Fragile and Conflict-Affected Situations: Intertwined Crises, Multiple Vulnerabilities

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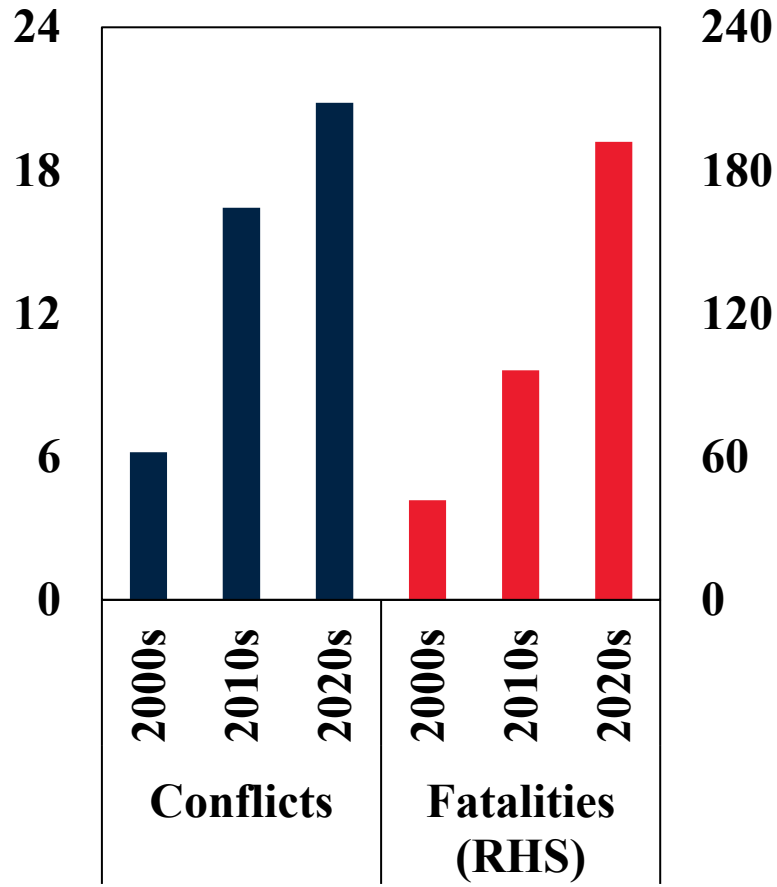
Fragile and Conflict-Affected Situations (FCS)

Rising Conflicts; Weak State Capacity; Stagnant Income Growth

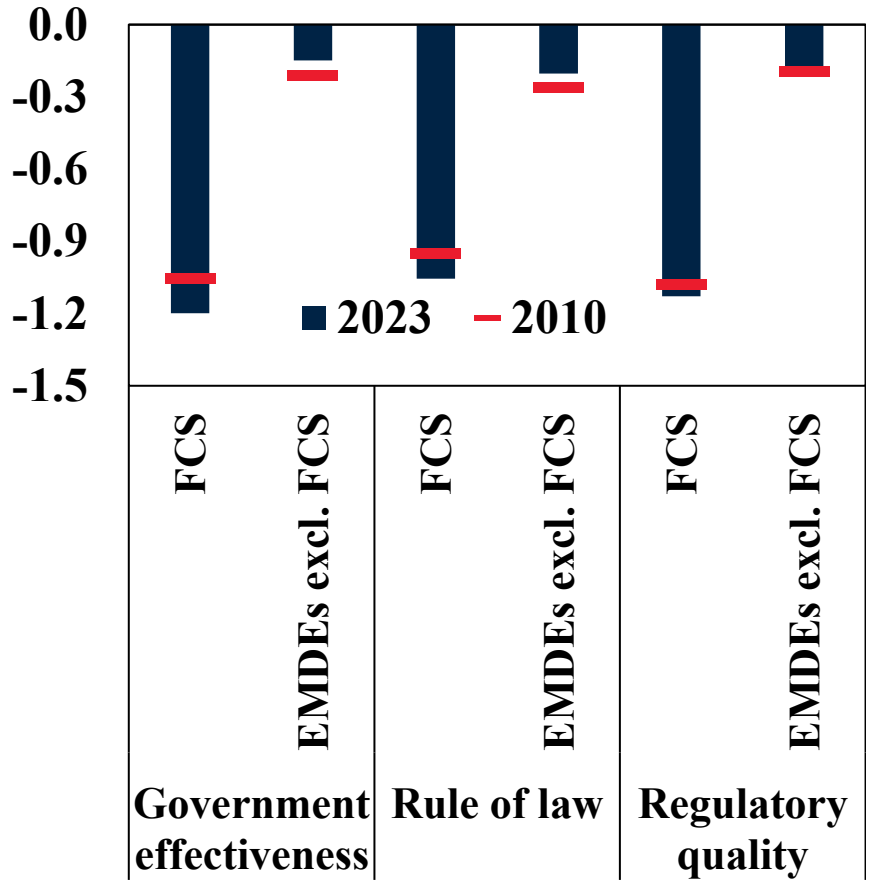
Conflicts and conflict-related fatalities

(Thousands per year, globally)



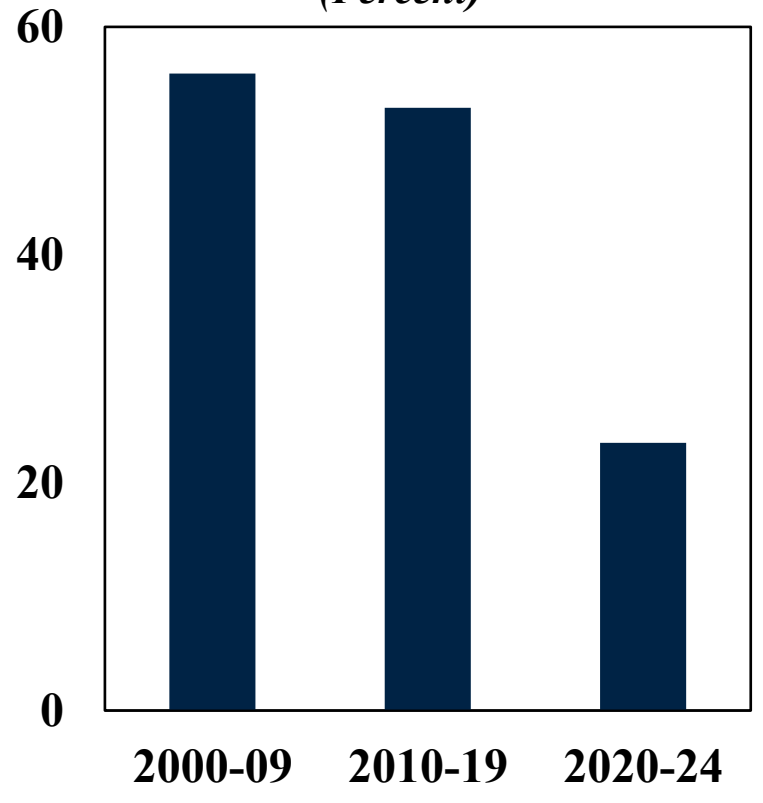
State capacity in FCS

(Index)



Share of FCS economies catching up to the GDP per capita of advanced economies

(Percent)



Sources: Mahler, Yonzan, and Lakner (2022); Uppsala Conflict Data Program (database); World Bank Poverty and Inequality Platform; World Bank.

Left Panel. Bars show the average number of annual conflict events and conflict-related fatalities based on simple averages per period. A conflict "event" is defined by Uppsala as an incident where organized actors use armed force against others or civilians, causing at least one direct death. Last observation is December 2024. Sample includes up to 110 economies. Centre Panel. Simple averages of World Governance Indicators on government effectiveness, rule of law, and regulatory quality in 2010 and 2023 in 148 EMDEs including 34 FCS. Right Panel. Bars show the share of FCS with (simple) average GDP per capita growth exceeding that of advanced economies in the indicated years. Sample includes 34 FCS.

Three Questions

1. What are the key economic characteristics of FCS economies?
2. What are the features and economic effects of conflict?
3. What are the policy priorities for improving development outcomes and leveraging growth opportunities in FCS economies?

