

**Economic and Social Commission for Western Asia (ESCWA)**

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Global and regional issues**The impact of conflict and instability
on development in the Arab region****Summary**

Peace and development are linked. No effort to improve people's lives is sustainable amid violence. Conflict and instability affect all areas of human development and endanger future prospects for growth. The damage can also spread to neighbouring countries. Recognizing this, the Sustainable Development Goals (SDGs) include peace as a key overarching objective for all societies.

Roughly half of the Arab countries have experienced armed conflict or instability since 2011. As basic services in some countries collapse, the spectre of an emerging "lost generation" hangs over the Arab region, which risks seeing a reversal of the development gains achieved over previous decades. Of the many consequences of conflict and instability, forced displacement is of particular concern. There were 10.6 million refugees and 15.2 million internally displaced people in the region in 2014.

This report underlines the need for short and long-term strategies to bridge institutional deficits in terms of conflict resolution and mitigation; policy mechanisms to mitigate conflict risk and damage at the regional level; and international aid that is conflict-sensitive.

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Introduction

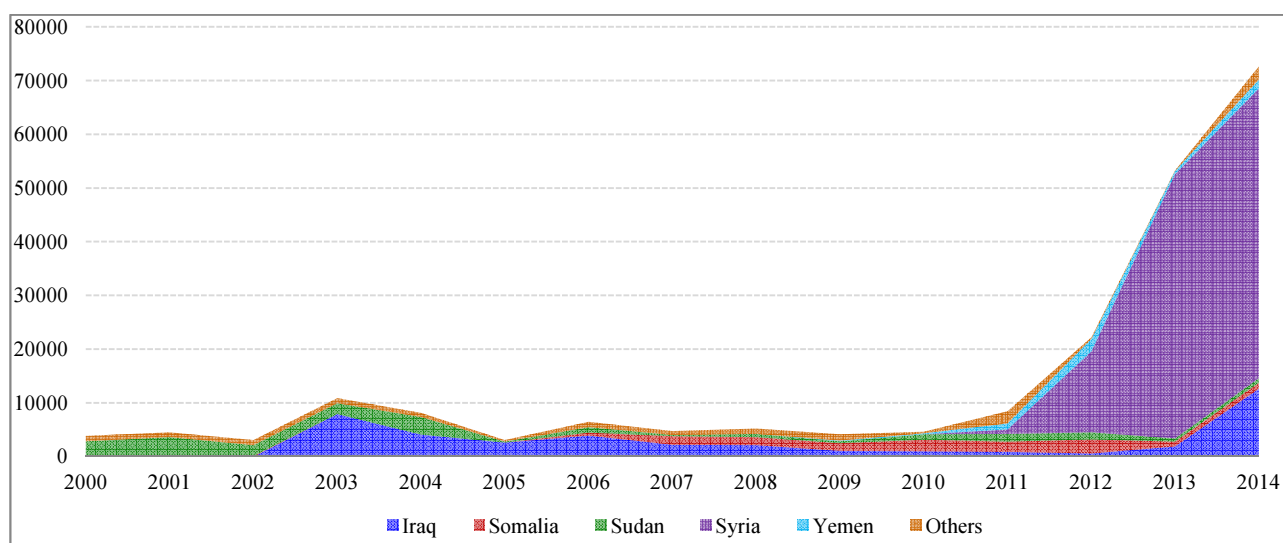
1. In 2000, when United Nations Member States signed up to the United Nations Millennium Declaration, they embarked on a comprehensive agenda known as the Millennium Development Goals (MDGs). In 2015, one of the many lessons learned is that violence and instability constitute enormous obstacles to development. Armed conflict and instability can reverse decades of socioeconomic progress, with disastrous consequences.

2. Peace and development are linked. No effort to improve people's lives is sustainable amid violence. Moreover, conflict can also affect or even spread to neighbouring countries. The new Sustainable Development Goals (SDGs) clearly include peace as a key overarching objective for all societies.

3. This is especially relevant to the Arab region. Roughly half of its countries have experienced armed conflict or instability since 2011, making it the region most affected by conflict in the world. In fact, 37.5 per cent of the Arab population lives in a country affected by conflict or instability as of 2015. Figure 1 shows the number of battle-related deaths in the Arab region between 2000 and 2014. The region is experiencing an upsurge in conflict and instability, particularly in Iraq, Somalia, the Sudan, the Syrian Arab Republic and Yemen. These crises seem to be increasing in intensity, in addition to becoming protracted, recurrent and contagious.

4. This report describes, through recent evidence from the Arab region, the main consequences of conflict on development. It then provides conclusions and policy recommendations.

Figure 1. Battle-related deaths in the Arab region, 2000-2014



Source: ESCWA calculations based on the battle-related deaths dataset of Uppsala Conflict Data Program, Uppsala University. Available at www.ucdp.uu.se.

I. THE IMPACT OF CONFLICT AND INSTABILITY ON DEVELOPMENT

5. Violence affects all areas of human development: income, health and education, access to resources and future opportunities.

A. INCOME AND LIVELIHOOD

6. Armed conflicts generate poverty and can create downward spirals leading to “conflict traps”.

TABLE 1. GDP GROWTH FOR ARAB COUNTRIES AFFECTED BY CONFLICT OR INSTABILITY
(Percentages)

	Iraq	Libya	Sudan	Syria	Yemen
2000	1.4	3.7	6.3	2.7	6.2
2001	2.3	-1.8	6.5	5.2	3.8
2002	-6.9	-1.0	6.4	5.9	3.9
2003	-33.1	13.0	7.7	0.6	3.7
2004	54.2	4.5	3.9	6.9	4.0
2005	4.4	11.9	7.5	6.2	5.6
2006	10.2	6.5	10.1	5.0	3.2
2007	1.4	6.4	11.5	5.7	3.3
2008	6.6	2.7	7.8	4.5**	4.0
2009	5.8	-0.8	3.2	5.9**	4.1
2010	5.5	5.0	3.5	3.4**	3.3
2011	10.2	-62.1	-2.0	-3.4**	-15.1
2012	12.6	104.5	-2.2	-19.5**	2.5
2013	8.4	-13.6	3.3	-20.6**	4.2
2014	-6.4	-24.0	3.1	-17.0**	0.3*
2015	-1.0*	0.5*	2.6*	-11.7**	-2.8*

Sources: Estimates from: World Bank (2015). World Development Indicators, 2015. Washington, DC: World Bank, except (*) World Bank's Global Economic Prospects, June 2015, and (**) Business Monitor International (2015), available at www.bmiresearch.com.

