflict relapse, through an objective and evidence-based gap assessment of how conflict dynamics have affected State capacity and authority.
- Mainstreaming the triple nexus, which is a framework that combines humanitarian assistance with longer-term development and peacebuilding efforts in the public sector, so as to facilitate the transition from response to recovery and sustainable development.
- Attracting and retaining talent and human resources in the public sector to ensure the quality of service delivery.
- Tackling the war economy.

### 1. *Building consensus to protect the integrity of public institutions from conflict*

28. In countries suffering from protracted conflict, bureaucratic quality and public administration are weak. Consequently, conflict prevention or mitigation efforts are inadequate. To assist public institutions in functioning despite conflict or fragility, consensus among key political groups needs to be built through mediation efforts or national dialogues that solely focus on “protecting” the public sector. Mediation should be explicitly sought to ensure the delivery of basic essential services, so as to mitigate the impact of conflict on people. Peace and reconciliation, while sometimes unable to resolve or achieve a complete political settlement among contending parties, could focus on supporting critical public services and the (local, central and national) institutions that deliver them. The alternative is increased fragmentation of State institutions and an ineffective public sector that is embedded in clientelism and corruption, driving conflict and its relapse.

#### **Box 1. Yemen Vision for Recovery and Development**

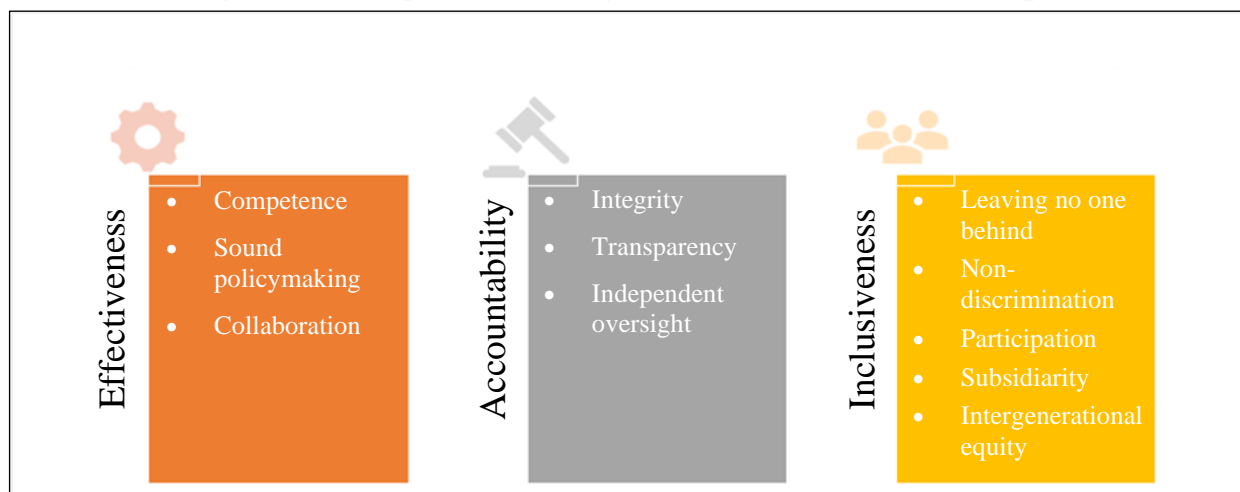
The Yemen Vision for Recovery and Development is based on the outcomes of a socioeconomic dialogue among Yemeni experts on the most pressing challenges and priorities of recovery. The deliberations resulted in a set of goals, priorities and implementation strategies tackling issues such as State-building, social cohesion, environment and resource management, good governance, and sustainable peace. At the core of all issues discussed was the immense challenge of fragmented institutions and weak institutional capacity, and the need to strengthen them to increase recovery preparedness in Yemen.

Building institutional capacity in Yemen is critical for public institutions to resume basic service delivery, reduce the population share in need of humanitarian assistance, and contribute to early recovery efforts in the pre-recovery phase. It is also vital for public institutions to own the recovery process by planning and implementing recovery activities, in partnership with various international, regional and local stakeholders.

*Source:* Compiled by ESCWA.