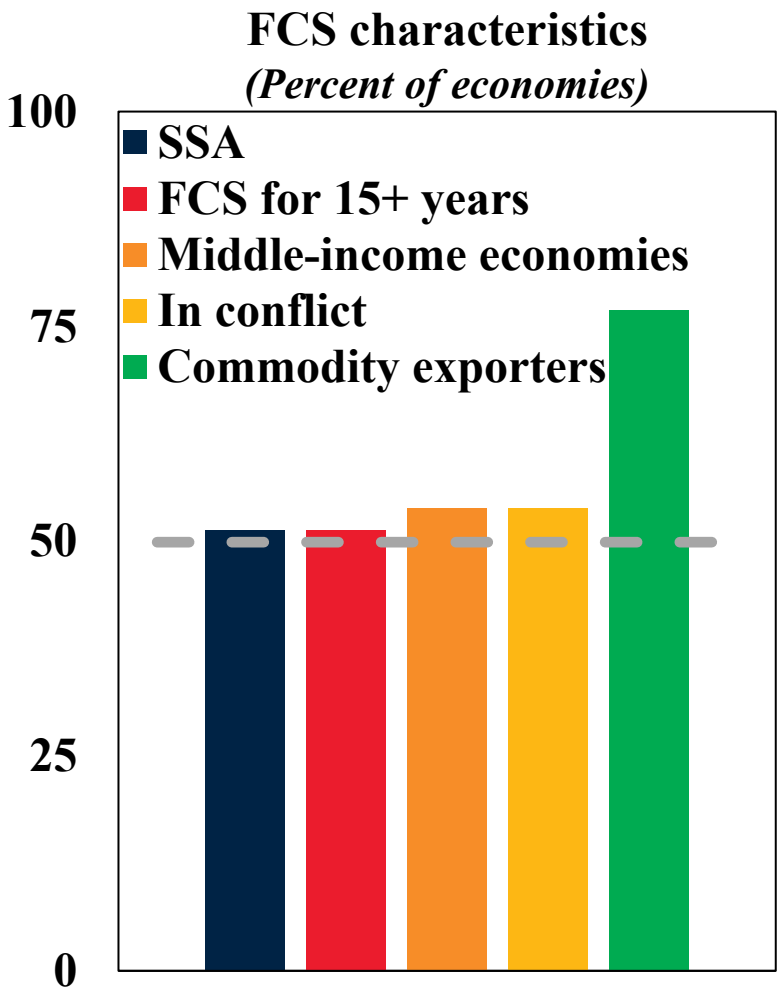
** EMDEs = Emerging Market and Developing Economies; FCS = Fragile and Conflict-Affected Situations*

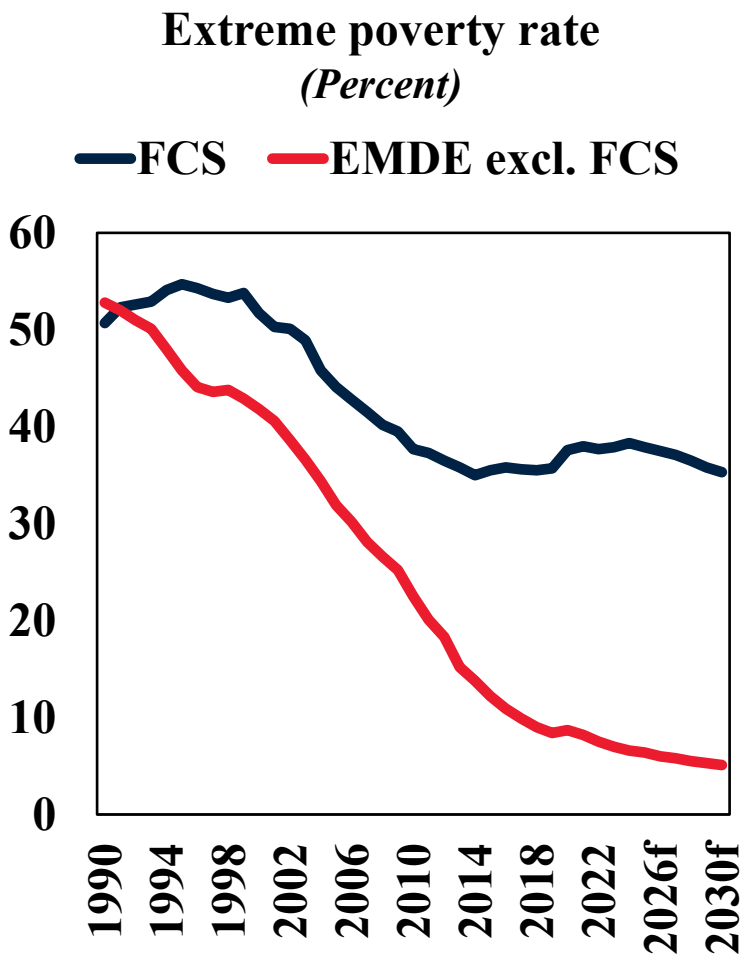
Three Questions

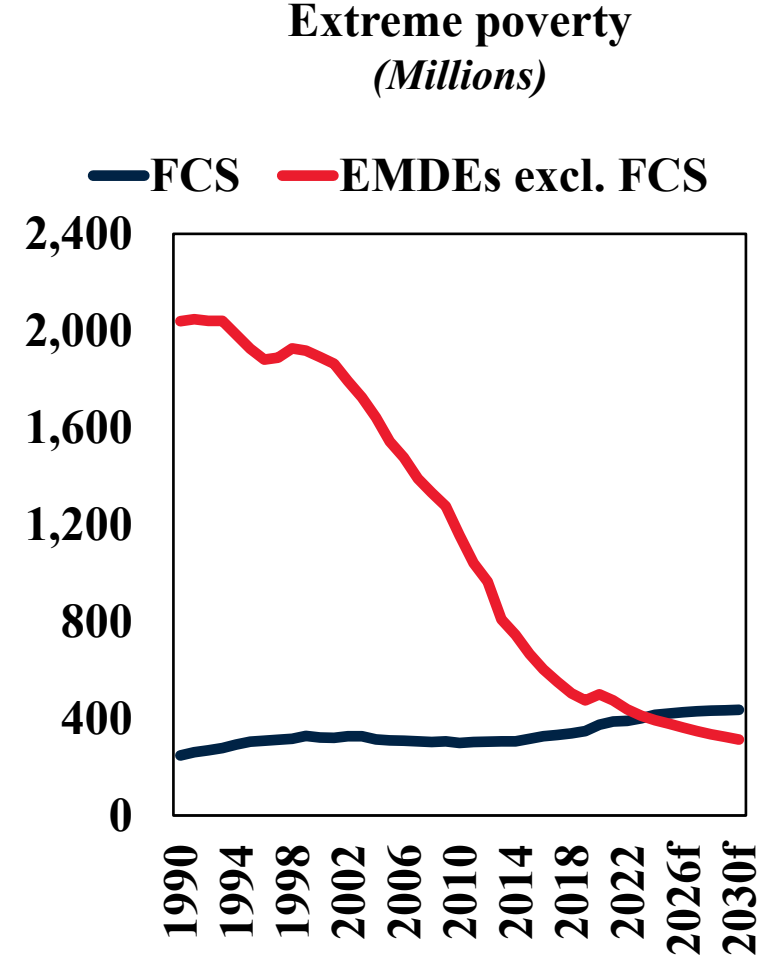
1 What are the key economic characteristics of FCS economies?