7. Conflict and instability inhibit or reduce national economic growth. On average, civil wars reduce GDP growth by more than 2 per cent for each year the violence goes on. Reliable macroeconomic figures are hard to come by for countries in conflict and published estimates tend to be volatile. Nevertheless, they can provide an idea of the overall impact of conflict and instability. Table 1 shows the rate of GDP growth for Arab countries currently experiencing instability. Its impact becomes evident from the decline in GDP observed, for example, during the 2003 invasion of Iraq, instability in Libya and Yemen in 2011, the ongoing conflict in the Syrian Arab Republic, and the upsurge of violence in Iraq and Libya.

8. Beyond the direct destruction of capital stock, conflict curtails economic activity in many ways: transport and communications infrastructure may be damaged; domestic and foreign investments decline as uncertainty and risks increase; consumption falls; international trade is disrupted; financial institutions become reluctant to lend to the private sector; increased public expenditure on war efforts crowd out other spending; and people are displaced or forced to migrate, losing their jobs, sources of revenue and education opportunities.

9. Figure 2 traces oil production trends in the five Arab countries currently afflicted by conflict or instability. Iraq experienced a severe drop in production during the war in 2003; the same occurred in Libya and the Sudan after 2011. However, while international support helped to sustain production in Iraq, the ongoing instability in the other two countries (plus the secession of South Sudan in the latter case) prevented a return to pre-war production levels. Extraction of oil in Yemen and the Syrian Arab Republic was already declining before their respective conflicts, but accelerated greatly thereafter.

10. Disruptions in the extraction and distribution of natural resources (where relevant), falling industrial and agricultural production, damage to transport infrastructure, insecurity, and the shutdown of borders and ports all hamper international trade. Table 2 shows growth rates for goods and services exports in three Arab countries for which recent information is available. Of particular note are the big declines in exports during periods of instability (Libya in 2011 and starting again in 2013; the Sudan in 2011-2012; and Yemen in 2011 and 2015), showing that violence and insecurity can deal a significant blow to trade and, therefore, hurt prospects of economic growth.

TABLE 2. GROWTH RATES OF EXPORT VOLUME FOR GOODS AND SERVICES IN SELECTED COUNTRIES
(Percentages)

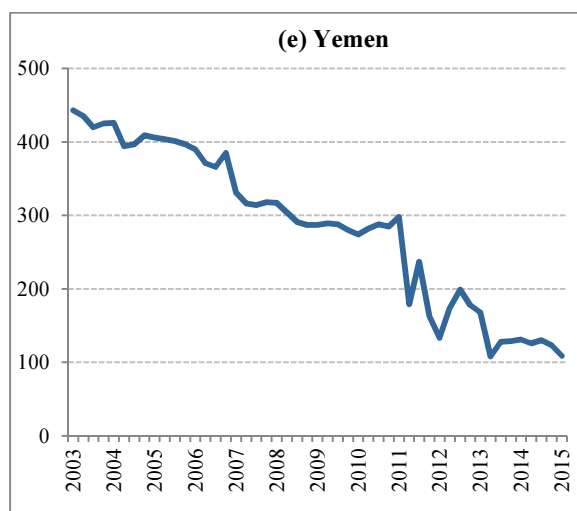
	Libya	Sudan	Yemen
2010	-0.84	4.45	4.25
2011	-69.16	-36.69	-17.71
2012	217.45	-57.20	-11.63
2013	-23.82	13.97	3.49
2014	-67.76	11.46*	10.17
2015	-32.27*	19.58*	-36.33*

Source: International Monetary Fund (2015) World Economic Outlook, October.

* IMF staff estimates.

Figure 2. Oil production in selected Arab countries
from 2003 to the first quarter of 2015
(Thousands of barrels per day)



Figure 2 (continued)

Source: ESCWA calculations based on data from the United States Energy Information Administration.

11. Conflict is generally accompanied by rising poverty. This can be caused by inflation resulting from rising energy and production costs, and scarcity due to international trade disruptions, infrastructure damage or exchange rate devaluations. It can also be caused by job losses as industries close, trade declines and production dwindles; diminishing transfers and subsidies as Governments prioritize war-related expenditure and/or lose parts of their territory; or the loss of savings and assets. This poverty-instability nexus is quite visible in two Arab countries with the lowest income per capita: Yemen and the Sudan. In the former, the poverty rate was already rising in the past decade, having reached 42 per cent of the population in 2009. Instability fuelled a further increase to 54.5 per cent by 2012.¹ As the violence persists and intensifies, poverty is expected to worsen and remain at a high level in the coming years. A dramatic increase in poverty in Syria has also been observed. In Libya, inflation driven by instability has hit households, particularly displaced families, hard and resulted in lost savings, reduced spending and poverty.² Through damage to infrastructure, a lack of access to public services, and displacement, conflict affects large segments of the population. An estimated 19.9 per cent of Iraqis require water, sanitation and hygiene assistance.³ In the Syrian Arab Republic and Yemen, 52.1 per cent and 79.9 per cent of people, respectively, do not have access to safe water and sanitation.⁴

12. Recent reports suggest not only that conflict causes food insecurity, but that the degree of insecurity is directly related to the severity of the conflict. The most recent edition of the Global Food Security Index shows that the Sudan, the Syrian Arab Republic and Yemen can be considered as food insecure relative to the distribution of the developing countries (figure 3). Recent estimates place the proportion of the population requiring food assistance in the Syrian Arab Republic at 44 per cent, 50.5 per cent in Yemen and 13 per cent in the Sudan.⁵ This can also trigger further episodes of violence.