29. Consensus-building efforts or other forms of mediation could frame peacebuilding efforts within the principles of effective governance for sustainable development, which aim to build effective, accountable and inclusive institutions to achieve the 2030 Agenda for Sustainable Development. These principles are set out in figure 7. They apply to all public institutions, and are made operational through a selection of commonly used strategies and related practices developed by the United Nations Economic and Social Council.<sup>14</sup>

**Figure 7. Principles of effective governance for sustainable development**



*Source:* E/2018/44-E/C.16/2018/8, para. 31.

<sup>14</sup> E/2018/44-E/C.16/2018/8, para. 31.

### **Box 2. Libya national technical dialogue**

The national technical dialogue on Libya produced a national vision on reforming and strengthening the capability of State institutions, and on developing the general framework within which laws and decisions are drafted and implemented. The following are some of the strategic steps and measures that were deemed of the highest priority:

- Creating an institution or formal body that would take charge of the process of institutional and governance reform.
- Hiring and promoting on grounds of merit and competence, and linking the salary and incentives system to productivity and the quality of outcomes.
- Raising societal awareness on the standards of good governance, and the importance of applying them to tackle corruption.
- Strengthening the role of civil society organizations in instilling and applying the rules of good governance.

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Source: [E/ESCWA/CL6.GCP/2021/TP.1](#).

### *2. Bureaucratic quality and public administration*

30. Literature on State capacity emphasizes that institutional strength and quality of the bureaucracy are important drivers of economic development. The concept of State capacity refers to the extent to which countries can apply and implement the rules and regulations they impose. Independent rule-following bureaucratic apparatuses are therefore crucial for enhancing State capacity.

31. Without a high-quality bureaucracy, the effective implementation of rules and regulations, such as the effective and impartial provision of public goods, becomes less likely. In some Arab countries, however, the embeddedness of bureaucracies in clientelist networks explains overemployment in the public sector, thus drawing resources away from much needed investments for public infrastructure and other services.

32. Given the sophisticated interactions between promoting a capable meritocratic State apparatus, the quality and quantity of public goods provision, and the stability of elite collaboration via clientelist networks, prevention and recovery strategies must devise policies to inform both domestic and international efforts, so as to improve public administration and protect it from power sharing arrangements.

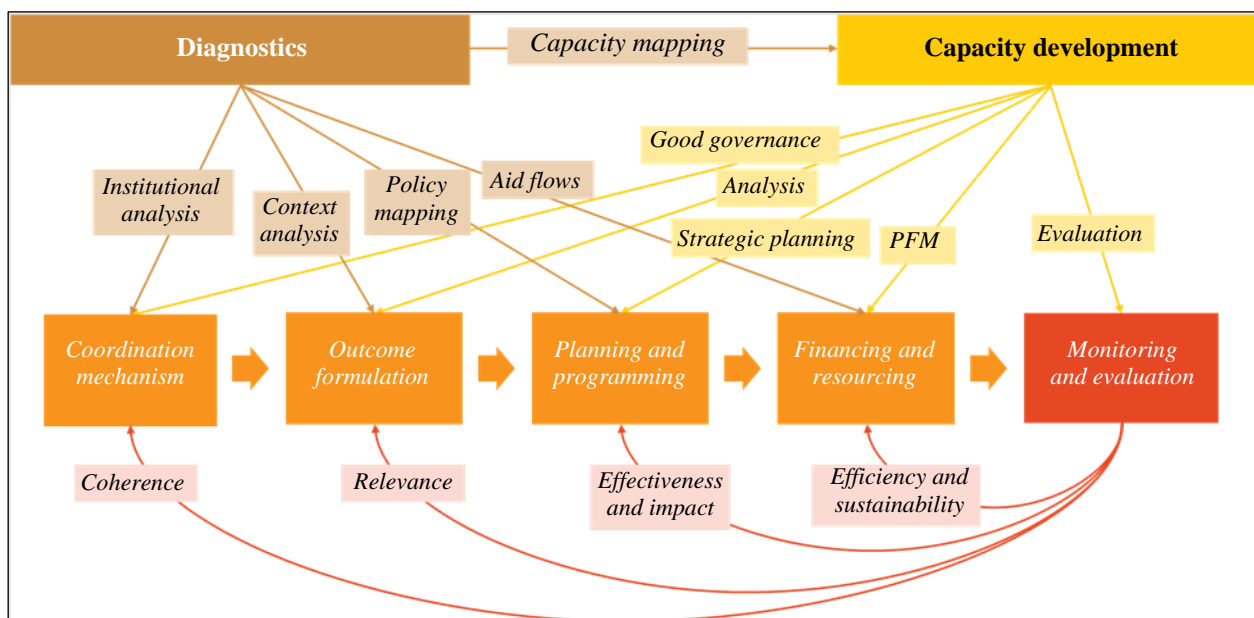
33. Enhancing bureaucratic quality and public administration is inextricably linked to building human capital within national institutions. This is not limited to capacity-building. Technical assistance providers should make sure that this entails transferring knowledge, that this knowledge is applied and effective, and that civil servants will be able to perform effectively as a result. Consequently, the hiring of competent personnel from the onset of the rebuilding process is vital to absorbing and operationalizing knowledge transfers. It is also critical to ensure that civil servants are safe and have sufficient salaries.