Fragility, Conflict, and Poverty

Persistent Fragility; High Poverty





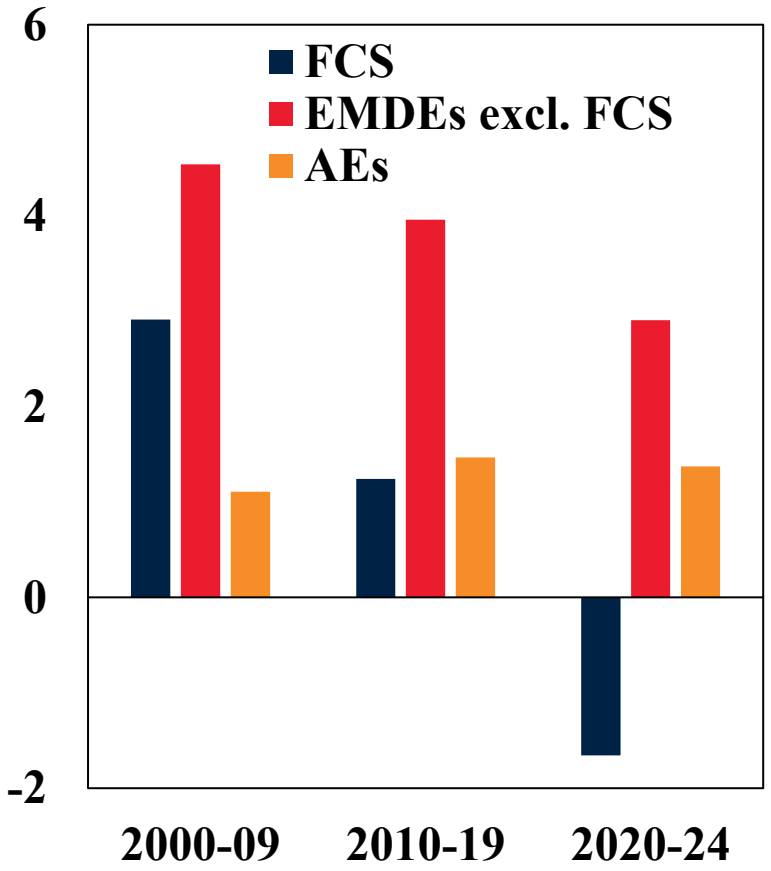


Sources: Mahler, Yonzan, and Lakner (2022); Uppsala Conflict Data Program (database); World Bank Poverty and Inequality Platform; World Bank.
Left Panel. Sample includes the 39 economies classified as FCS in 2025. "FCS for 15+ years" refers to economies remain in the FCS status for 15 years or more since 2006, when the World Bank's current FCS classification system was established. Centre Panel. The number of people living in extreme poverty, on less than $3 per day in 2021 PPP. Sample includes 154 EMDEs including 39 FCS. Right Panel. Extreme poverty is defined as living on less than $3 per day in 2021 PPP. Sample includes 154 EMDEs, of which 39 are FCS.

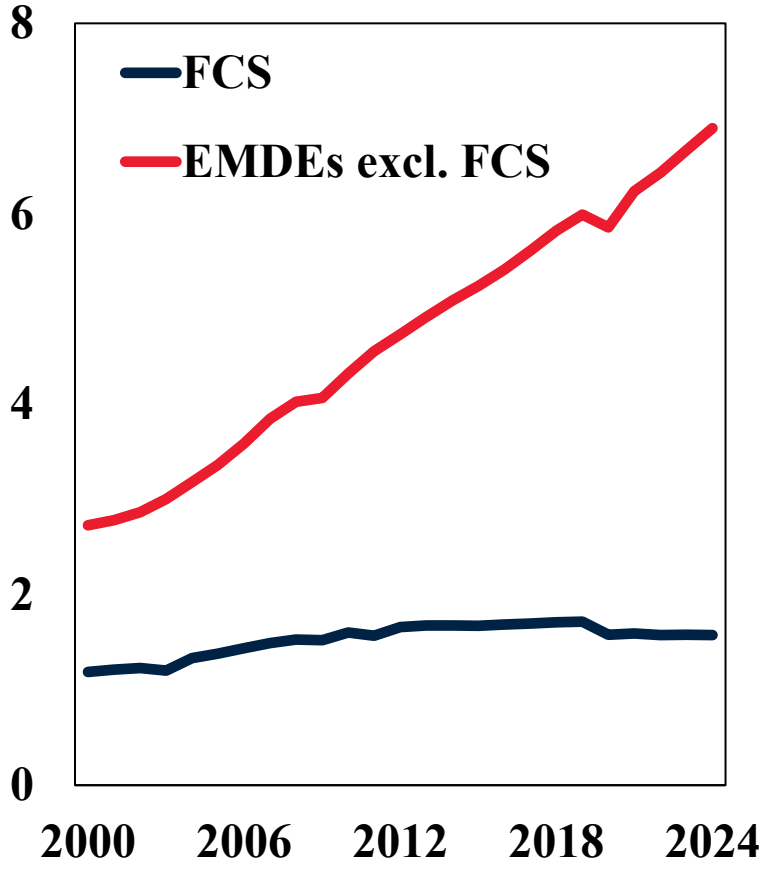
Macroeconomic Features of FCS (1)

Low Per Capita Growth; Low Per Capita Income; High Output Volatility

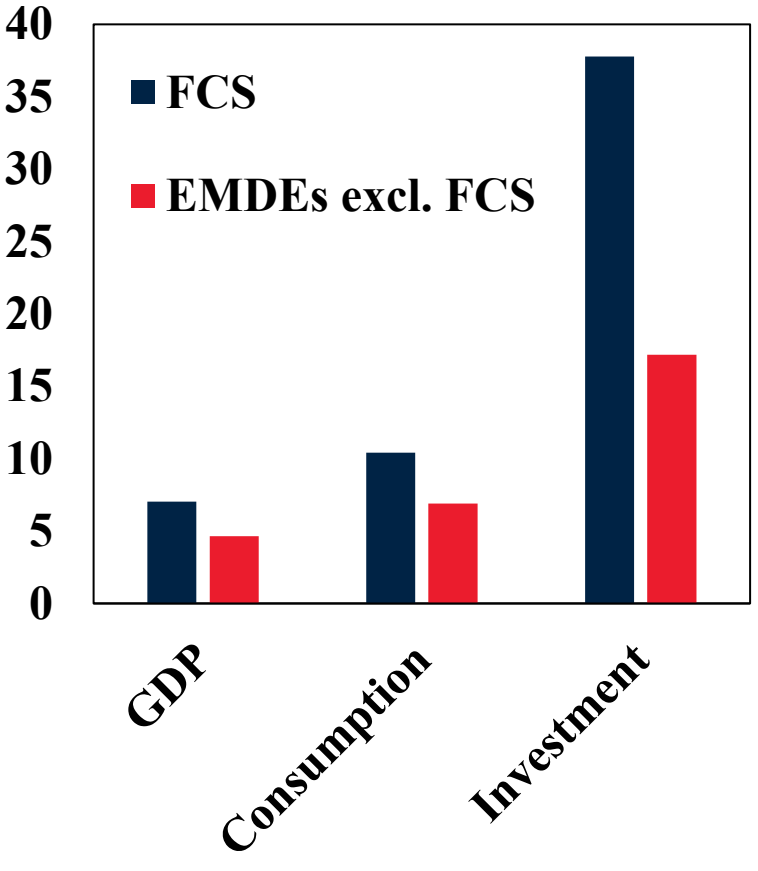
Per capita growth
(Percent)



GDP per capita
($US, '000s)



Output volatility
(Std dev)

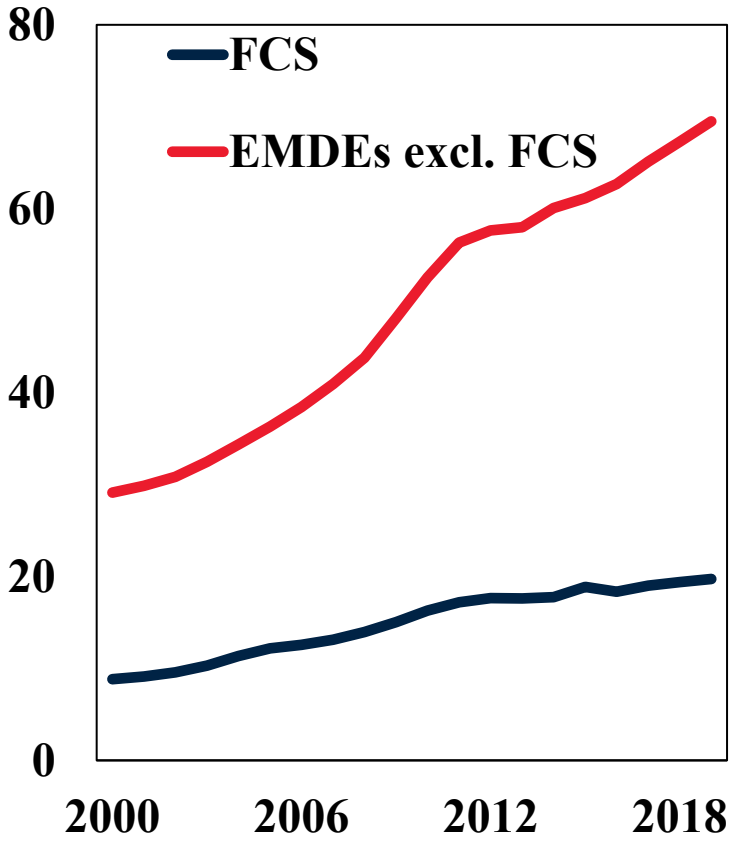


Sources: World Bank.
Left Panel. Period averages of GDP per capita growth using real U.S. Dollar GDP weights at average 2000-19 prices and market exchange rates. Center Panel. GDP per capita using real U.S. Dollar GDP weights at average 2000-19 prices and market exchange rates. Right Panel. Standard deviation of growth in real GDP, private consumption and investment. Sample spans a maximum period of 1981-24 and 149 EMDEs including 37 FCS for GDP, and 102 EMDEs including 19 FCS for GDP components.