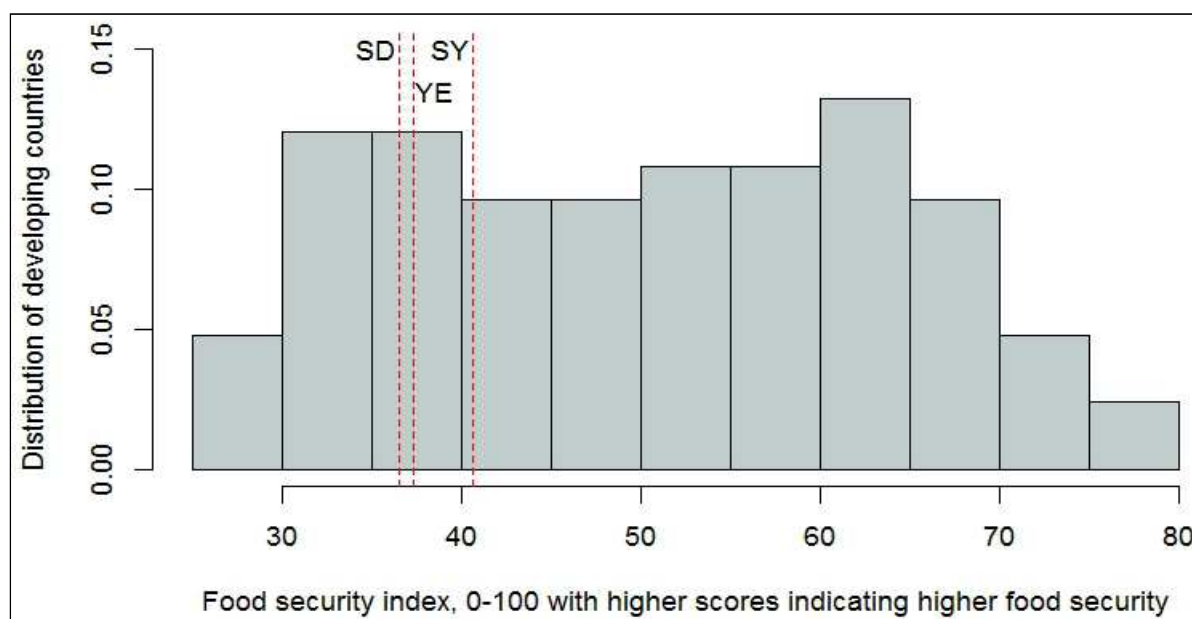
¹ World Bank, 2015. *Yemen Overview*. Available at www.worldbank.org/en/country/yemen/overview. Accessed 6 November 2015.

² United Nations Development Programme (UNDP) et al., 2015. *Libya Multi-Sector Needs Assessment*. June-July.

³ Office for the Coordination of Humanitarian Affairs (OCHA), 2015. *Iraq Humanitarian Response Plan*. June.

⁴ United Nations Children's Fund (UNICEF), 2015. *Syria Humanitarian Action for Children*; OCHA (2015). *Yemen Humanitarian Response Plan*. June.

⁵ Food Security Cluster, 2015. *Syria Food Security Sector Factsheet*. September; OCHA (2015). *Yemen Humanitarian Response Plan*. June; OCHA (2014). *Sudan Humanitarian Needs Overview*. October.

Figure 3. Global food security index in selected Arab countries, 2015

Sources: ESCWA calculations based on data from the Economist Intelligence Unit (2015).

Notes: The chart shows a histogram of the observed distribution of developing countries for the index, with Arab countries in conflict highlighted (if available). The Global Food Security Index is a composite indicator obtained by aggregating 28 variables measuring affordability, availability and quality as drivers of food security. It ranges from 0 to 100; higher numbers indicate higher food security. SD = Sudan, SY = Syrian Arab Republic and YE = Yemen.

B. HEALTH AND EDUCATION

13. Conflict directly exposes populations to conditions that increase mortality and disability. The most obvious source is battle-related deaths among civilians and soldiers. The effect of this on aggregate life expectancy and mortality levels depends on the kind of warfare. Low-scale guerilla warfare will produce fewer battle deaths than conflicts in which artillery and aerial bombardment are used.

14. However, the indirect effects of conflict are likely to be much greater and long-lasting. Conflict increases exposure to disease and disrupts health care services and overall socioeconomic conditions. A recent study found that much of the difference in infant mortality rates between countries can be attributed to conflict.⁶ The health consequences of conflict are more severe for women than for men, even though fewer women are directly killed in battle.⁷

15. Figures emerging from current conflicts in the Arab region underline the impact of fighting on the health of the population. In Syria, 57 per cent of public hospitals are either partially closed or out of service. Vaccination rates have declined from almost 100 per cent before the war to 50-70 per cent.⁸ In Yemen, 160 health facilities are shut due to insecurity and a lack of material and medicines, leaving an estimated 59.5 per cent of the population without essential health care. The respective figures are 30.1 per cent in Libya, 18.7 per cent in Iraq and 13.1 per cent in the Sudan.⁹

⁶ Iqbal, Zaryab, 2010. *War and the Health of Nations*. Stanford, CA: Stanford University Press.

⁷ Plümper, Thomas and Eric Neumayer (2006). "The unequal burden of war: The effect of armed conflict on the gender gap in life expectancy". *International Organization* 60.3, pp. 723-754.

⁸ UNICEF (2015). *Syria Facts & Figures Health*, September.

⁹ OCHA, 2015. *Yemen Humanitarian Response Plan*. June; *Libya Humanitarian Needs Overview*. September; *Iraq Humanitarian Response Plan*. June; *Sudan Humanitarian Response Plan*. January.

16. Conflict can hinder the cognitive, socio-emotional and physical development of children. Child malnutrition can have an irreversible impact on educational, labour and productivity outcomes. Recent figures put the incidence of acute malnourishment for children under the age of five at 20.2 per cent in the Sudan. A third of such children in Yemen are at least moderately malnourished.¹⁰

17. Recent evidence demonstrates the adverse affect of conflict on education, with reduced enrollment and rising dropout rates. An estimated 23 per cent of schools in Yemen are closed due to fighting, and 24 per cent of schools in the Syrian Arab Republic have been damaged, destroyed or converted into shelters. In Libya, 46 per cent of schools are inaccessible due to insecurity and an additional 27 per cent are used as shelters by internally displaced persons (IDPs). Pupil-to-teacher ratios in the Sudan have increased up to 1:139 in some emergency-affected areas. Some 40 per cent of school-age children in Iraq, Libya, the Sudan, the Syrian Arab Republic and Yemen were not attending school as of mid-2015, leading UNICEF to speak of a “lost generation”.¹¹

C. THE SPECIAL CASE OF THE FORCIBLY DISPLACED

18. Forced displacement is of particular concern in the Arab region. Large segments of the population have been forced to migrate internally or abroad. The first panel of figure 4 shows the increase in the share of conflict-related migrants in relation to total population. The increase in the number of IDPs since 2012 is striking. In addition to 4.3 million Syrian refugees and the long-standing Palestinian refugee population, there has been an increase in forced displacement related to conflict and instability originating from Iraq, Libya, Somalia, the Sudan and Yemen (figure 4 (b) and (c)). As of 2014, there were 10.6 million refugees from Arab countries, in addition to 15.2 million internally displaced.¹² The Arab region has by far the highest ratio in the world of refugees as a percentage of total population.