### *3. Mainstreaming the triple nexus approach within the public sector as a gateway to conflict prevention, peace and development*

34. The triple nexus approach is a policy framework based on the premise that delivering life-saving humanitarian assistance can and should be combined with long-term perspectives, so as to ensure more sustainable and resilient long-term human development. This suggested approach also includes mainstreaming the triple nexus approach to include the public sector within a conflict or fragile national context. It advocates that national public institutions should play a leading role in the provision of humanitarian aid, while respecting the principles of humanitarianism. It also suggests striving towards sustainable resilience-building development activities, in which Governments play a transformative role in identifying what their populations

need and being their advocates, in collaboration with United Nations and bilateral development partners, so as to devise sustainable and long-term solutions. The triple nexus approach requires Governments to break down barriers between their internal agencies, so as to recognize that solutions are seldom one dimensional. Moreover, the approach requires Government to seek pathways towards peace, build trust among its population, and address the sources of their grievances.

**Figure 8. ESCWA framework for operationalizing the triple nexus**



Source: Developed by ESCWA.

35. Figure 8 sets out a simple framework for mainstreaming the humanitarian-development-peace nexus in the public sector, with a specific focus on fragile and conflict-affected countries. The framework consists of three elements, two building blocks and one process, which is composed of five operational steps. Every operational step is related to each building block.

36. The first element is the diagnostics block. Before embarking on a process to develop collective outcomes in a country, it is crucial to understand the country's specificities, and whether they are conducive to establishing collective outcomes. The following five assessments are proposed:

- Institutional analysis: who are the major players that need to be brought on board (government actors, key donors, agencies)?
- Analysis of the social, economic, and political context.
- Analysis of existing planning frameworks and of development or humanitarian policies.
- Mapping of official development assistance and other aid flows: Where does aid go? Who receives it? What is it used for?
- Capacity-mapping: What is the level of institutional readiness, and what are the existing capacities of the public sector?

37. The second element in the nexus framework is its sequential process, reflected in five steps including establishing a coordination mechanism and monitoring and evaluation (figure 8).

38. The final element in the nexus framework is the capacity development block. To successfully operationalize the triple nexus, capacity-building targeting relevant State institutions (and other relevant national actors) could entail the following, covering all five steps of the nexus process:

- Institutional structures, systems and roles (step 1).
- Socioeconomic context analysis (step 2).
- Nexus-responsive planning capacities (step 3).
- Nexus-responsive financial management and budgeting capacities (step 4).
- Nexus-responsive monitoring and evaluation capacities (step 5).

#### *4. Understanding and addressing needed public institution capacity*

39. Conflicts have root causes, which are not confined to one social, economic or governance silo. Certain drivers interconnect these three domains and other dynamics, including severe weather events or war in a neighbouring country. To address the multidimensional nature of risk, policymakers need to adopt a cross-sectoral and long-term method. Prevention approaches need to be ingrained in policymaking, programming and national strategies; and they have to be risk informed.