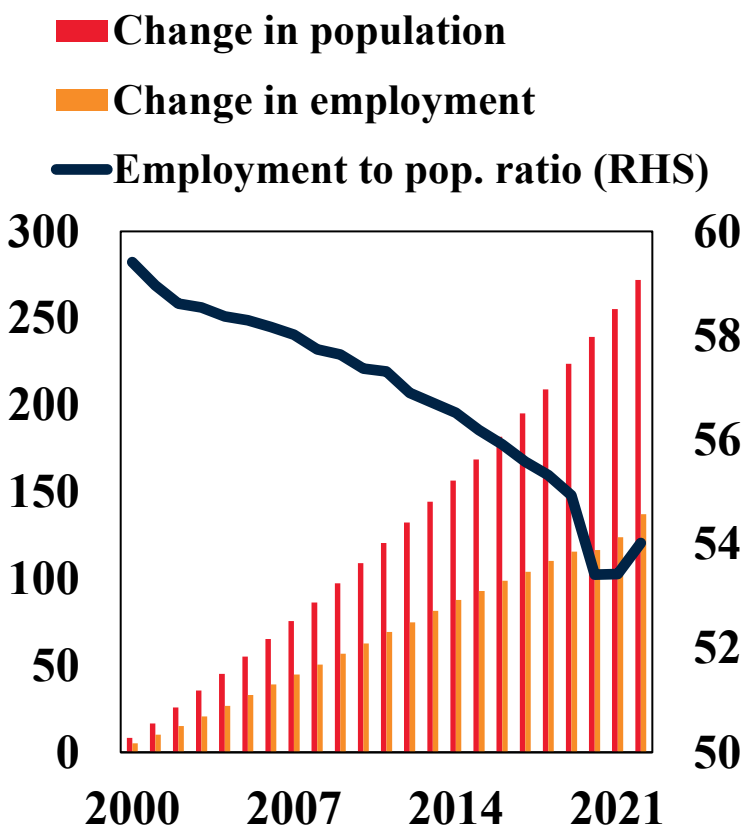
Macroeconomic Features of FCS (2)

Weak Capital Formation; Insufficient Employment Growth; Large Displaced Populations

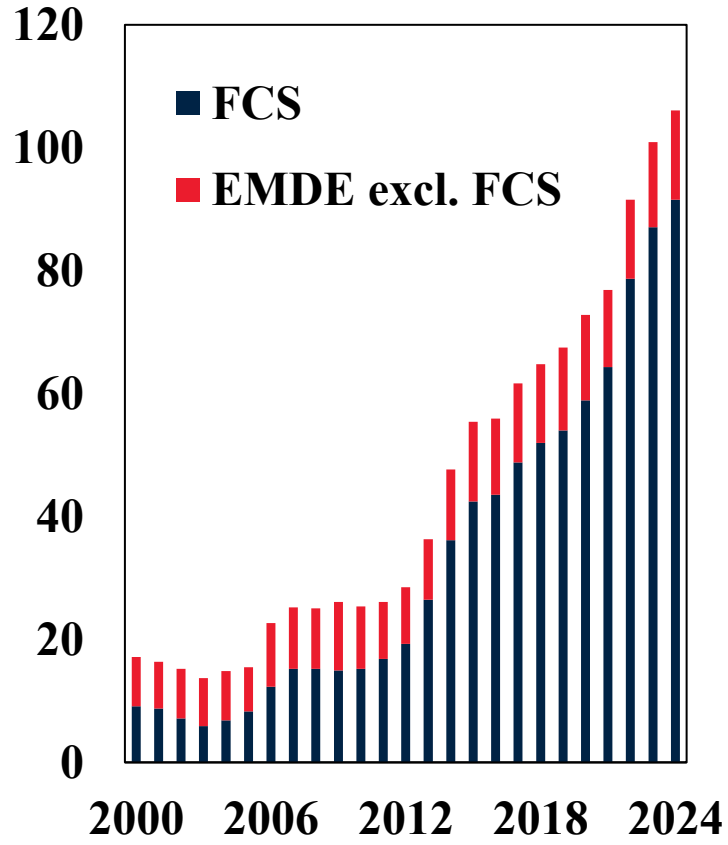
Capital stock per capita
($US, '000s)



Change in employment and population since 2000
(Millions; Percent RHS)



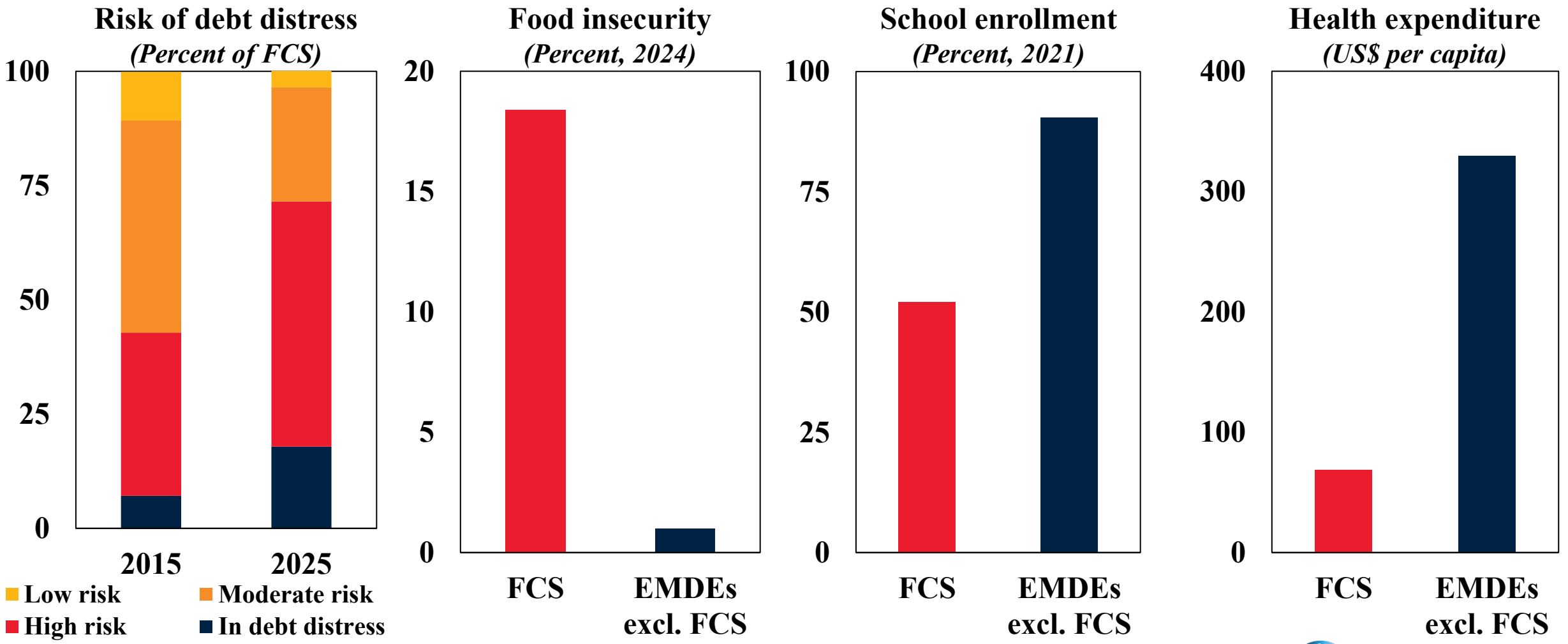
Displaced populations
(Millions)



Sources: Penn World Tables (database); UNHCR (database); World Bank.
Left Panel. Lines represent population-weighted averages. Estimated with PPP exchange rates in real 2017 U.S. dollars. Sample includes 135 EMDEs of which 26 are FCS. Center Panel. Red and orange bars show accumulated changes in population aged 15 and over and employment respectively from 2000 to 2022 in FCS, blue line shows average employment to population ratio in FCS. Sample includes 33 FCS. Right Panel. Bars show total displaced population by origin including refugees, internally displaced populations and asylum seekers. Sample includes 154 EMDEs including 39 FCS.