19. Forcibly displaced populations are obliged to abandon their education, jobs and physical assets in search of even marginal gains in personal security. They are exposed to health problems, food insecurity, poverty, disruption of networks and poor future prospects. An estimated 23 per cent of IDPs in Libya, for instance, live in substandard shelters and are highly exposed to disease and insecurity.¹³ About 75 per cent of Sudanese IDPs cannot meet their essential needs.¹⁴

20. Families forced to leave their homes due to conflict face great difficulties when trying to continue their children’s education. It has been found that, although living in a conflict-affected region can adversely affect a child’s education, the effect is worse still on children forced to flee. In Iraq, only 52 per cent of IDP children in camps attend school, and only 30 per cent of those outside camps. In Libya, 20 per cent of school-age IDPs do not have access to education. An estimated 57 per cent of Syrian refugee children are not in school.¹⁵

¹⁰ OCHA, 2015. *Sudan Humanitarian Response Plan*. January; *Yemen Humanitarian Snapshot*. October.

¹¹ OCHA, 2015. *Yemen Humanitarian Snapshot*. October; UNICEF, 2015. *Syria crisis dashboard*. April; OCHA, 2015. *Libya Humanitarian Needs Overview*. September; UNICEF, 2015. *Sudan Education Sector Bulletin*. September; UNICEF, 2015. *Education under fire: how conflict in the Middle East is depriving children of their schooling*. Available online at www.unicef.org/mena/Education_Under_Fire.pdf.

¹² ESCWA calculations based on data from the Office of the United Nations High Commissioner for Refugees (UNHCR) and the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), as of 3 November 2015.

¹³ OCHA, 2015. *Libya Humanitarian Need Overview*. September.

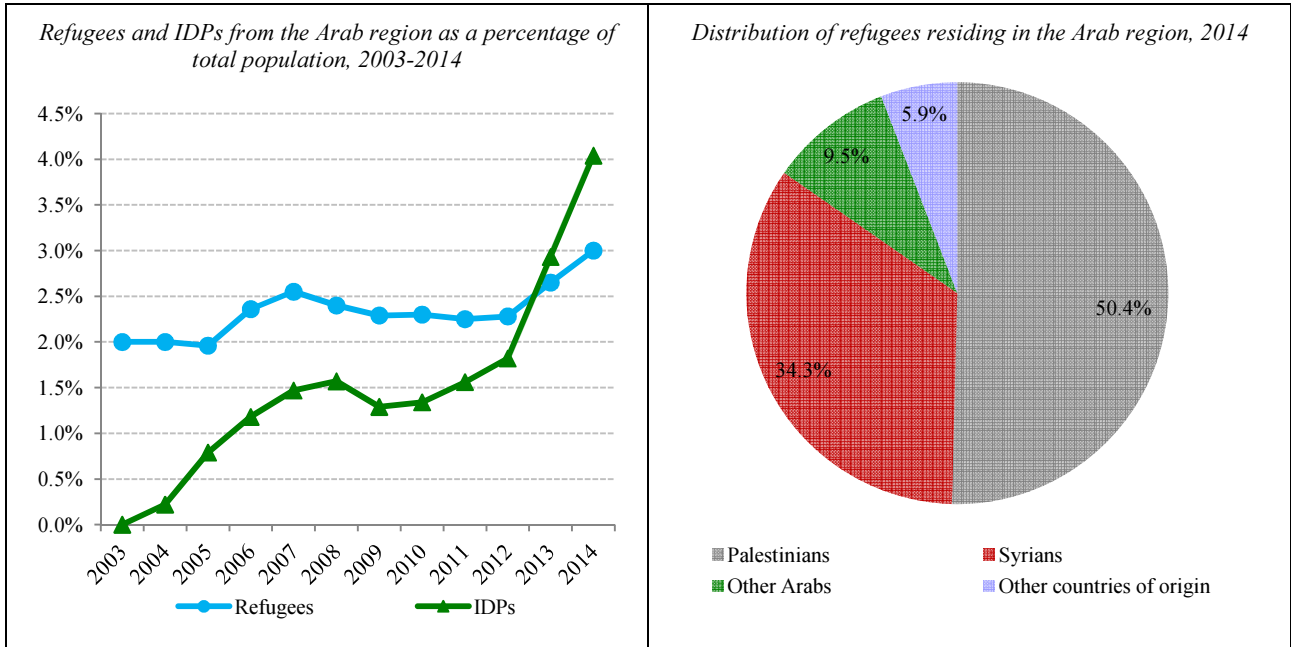
¹⁴ OCHA, 2014. *Sudan Humanitarian Need Overview*. October.

¹⁵ OCHA, 2015. *Iraq Humanitarian Response Plan*. June; UNICEF, 2015. *Libya Situation Report*. March; UNICEF, 2015. *Syria crisis dashboard*. April.

Figure 4. Refugees and IDPs in the Arab region

(a) The growing intensity and duration of conflicts have forced large numbers of people in the Arab region to migrate

(b) Most Arab refugees (majority are Palestinians and Syrians) have sought refuge in other Arab countries



Sources: ESCWA calculations based on data from UNHCR and UNRWA.