40. Between October 2022 and June 2023, consultations among Arab conflict-affected countries held by the League of Arab States culminated in two resolutions,<sup>15</sup> stressing the importance of enhancing national capacity for risk-informed policymaking. ESCWA has received several technical requests on strengthening risk management practices, so as to build State institutions' capacity to ensure more proactive engagement in tackling the drivers of high vulnerability and low resilience.

### **Box 3. Risk-informed policymaking in Libya**

In July 2023, Libya took part in a risk-informed policymaking training workshop, which consisted of six sessions and included four practical work assignments, including a detailed analysis of the factors contributing to the country's vulnerability and resilience. Drawing on the ESCWA Arab Risk Monitor, the analysis studied the key drivers of high vulnerability and low resilience. This was coupled with an examination of significant risk trends over the last 10 years. Against this backdrop, participants addressed three critical risk pathways: climate, conflict, and development. They investigated the underlying roots of vulnerability, and suggested strategies to strengthen resilience. Furthermore, the workshop presented worst-case future scenarios to develop preventive measures.

A major aspect of the workshop was the transformation of the risk assessments into applicable public policies and programmes. The training concluded by exploring opportunities that serve to strengthen institutional capacity, including existing mechanisms, so as to advance risk prevention through higher resilience.

The workshop resulted in the formation of a national risk team, consisting of trained civil servants and experts from various ministries. This initiative is a practical example of strengthening risk-informed policymaking, thus strengthening the ability of Libya to anticipate and mitigate risks effectively.

*Source:* Compiled by ESCWA.

41. Prevention of risk, in particular conflict relapse and the safeguarding of recovery processes, requires an objective and evidence-based assessment of how conflict dynamics have affected State capacity and authority. It is critical for policymakers, State builders and reformers to understand the key challenges related to rebuilding public institutions while simultaneously enhancing their prevention capacity. Successful institution-building towards peace and sustainable development requires a transformation that tackles local grievances

<sup>15</sup> The subcommittee to support the attainment of the SDGs in Arab countries affected by conflict consisting of Iraq, Jordan, Lebanon, Libya, Palestine, Somalia, Sudan, Syria and Yemen. The subcommittee is part of the League of Arab States' Committee on Sustainable Development. The resolutions were issued in the subcommittee meetings of 7 December 2022 and 12 June 2023.

and needs, and promotes active citizen engagement and participation in public affairs. The process should also promote the relationship between State institutions with society, thus enhancing the former's legitimacy while fomenting sustainable peace.

42. To assess key challenges facing institution-development efforts, including issues of efficiency, accountability or equality, ESCWA has developed a gaps assessment methodology that could be tailored to enhancing the prevention capacity of public institutions. The methodology could be applied by civil servants as part of support, development and training programmes, based on priorities identified in their field work and in line with available resources. The methodology covers the following objectives:

(a) Objective assessment: empowering relevant institutions to self-assess their capacity, identify strengths and weaknesses in capacity, determine required resources and needs, and set an appropriate period for evaluation and review;

(b) Institutional operationalization: empowering relevant institutions, based on results collected and analysed under the methodology and through results-based support and training programmes, to improve their performance in line with priorities, available resources, and the resulting capacity from the aforementioned programmes.<sup>16</sup>

**Table 2. Examples of priorities and capacities targeted in the methodology**

<b>Priorities of conflict-affected environments</b> (priorities that institutions must be capable of fulfilling)	<b>Main institutions</b>	<b>Key capacities</b> (technical, functional, and political support that institutions must possess to fulfil priorities)
<ul style="list-style-type: none"> <li>• Ensuring fully inclusive political processes.</li> <li>• Guaranteeing security, including the security of individuals.</li> <li>• Ensuring access to justice and the rule of law.</li> <li>• Relaunching economic activities.</li> <li>• Providing basic services.</li> <li>• Other: reconciliation, reintegration, recovery and reconstruction, among others.</li> </ul>	<ul style="list-style-type: none"> <li>• Political institutions: governance.</li> <li>• Financial institutions: economic.</li> <li>• Institutions concerned with security and justice.</li> <li>• Social institutions responsible for providing services.</li> <li>• Institutions involved in planning.</li> </ul>	<ul style="list-style-type: none"> <li>• Capacity to evaluate an environment or given situation, and identify a vision and functions.</li> <li>• Capacity to make and implement decisions.</li> <li>• Capacity to formulate policies and strategies.</li> <li>• Capacity to develop, implement and manage a budget.</li> <li>• Capacity to monitor and evaluate.</li> <li>• Other: anticipate risks, provide mediation, adapt to change, promote integration, and act in a conflict-sensitive manner, among others.</li> </ul>

Source: [E/ESCWA/EC.6/2019/12](#).