Development Challenges in FCS

Debt Distress; Food Insecurity; Low School Enrollment; Limited Health Spending



Sources: Food Security Information Network; World Development Indicators (database); World Economic Outlook (database); World Bank.
Left Panel. Risk of debt distress based on the Joint World Bank-International Monetary Fund Debt Sustainability Framework for Low-Income Countries, as of end-March 2025. Sample includes 67 EMDEs, of which up to 28 are FCS. Center Left Panel. Bars show share of people in food crisis (Integrated Food Security Phase Classification Phase 3, that is, in acute food insecurity crisis or worse). Data are for 2024. Sample includes 154 EMDEs, of which 39 are FCS. Center Right Panel. Bars show medians. Data for secondary school enrollment are for 2021 for a sample of 102 EMDEs, including 14 FCS. Right Panel. Simple averages of domestic general government health expenditure per capita in current U.S. dollars for FCS and EMDEs excluding FCS for 2022. Sample includes115 EMDEs, of which 36 are FCS.

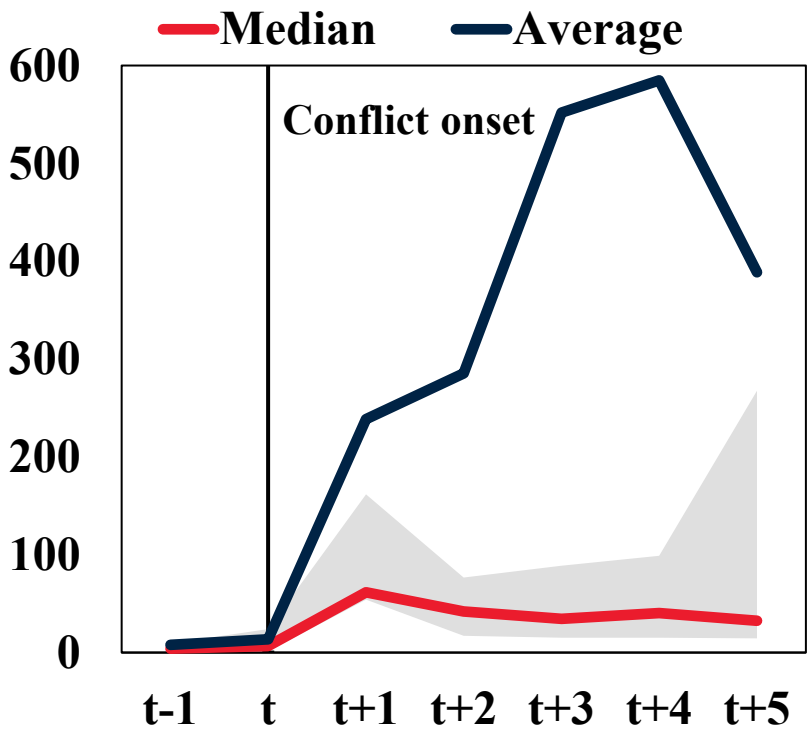
Three Questions

2 What are the features and economic effects of conflict?

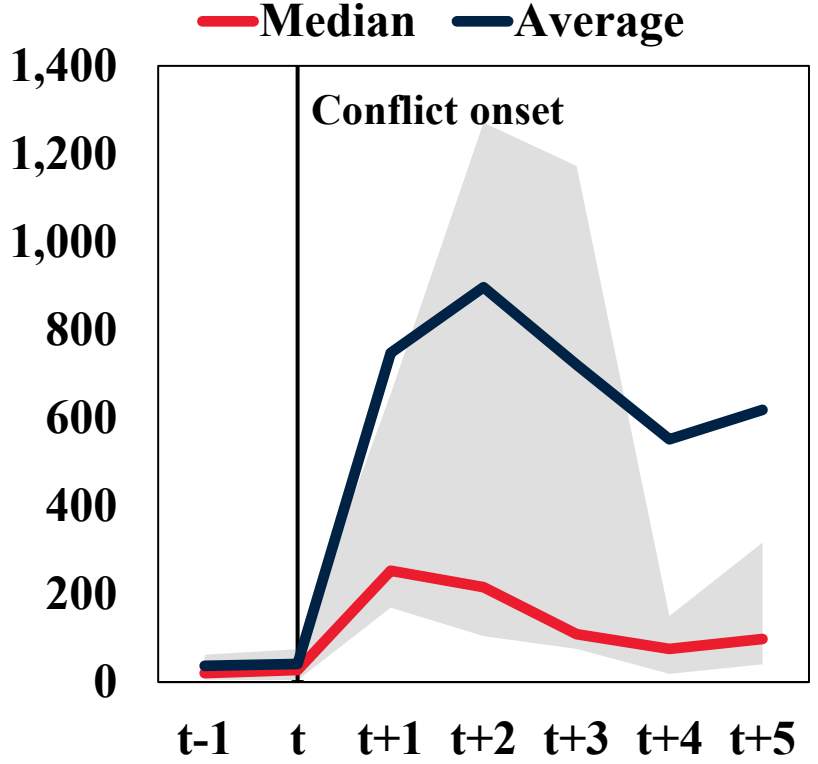
Features of Conflict

Staggering Loss of Life

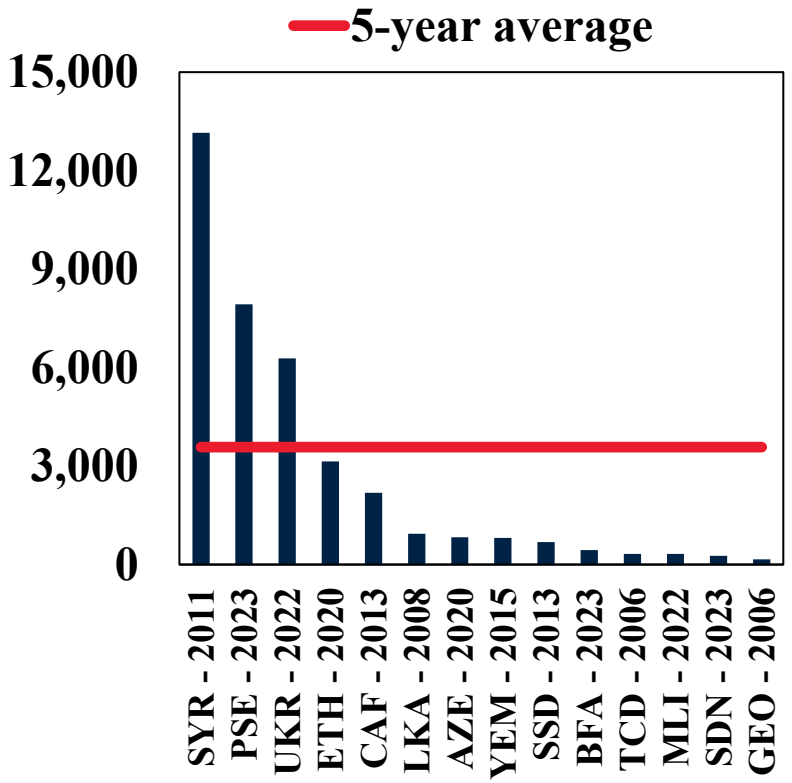
Conflict related fatalities at the medium intensity threshold
(Deaths per million)



Conflict related fatalities at the high intensity threshold
(Deaths per million)



Cumulative number of fatalities up to 5-years following onset
(Deaths per million)