(c) As violence continues in Iraq, Libya, Somalia, the Sudan, the Syrian Arab Republic and Yemen, there is no sign of forced displacement abating

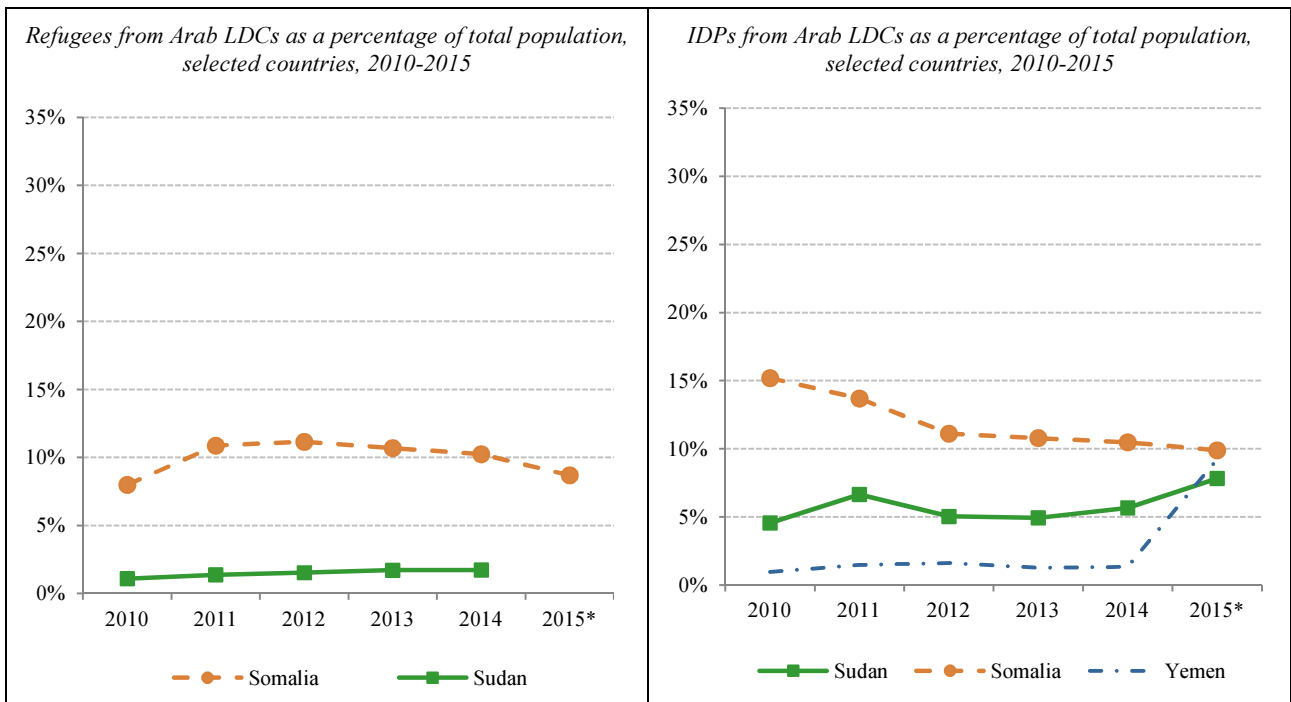
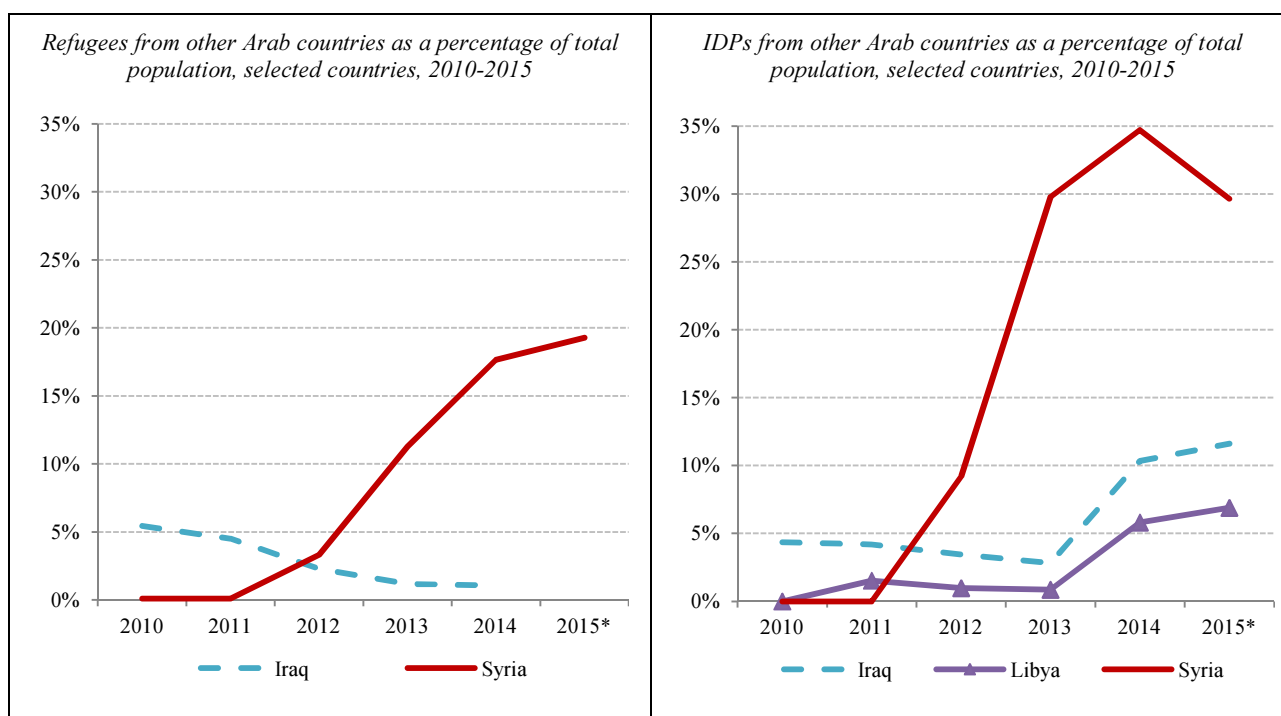


Figure 4 (continued)



Sources: ESCWA calculations based on data from UNHCR, UNRWA and OCHA as of 3 November 2015.

Notes: LDCs = Least Developed Countries.

* Partial estimates as of October 2015.