43. As a complement to the risk informed policymaking and institutional gaps assessment capacity-building programmes, ESCWA Cluster 6 offers an overall programme that enhances project and policy planning in fragile contexts. The programme was implemented in Iraq, the State of Palestine, the Sudan and Yemen. The programme is designed to strengthen coordination and collaboration between the central Government, specifically the ministries of planning and international cooperation, and planning offices and offices of ministries and directorates at the governorate level. Project and policy planning are a prerequisite for

<sup>16</sup> [E/ESCWA/EC.6/2019/12](#).

supporting the sustainability of the planning process at the local and central levels. The programme also emphasizes policy coherence, localization of strategies and plans, and coordination and partnership at the central and local levels and with the multilateral system. The strategic planning process is derived as a basic entry point for restoring the role of public institutions, and enhancing their legitimacy and people's confidence in them. A key aspect to the programme is citizens' participatory approach in the process of determining their needs and priorities, and in developing plans and programmes and contributing to their implementation, follow-up and oversight.

#### *5. Halting human resources depletion and brain drain in the public sector*

44. It is vital to halt human resources depletion and brain drain in the public sector, otherwise the State's institutional capacity to deliver basic services and lead recovery and peace processes will remain untenable. The rapid proliferation of non-governmental organizations encourages brain drain from the public sector by luring workers away with higher salaries, leading institutions to crumble and services to fragment. The international community should not contribute to the draining of skilled human resources from the public sector. Moreover, given that national actors must lead recovery efforts, the international community must ensure that its work does not contribute to fragmenting national institutions or deepening existing divisions. International efforts should always support the integration of State institutions by building skills and capacity.

#### *6. Tackling the war economy*

45. The results of the erosion of trust and declining capacity of the State to implement its objectives are most visible in the informality of the labour markets and the prevalence of war economies. A fragmentation of central government power, especially in peripheral areas, contributes to the emergence and entrenchment of war economies that facilitate a relapse into violence.

46. War economies in the Arab region go beyond the economic activities associated with training fighters and producing and distributing arms and ammunition.<sup>17</sup> These war economies are deeply embedded in the wider conflict system, and allocate resources towards sustaining violence itself.

47. Consequently, recovering from conflict must address weak State institutions as a cause of an economic system that threatens a relapse into violence. Recent literature focuses on diagnostic efforts to identify the mechanisms that sustain war economies, but recovery strategies must also include policies on rebuilding State institutions while facilitating a transition towards sustainable economic development.

### **B. Social cohesion**

48. The reinforcement of group identities along ethnic or religious lines is an underlying factor of conflict relapse.<sup>18</sup> When horizontal inequalities among groups are politicized, reinforced group identities can nurture the perception of relative inequality and eventually foster conflict.<sup>19</sup>

49. In Arab conflict-affected countries, ongoing hostilities have reinforced polarization among group identities in recent years. These developments severely undermined the trust and confidence of citizens in governmental institutions.<sup>20</sup>

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<sup>17</sup> Rim, Turkmani, *ISIL, JAN and the war economy in Syria*, 2015; Tim Eaton and others, *Conflict Economies in the Middle East and North Africa*, 2019.

<sup>18</sup> United Nations and World Bank, *Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict*, 2018.

<sup>19</sup> Halvard Buhaug and others, *Inequalities, Grievances, and Civil War*, 2013.

<sup>20</sup> ESCWA, *Arab Governance Report II: Governance and Institutional Transformations in Conflict-affected Arab Countries*, 2016.