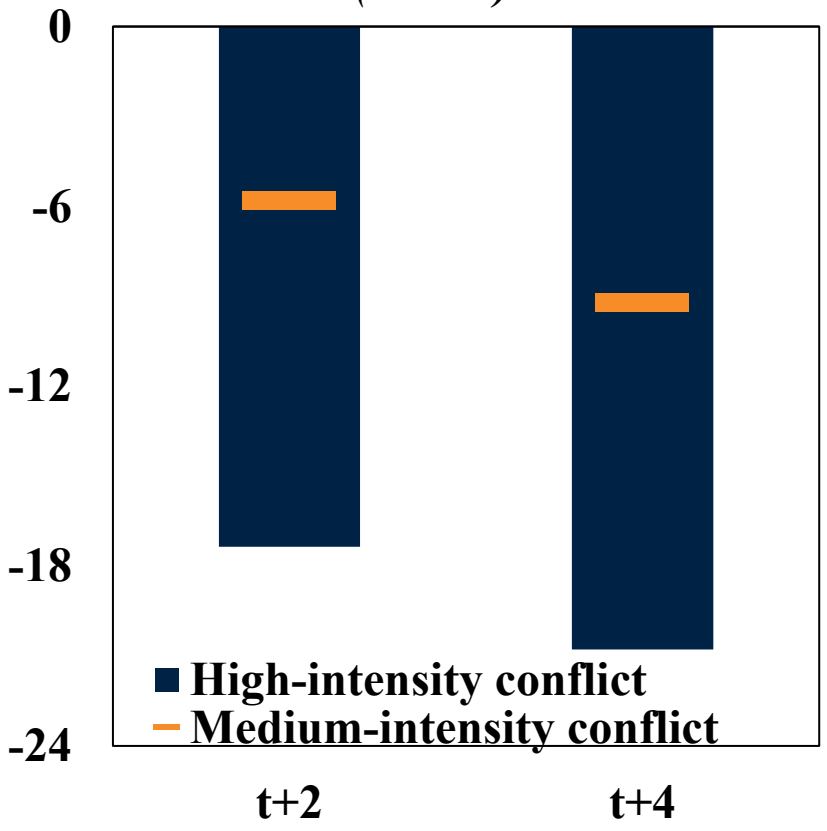
Sources: Uppsala Conflict Data Program; World Bank.
Left Panel. Medium-intensity conflicts are those in which there are at least 50 conflict-related fatalities per million population in the year of onset and where conflict did not exceed that threshold of intensity in the four years prior. Sample includes conflicts in 15 current FCS and 6 non-FCS EMDEs that began between 2006 and 2023. Center panel: High-intensity conflicts are those in which there are at least 150 conflict-related fatalities per million population in the year of onset and where conflict-related deaths did not exceed that threshold in the four years prior. Sample includes conflicts that began between 2006 and 2023 in 11 current FCS and 3 non-FCS EMDEs. Right Panel. AZE = Azerbaijan; BFA = Burkina Faso; CAF = Central African Republic; ETH = Ethiopia; GEO = Georgia; LKA = Sri Lanka; MLI = Mali; PSE = West Bank and Gaza; SDN = Sudan; SSD = South Sudan; SYR = Syrian Arab Republic; TCD = Chad; UKR = Ukraine; YEM = Republic of Yemen. Cumulative death per million up to 5 years after conflict onset at the 150 fatalities per million threshold. The 5-year average is calculated based on the sum of the average number of deaths yearly.

Macroeconomic Implications of FCS

Large Losses from Conflict; Persistent Impact of the Pandemic

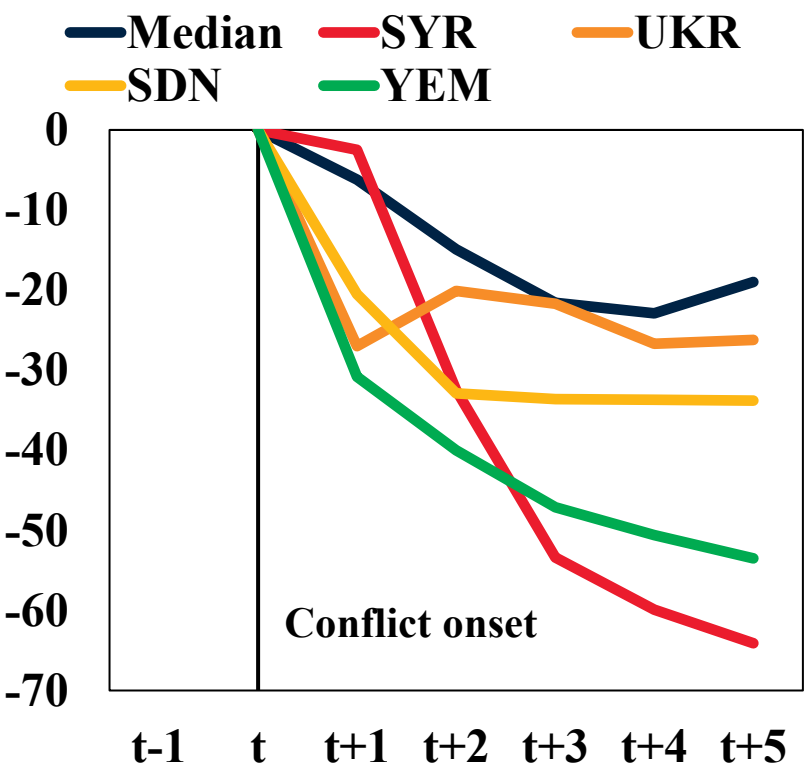
Income loss after conflict, by intensity

(Percent)



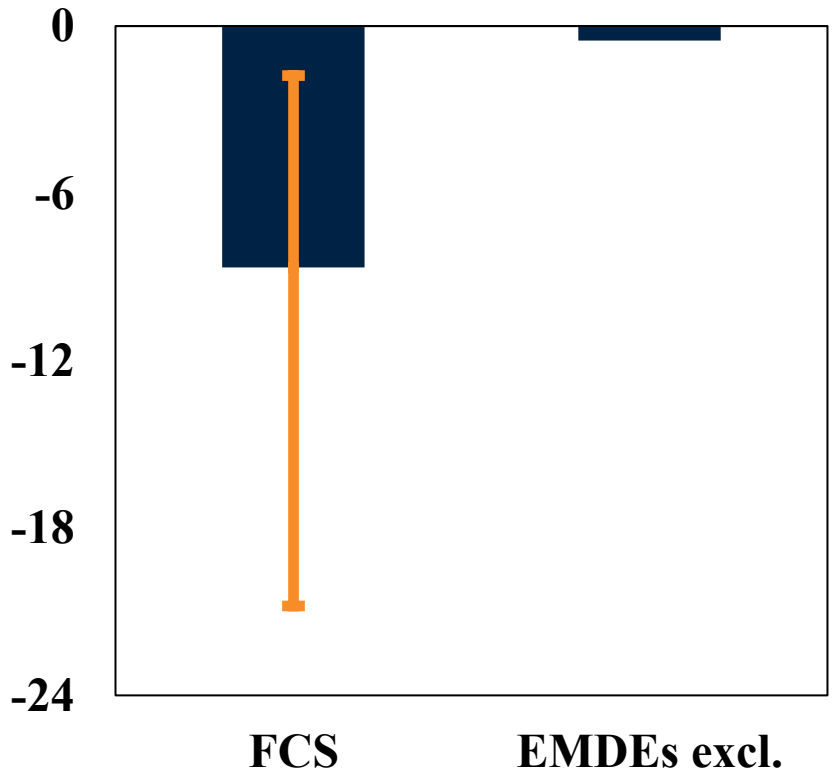
Output losses from select recent high-intensity conflicts

(Percent)



Output gap between pre-pandemic and trend-based projections in 2030

(Percent)



Sources: United Nations; World Bank.