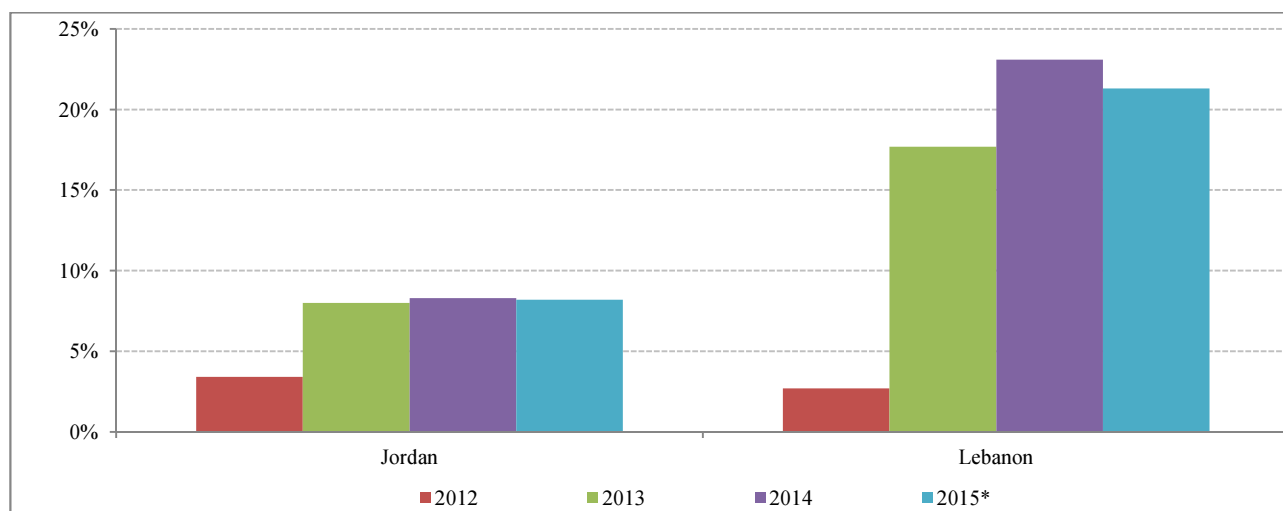
21. Host communities may also suffer from increased competition for scarce services and resources, increased exposure to health problems, localized inflation and reduction in wages. The movement of refugees across borders can also contribute to the spread of conflict.

22. The Arab countries most affected by the influx of refugees from the Syrian Arab Republic are Lebanon and Jordan (figure 5). The most recent data show that the number of registered refugees relative to total population peaked in 2014 at 8.3 and 23.1 per cent of the population in Jordan and Lebanon, respectively. Anecdotal evidence suggests that the small relative decrease observed so far in 2015 can be attributed in part to return migration prompted by the dwindling resources available for humanitarian response, as well as onward migration to other destinations.

23. The social and physical infrastructure of both countries has been struggling to cope with the vast numbers of refugees. In Lebanon, water, sanitation, energy services, hospitals and schools have been overstretched. Unemployment among the Lebanese has doubled since 2011 and labour informality has spread with the growing supply of workers, particularly unskilled. Poverty among the host population has risen by 61 per cent since 2011 and further increases are expected. Nearly half of those affected (among the local population and the refugees) are children and adolescents, growing up in conditions of vulnerability and deprivation.¹⁶

¹⁶ Government of Lebanon and United Nations, 2014. *Lebanon Crisis Response Plan 2015-2016*. Available at www.unocha.org/cap/appeals/lebanon-crisis-response-plan-2015-2016.

Figure 5. Syrian refugees in Jordan and Lebanon as percentage of population, 2012-2015



Sources: ESCWA calculations based on data from the UNHCR.

Note: these figures include only registered refugees.

* As of 3 November 2015.

24. In Jordan, infrastructure has been strained and already scarce resources such as water have been over-exploited in order to meet the needs of the growing resident population. This has had an impact on the national budget.¹⁷ Unemployment climbed from 14.5 per cent in 2011 to 22.1 per cent in 2014, particularly among the young and the unskilled workers.¹⁸

D. LONG-TERM ECONOMIC PROSPECTS AND THE GENERATIONAL IMPACT

25. Conflicts kill and injure people, destroy infrastructure, and damage production factors such as land and other assets. Their impact on nutrition, health and education reduces human capital.

26. A particular concern in some Arab countries affected by conflict and instability is the arrival of foreign fighters and the multiplication of armed non-State actors. Measures to dealing with such phenomena, including enhanced border controls, the monitoring of funding and weapons trafficking, and DDR (disarmament, demobilization and reintegration) programmes are essential to sustaining peace in the long term.

27. Productivity gains may be reversed through population displacement, investment flight, network disruptions, loss of accumulated knowledge and a shift towards informal economic activities. Risks may remain high for a long period, resulting in costly capital and volatile financial flows, which in turn can affect growth prospects with potential knock-on effects for generations.

E. NATURAL RESOURCES

28. The presence of natural resources, including commodities and water, can aggravate conflict and, conversely, their extraction and management may be adversely affected by violence. The desire to control

¹⁷ United Nations and Jordan Response Platform, 2015. *Jordan Response Plan for the Syria Crisis 2015*. Available at <https://docs.unocha.org/sites/dms/Syria/Jordan%20Response%20Plan.pdf>.

¹⁸ International Labour Organization, 2015. *Impact of Syrian Refugees on the Jordanian Labor Market*. Available at <https://data.unhcr.org/syrianrefugees/download.php?id=8697>.

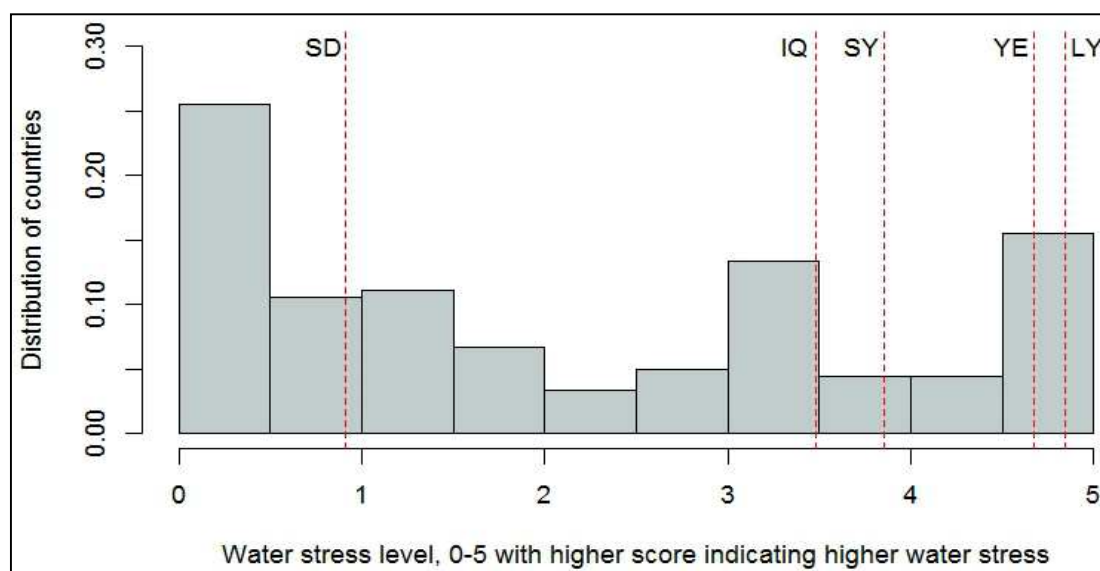
oil resources can spark conflict, in particular in the case of attempts at secession in countries where such resources are concentrated in specific locations. Rents from resource extraction can give rise to clientelism, and economies that depend on oil and other commodity exports are vulnerable to international price shocks, which can unleash conflict. The availability of resources that can be looted may prolong conflicts.