50. Moreover, studies show that failure to address horizontal inequalities and exclusionary access to economic and political State functions can undermine social and economic development.<sup>21</sup> Horizontal inequalities, both economic and political, are among the main factors contributing to protracted conflict and relapse into violence.

51. Consequently, reinforcing social cohesion, by addressing any form of exclusion, horizontal inequality and political antagonism, must underpin all political efforts in fragile contexts, so as to mitigate and prevent conflict. To achieve social cohesion in fragile social orders, national actors from various government departments must focus on several policy and programmes areas including the following:

- Addressing centre-periphery tensions by decentralizing power and resources to subnational levels.
- Strengthening tolerance by building common narratives that appeal to inclusive and peaceful values.
- Rebuilding fractured societies by promoting reconciliation processes that are based on inclusive social contracts.

#### *1. Decentralized development and strengthening local institutions*

52. The decentralization of power, services and resources to subnational levels could be a significant force for preventing and mitigating conflict. Identifying and supporting local institutional change could improve the delivery of essential services, and enhance government institutions' accountability.

53. Furthermore, equitable access to resources pre-empts the risk of violence. Solutions for the management of scarce resources that grant equal access to all groups must be devised, including access to water, electricity and education.

#### *2. A social contract based on an inclusive reconciliation process and sound governance*

54. The process of forging a social contract is built on political compromise. Nevertheless, for peace to last, the social contract must also be based on an inclusive reconciliation process. Emphasis must be placed on the need for consensus around governance mechanisms that can reconnect local and national institutions with citizens, while strengthening conflict resolution mechanisms and managing resource distribution. One of the conditions for successful societal reconciliation is ensuring that the reconstruction and development process, including the rebuilding or reform of State institutions, respond to the needs of the people (whether they are at the centre or periphery). Policies and programmes must be framed to address structural problems, inequalities and other grievances that have contributed to conflict, so as to prevent its relapse.

### **C. Human development**

55. Conflict reinforces inequalities by causing large-scale erosion of human development, thereby contributing to the emergence of poverty traps among groups directly affected by violence.<sup>22</sup> For example, conflict weakens the adaptive capacity of families, who modify their resource allocation away from investments in health and education, with potentially devastating short- and long-run repercussions for their well-being.<sup>23</sup>

56. Human development erosion is further exacerbated by demographics in Arab conflict-afflicted countries, as large numbers of children and young people are being exposed to disadvantages in critical stages

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<sup>21</sup> Francisco Gutiérrez and Gerd Schönwälder, *Economic Liberalization and Political Violence: Utopia or Dystopia?* 2010.

<sup>22</sup> Patricia Justino, *Violent conflict and human capital accumulation*, 2011.

<sup>23</sup> ESCWA, *The Impact of Conflict on Human Development from Childhood to Adulthood: Evidence for the Arab Region*, 2019.

of health and skill development.<sup>24</sup> Across the region, violence results in practices such as child marriage as a negative coping mechanism, which further reinforce poverty traps.<sup>25</sup>

57. Investing in human development plays a crucial role in reviving socioeconomic and institutional development. Consequently, there is an immediate need to mitigate the negative effects of conflict on education and health in conflict and post-conflict settings, through policy interventions that prevent conflict relapse.

#### *1. Education to rebuild human capital*

58. Conflict is one of the most devastating shocks to skill formation. Setbacks in the education of children and young people have lasting effects on lifetime trajectories, and are one of the major obstacles to social progression for the region. The destruction of human capital during childhood in particular is a well-documented mechanism leading to poverty traps. Children who interrupt their educational trajectories are more likely to rely on government assistance, and will have lower labour market outcomes resulting in a higher incidence of poverty.<sup>26</sup> Protracted conflict in Iraq, Libya, the Syrian Arab Republic and Yemen has deprived a large number of children and young people from formal education, in particular within the displaced population. These trends need to be reversed through appropriate education programmes, so as to provide education to school-aged children and rehabilitate those who did not finish school or receive any type of academic or vocational training. This would contribute towards the prevention of future risks of violence.