Left Panel. Average cumulative loss in per capita GDP—measured as the gap between forecasted and actual outcomes—following the onset of median- and high-intensity conflicts in two years and in four years. High- and medium-intensity conflicts involve at least 150 (50) fatalities per million at onset, with no exceedance of that threshold in the four prior years. Sample includes 14 conflicts in 14 EMDEs (3 not currently FCS) from 2006–2023. Centre Panel. DN = Sudan; SYR = Syrian Arab Republic; UKR = Ukraine; YEM = Republic of Yemen. High-intensity conflicts involve at least 150 fatalities per million at onset, with no exceedance of that threshold in the four prior years. Lines show the average cumulative gap between forecasted and actual per capita GDP following high-intensity conflict. Forecasts are from Global Economic Prospects one year before onset. Sample includes 14 conflicts in 14 EMDEs (3 not currently FCS) for the period 2006–23. Right Panel. Bars show the percent difference in 2030 output between a medium-growth scenario (2010–19 average) and January 2020 *Global Economic Prospects* projections. The January 2020 baseline is extended with a trend using projected growth for 2022. Orange band reflects low-growth (2021–24 avg.) and high-growth (2000–09 avg.) scenarios. Sample includes 179 economies, of which 37 are advanced economies and 142 are EMDEs, including up to 39 FCS.

Three Questions

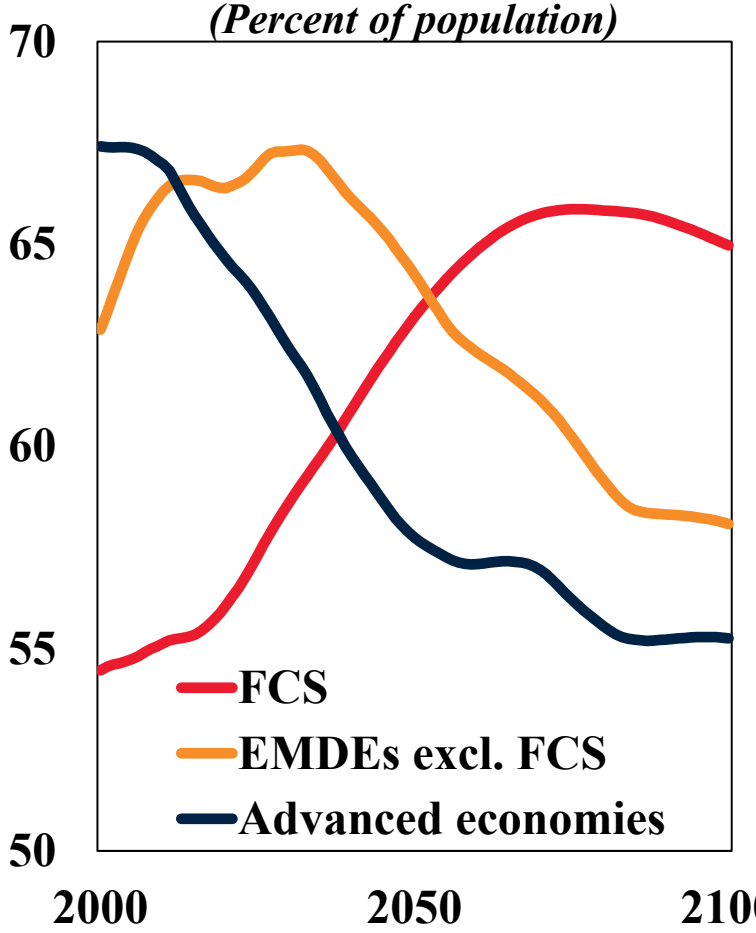
3 What are the policy priorities for improving development outcomes and leveraging growth opportunities in FCS economies?

Policy Priorities in FCS (1)

Invest More in Human Capital; Create Jobs; Strengthen Institutions and Governance

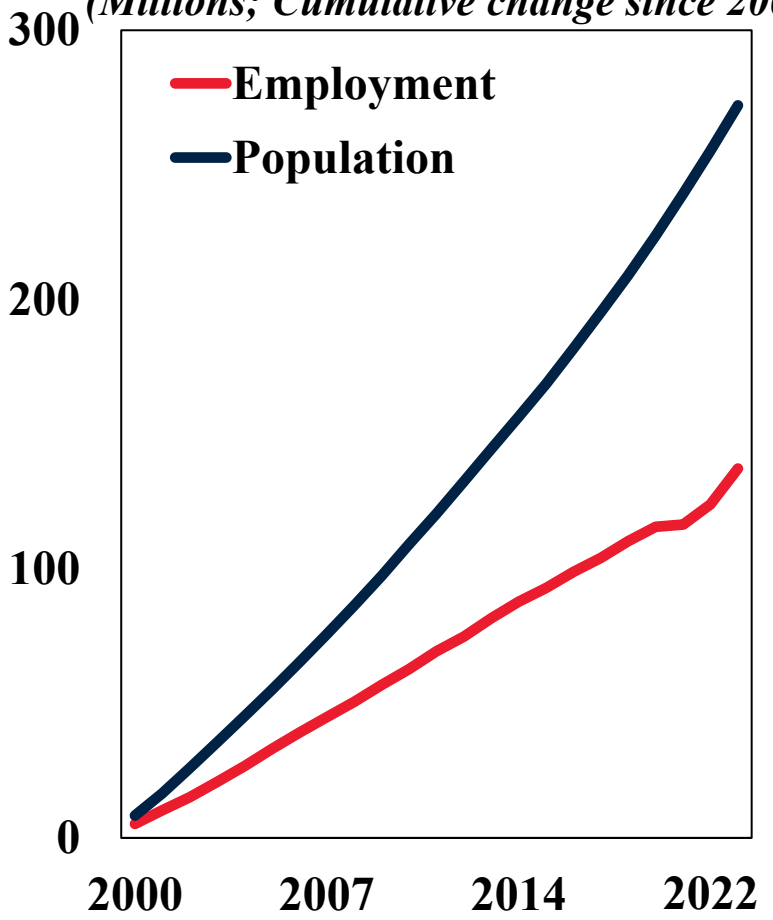
Working-age population

(Percent of population)



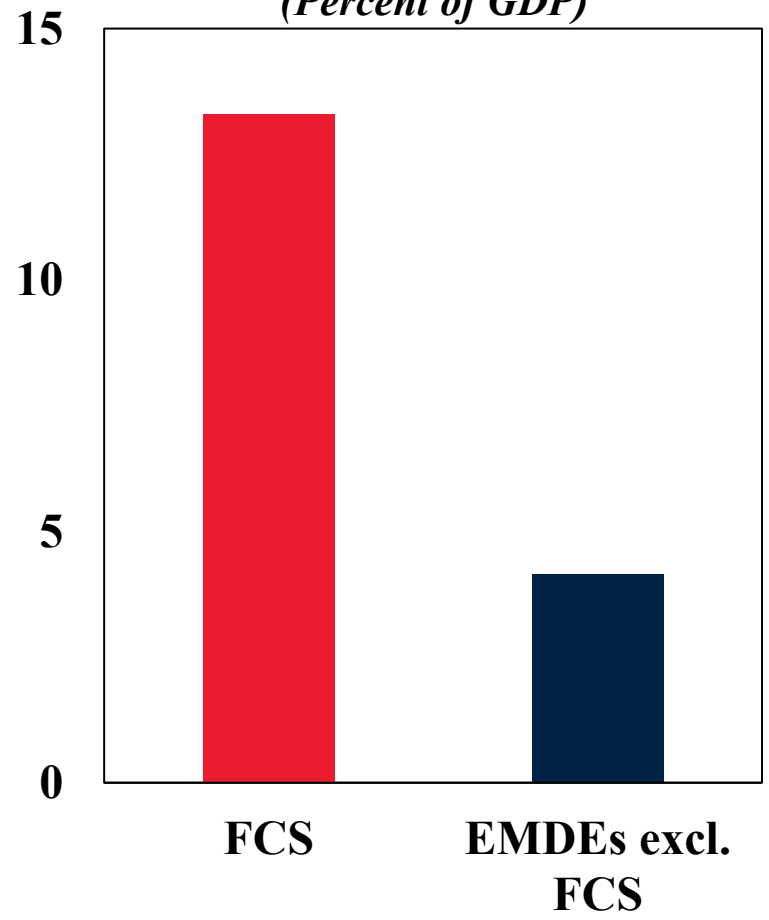
Employment and working-age population

(Millions; Cumulative change since 2000)



Natural resource rents

(Percent of GDP)