29. Some Arab countries suffer from severe water scarcity, which could also give rise to violence. Figure 6 shows that Libya and Yemen (and, to a lesser extent, Iraq and the Syrian Arab Republic) face high water-stress levels.

F. REGIONAL AND GLOBAL RAMIFICATIONS

30. Damage caused by conflict is not limited to the domestic economies of the countries concerned. Civil wars have an adverse effect on the economies of neighbouring countries. The Institute of International Finance estimates the cumulative loss of output due to spillovers from the Syrian crisis for 2011-2014 in Jordan and Lebanon at 7.9 and 8.9 per cent of their GDP, respectively. In addition to the arrival of conflict-driven migrants, the spillover manifests itself in reduced international trade, which in turn depresses growth for all trading partners. The World Bank estimates the per capita cumulative indirect effect between 2011 and 2014 of the Syrian and Iraqi crises on Lebanese, Jordanian and Egyptian exports at -2.2 per cent, -5.8 per cent and -9 per cent respectively.¹⁹ Investments and financial flows may also be diverted as regional risks increase.

Figure 6. Water stress level in the Arab, selected countries, 2013



Sources: ESCWA calculations based on data from the World Resources Institute (<http://www.wri.org>).

Notes: The chart represents the histogram of the observed distribution of countries for the index, with the Arab countries in conflict highlighted. The baseline water stress level is an indicator constructed from the ratio of total annual water withdrawals to total available annual renewable supply. It ranges from 0 to 5; higher numbers indicate higher water stress. IQ = Iraq, LY = Libya, SD = the Sudan, SY = the Syrian Arab Republic and YE = Yemen.

31. Tourism also suffers. Instability in one country can increase the perception of insecurity beyond its borders. Arrivals of tourists and their contribution to the economy declined considerably in Arab countries that depend most on this source of income (figure 7). Although the trend can be explained partly by domestic instability, it can in part be attributed to an increased perception of risk at the regional level.

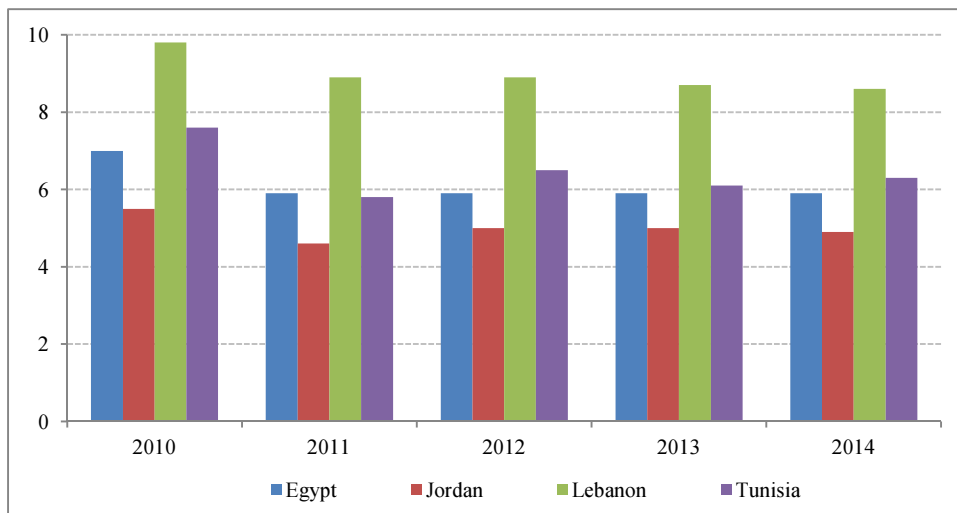
¹⁹ Ianchovichina, Elena and Maros Ivanis. 2014. Economic effects of the Syrian war and the spread of the Islamic state on the Levant. Policy Research working paper No. WPS 7135. Washington, DC: World Bank Group.

Figure 7, particularly panel c, shows that tourism in Egypt, Lebanon, Tunisia and, to a lesser extent, Jordan were severely affected, with receipts decreasing by two-digit numbers in 2011 in the first three countries. After a partial recovery (in all but Lebanon) in the following year, the downward trend resumed in 2013. The small recovery observed in 2014 comes from a very low base and will probably be reversed again due to increased instability and insecurity in 2015.

32. There is a direct correlation between the possibility of the outbreak of hostilities conflict in a given country and conflicts under way in neighbouring countries. Contagion is not contained to nearest neighbours, and indeed can extend well beyond the closest borders, especially if there is an ethnic or cultural component to the crisis. Conflicts can have global repercussions, since they encourage drug smuggling, people trafficking, the proliferation of illicit weapons and radical ideologies, and an escalation in terrorist activities.