#### *2. Ensuring nutrition and health services*

59. Protracted conflict amplifies the exposure of civilians to the stress of violence. In addition to the cost of excess mortality, conflict affects health outcomes both in the short and the long term. The prevalence of malnutrition, communicable and non-communicable diseases, and limited or no access to health services severely affects virtually every aspect of human development. Chronic malnutrition, for example, can cause irreversible stunting, which significantly impacts a child's cognitive development. In Iraq and Yemen, exposure to conflict significantly increased stunting rates, with at least one third of children aged between 0 to 59 months experiencing stunted growth.<sup>27</sup> This highlights the urgent necessity for immediate policy interventions to reverse these negative trends that hamper development.

### **IV. Conclusion**

60. Drawing on a preliminary prevention framework to stop conflict and its relapse while supporting recovery, the present document provides policy recommendations for strengthening public institutions, focusing on the following three key areas:

- Strengthening the public sector for sustained prevention.
- Promoting social cohesion to foster inclusion.
- Supporting human development for resilience and recovery.

61. The first group of recommendations provides concrete actions to strengthen the public sector's approach to conflict prevention and recovery. The quality of bureaucracies is a crucial driver of development on all fronts, including the prevention of conflict. A number of national institutions can lead public sector strengthening, in line with existing institutional arrangements in a country. Some countries have ministries of administrative reform or similar bodies within the executive office of the Head of State.

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<sup>24</sup> ESCWA, [Protracted Conflict and Development in the Arab Region: Trends and Impacts in Conflict Settings, Issue No. 4](#), 2015.

<sup>25</sup> ESCWA, [The Impact of Conflict on Human Development from Childhood to Adulthood: Evidence for the Arab Region](#), 2019.

<sup>26</sup> Patricia Justino, [Violent conflict and human capital accumulation](#), 2011.

<sup>27</sup> ESCWA, [The Impact of Conflict on Human Development from Childhood to Adulthood: Evidence for the Arab Region](#), 2019.

62. In extremely fragile contexts, the present document makes the case for mainstreaming the humanitarian-development-peace nexus in national institutions. This could be facilitated by national institutions responsible for coordinating international assistance, or for SDG harmonization. This role is often played by ministries of planning and international cooperation, at times within the framework of a specialized commission or national committee on sustainable development. Depending on the governance arrangements, national councils or a committee for economic and social planning may also fall under the Office of the Prime Minister/Head of Government. For such an approach to be effective, a national consensus is required on collective outcomes, based on which public institutions are mobilized. Aid coordination among the multilateral system and donor community is paramount. Technical teams from donors, the United Nations and the World Bank are a necessity. Such teams must also include national technical personnel.

63. The second group of recommendations addresses social cohesion. Several institutions have been identified to bridge the centre-periphery divide, either through dedicated ministries for local administration or local government, or via a high commission for coordination among subnational governments reporting directly to the Head of Government. Ministries of education can also strengthen tolerance by mainstreaming in national curriculums common narratives that advocate inclusiveness and peace. Ministries of youth and sports can promote activities that raise community awareness, reintegrate marginalized groups, and create an inclusive environment. Ministries of social affairs can bring together civil society and community leaders to actively promote unity and cohesion. National economic and social councils can organize, convene and facilitate broad based and participatory dialogues to forge a social contract and sustain peace. Such dialogues could include the participation of ministries of economy, social affairs, human rights and reconciliation (where available). Depending on the context, professional associations and trade unions could also be involved, and have proven useful in bridging differences.

64. The final group of recommendations emphasizes the interlinkages between human, economic and institutional development. Conflict reinforces inequalities, erodes human development, and contributes to the emergence of poverty traps among groups directly affected by violence. Investments in health, education and nutrition are therefore both an end in themselves, and a means to mitigate the negative effects of conflict, prevent relapse, and sustain recovery. Depending on the institutional arrangements in place, various national institutions can take the lead. A number of national systems include a cross-cutting ministry of social development, social affairs or social security, which is responsible for human development as a whole and partners with international organizations to ensure harmonized programming. In the absence of a cross-cutting institution, national actors who lead youth affairs include ministries of education and labour, dedicated ministries of youth affairs, or specialized directorates for training within the ministry of labour. As for health and nutrition, it is often ministries of public health that share responsibility for programming with ministers of social security (where present), or with line ministries in charge of specific sectors.

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