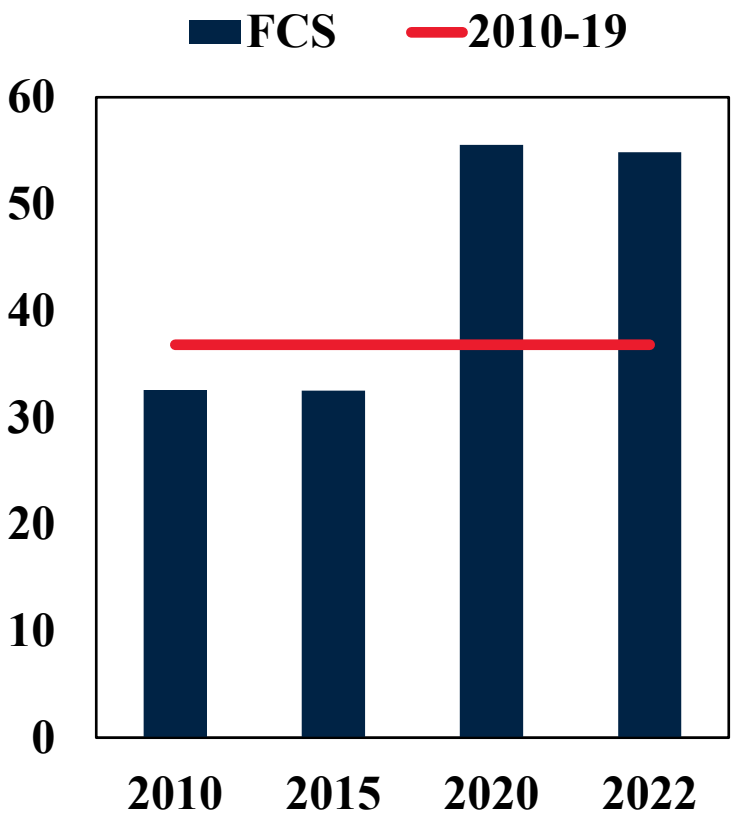
Sources: UN World Population Prospects (database); World Justice Project; World Bank.

Left panel. Total working-age population as a percent of the total population in each group of economies. Sample includes 38 advanced economies and 150 EMDEs, of which 36 are FCS. Center Panel. Cumulative change in employment and working-age population since 2000. Working-age population includes those ages 15 and above. Sample includes 33 FCS. Right Panel. Average of natural resource rents as percent of GDP for the period 2017-21.Total natural resources rents are the sum of oil rents, natural gas rents, coal rents (hard and soft), mineral rents, and forest rents. Sample includes up to 151 EMDEs of which up to 37 are FCS. Right Panel. Panel shows the simple averages of international tourism receipts expressed as a percentage of GDP in FCS and EMDEs excluding FCS. Sample includes 119 EMDEs of which 24 are FCS.

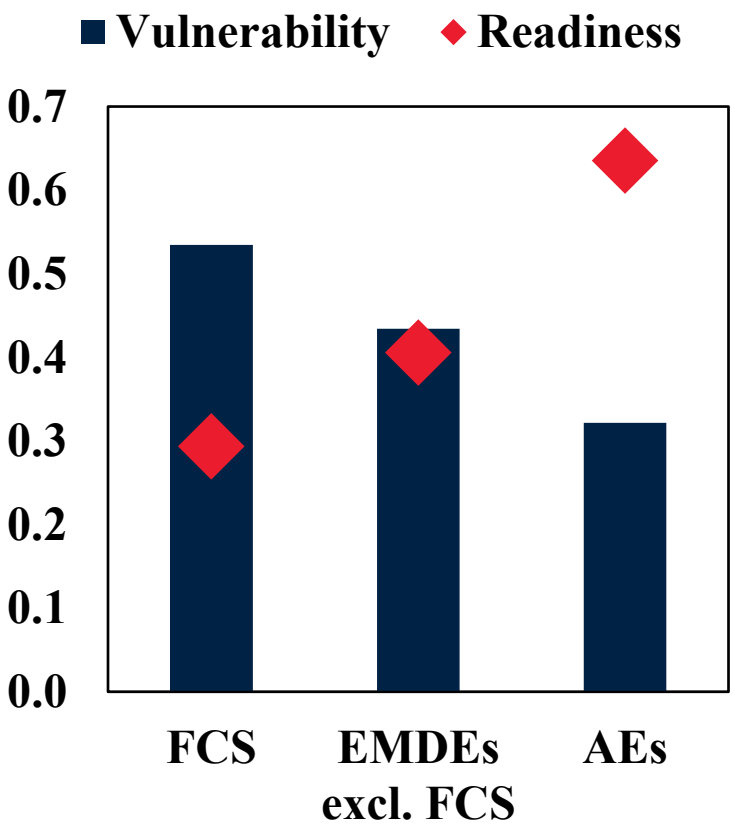
Policy Priorities in FCS (2)

Increasing donor priority; focus on reducing vulnerability to natural disasters; peacekeeping

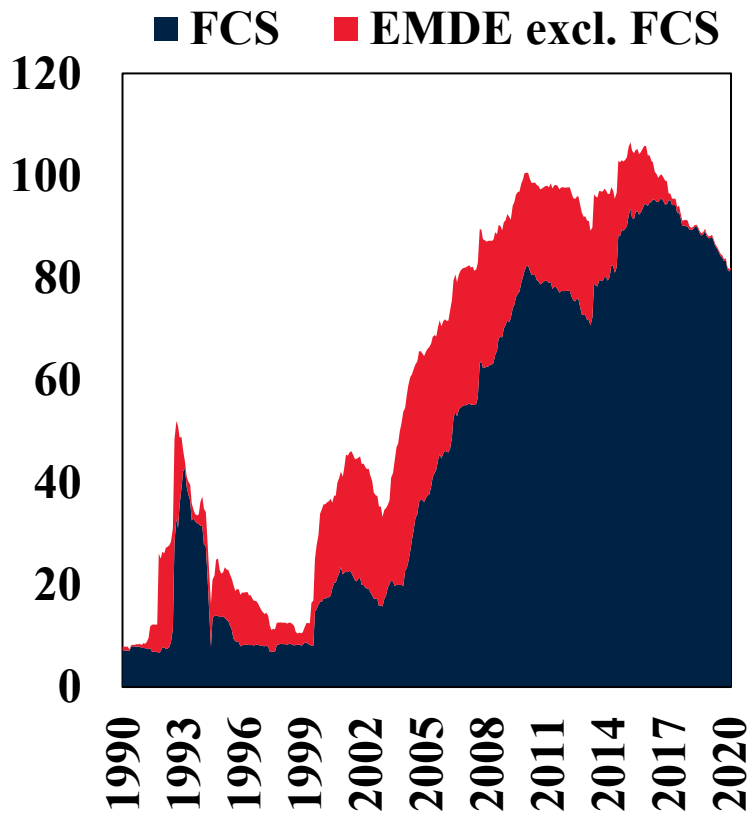
Official development assistance
(US$ billion)



Climate change adaptation
(Index)



Peacekeeping
(Thousand troops)



Sources: OECD; United Nations Department of Peacekeeping Operations; World Bank.
Left Panel. Panel shows the simple average of net official development assistance and official aid received in constant 2021 US$ for FCS. Sample includes up to 37 FCS. Center Panel. Bars show medians for a sample of 150 EMDEs of which 36 are FCS. Based on the ND-GAIN measures, vulnerability measures exposure, sensitivity, and capacity to adapt to the negative effects of climate change. Readiness measures economic, governance, and social ability to convert investments to adaptation actions. Lower values are desire for vulnerability (bars) and higher values for readiness (diamonds). Last observation is 2022. Right Panel. Areas represent the deployment of UN peacekeeping forces. Monthly data from 1990-2020 show midyear values. Last data available is February 2020.

Three Questions

1 What are the key economic characteristics of FCS?

Poor, with slower and more volatile growth. Weak capital formation and underutilized labor. Greater reliance on agriculture, less open, and depend heavily on commodity exports. Prevalent extreme poverty and food insecurity.

2 What are the features and economic effects of conflict?

Substantial human and economic costs associated with conflict, large and persistent output losses following overlapping crises.

3 What are the economic prospects for FCS?

FCS have strong growth potential, but realizing it requires establishing peace, good governance, resilience-building, and inclusive reforms.

Thank you!

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