Figure 7. Tourism indicators in selected Arab countries, 2010-2014

(a) Direct contribution of the tourism sector to total employment (Percentages)



(b) Number of arrivals of overnight visitors (Millions of tourists)

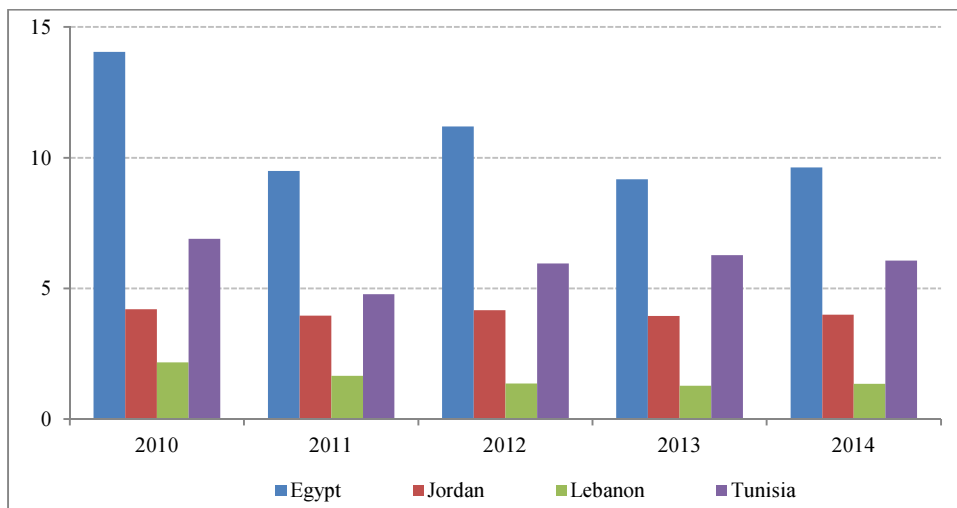
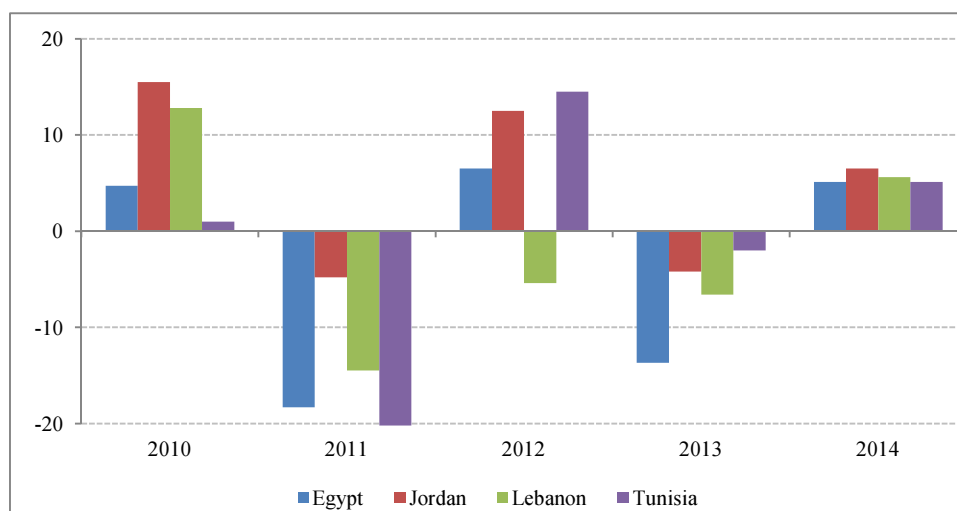


Figure 7 (continued)

(c) Growth of internal tourism consumption (Percentage growth rate)



Source: World Travel and Tourism Council (panels a, c) and United Nations World Tourism Organization (panel b).

II. CONCLUSIONS AND RECOMMENDATIONS

33. Seven out of 22 countries in the Arab region are affected by conflict and instability of varying intensity. More than 136 million people in the region – 37.5 per cent of the total population – live in a country fragmented by civil war. Palestine is suffering from the longest ongoing occupation in modern history. The collapse of basic services, including health, education, water and sanitation, is putting the region at risk of creating a “lost generation” of children and reversing the development gains of previous decades. Policy recommendations to address these challenges follow.

34. **Building national capacities for achieving the SDGs.** Societies fractured by violence, civil strife and instability require detailed (post)-conflict risk assessment in order to deliver on a transformative agenda. Such an assessment must consider root causes and triggers of conflict and instability, structural factors, and the vulnerability profile of different segments of the population. A detailed risk assessment methodology can help member countries to formulate conflict-sensitive approaches to development, manage strained natural resources upon return of the population, and mitigate tensions to avoid conflict relapse and promote social cohesion. It will include assessment of risks and needs, coupled with national prioritization and costing in an accompanying transitional results matrix. Conflict and instability-sensitive approaches can minimize harm and focus on peace enablers to drive positive change. Primary tasks include identifying, protecting and nurturing national capacities and promoting a social contract that fosters solidarity and shared responsibility between women and men, generations, and nationals and non-national residents, including migrants and refugees.²⁰ National ownership of priorities and reforms is essential.

35. **Developing regional policy mechanisms to mitigate conflict risk and damage.** To be effective, many conflict-related policies must be coordinated across borders. Countries in the Arab region should work jointly on regional policy frameworks to address conflict and instability, such as: regional arms control mechanisms; employment strategies; border security; and social justice. Commencing a regional dialogue would help facilitate such joint policy frameworks, something to which ESCWA can contribute.

²⁰ United Nations Research Institute for Social Development (UNRISD), 2015. *The Sustainable Development Agenda, From Inspiration to Action*. September.

36. **Assessing conflict damage.** Countries should develop the capacity to assess damage, loss and needs. Reconstruction costs alone will run into hundreds of billions of dollars; economic and social costs will be far higher and longer lasting. Governments will need to learn to respond to such devastation. Good planning and rapid assessments can shorten the time needed to recover and rebuild after episodes of conflict and violence, and help to preserve scarce resources, reducing the risk of relapse.

37. **Providing conflict-sensitive assistance and aid allocation instruments.** Aid currently arrives too slowly and is too vulnerable to risk to support confidence-building interventions and early response policies. Aid instruments often circumvent national systems and thus do not build core local capacities. Closing the gap between international commitments and delivery requires concerted efforts to hold the international system accountable, align with the priorities of fragile States and provide innovative solutions for aid delivery. Aid is only one part of the new fiscal compact. The Addis Ababa Action Agenda on financing for development calls for a range of innovative instruments to help countries to leverage private and domestic finance.

38. **Adopting short and long-term strategies to respond to institutional deficits.** In the immediate aftermath of conflict, people need to feel that their core needs are met and basic services delivered. This can entail a wide array of activities, including emergency employment, growth, access to electricity and water, and ensuring fair distribution of goods.²¹ Tackling malnutrition at early ages, restoring primary and secondary schools to their full functionality, providing emergency employment through self-employment or small viable enterprises with targeted provisions for youth, women and IDPs are all measures to be taken at early stages that have demonstrated potential to signal not only positive change, but also trust and hope among people for a return to normalcy.

²¹ UNDP, 2013. *Restore or reform, UN support to core government functions in the aftermath of conflict.*