

Multi-year core contribution to the UN Peacebuilding Fund 2021-2023

Key results:

- Strengthened UN capacity to prevent conflict and build peace in areas that have been, are or could be affected by violent conflict
- Fast and risk willing support to national conflict prevention and peacebuilding efforts

Justification for support:


- The UN Peacebuilding Fund (PBF) has been identified by Secretary General Antonio Guterres as the central instrument for promoting a more coordinated and effective UN effort to prevent conflict and promote sustainable peace
- The goals of the PBF are consistent with Denmark's commitment to strengthening multilateral efforts to promote peace and security

Major risks and challenges:

- By definition, initiatives carried out in fragile and post-conflict settings are associated with a higher degree of risk than regular development assistance, and project implementation can be interrupted by renewed instability or fighting
- Conflict affected states are often characterized by low administrative capacity of central state institutions, which results in considerable risk associated with collaborating with national institutions
- The planned expansion of the Fund risks leading to capacity constraints of the Fund's secretariat, the PBSO

File No.				
Country	Global			
Responsible Unit	Permanent Mission of Denmark to the UN, Department of Multilateral Cooperation			
Sector	Peacebuilding			
Partner	UN Peacebuilding Fund			
	<i>DKK million</i>	2021	2022	2023
Commitment	50	50	50	150
Projected Disbursement	50	50	50	150
Duration	2021-2023 (36 months)			
Previous grant	Combined DKK 218 million since 2006			
Finance Act code.	06.32.08.80			
Head of unit	Martin Bille Hermann			
Desk officer	Sara Rendtorff-Smith			
Financial officer	TBD			

Relevant SDGs *[Maximum 1 – highlight with grey]*

 No Poverty	 No Hunger	 Good Health, Wellbeing	 Quality Education	 Gender Equality	 Clean Water, Sanitation
 Affordable Clean Energy	 Decent Jobs, Econ. Growth	 Industry, Innovation, Infrastructure	 Reduced Inequalities	 Sustainable Cities, Communities	 Responsible Consumption & Production
 Climate Action	 Life below Water	 Life on Land	 Peace & Justice, strong Inst.	 Partnerships for Goals	

Objectives for stand-alone programme:

- Strengthen multilateral peace and security efforts
- Support enhanced cohesion and effectiveness in UN peace, security and development efforts
- Contribute to a solid platform for the Danish candidacy for a seat on the UN Security Council in 2025-26 as well as the candidacy for the UN Peacebuilding Commission (PBC) in 2023-24.

Summary:

The UN Secretary General has made the “*sustaining peace*” agenda the basis for the reform of the UN Peace and Security Pillar, making the UN Peacebuilding Fund a “*hinge*” between the development and peace institutions of the UN, expanding its role as well as its size through a call for a “*quantum leap*” in funding. The PBF combines the advantages of a pre-positioned global fund with mechanisms to ensure national ownership and a country-specific focus. It is managed on behalf of the United Nations Secretary-General by the Peacebuilding Support Office (PBSO). It works closely with and supports the political work of the Peacebuilding Commission and is guided by the UN Resident Coordinators in recipient countries. The PBF provides support to peacebuilding initiatives in four priority areas:

1. Supporting the implementation of peace agreements and political dialogue;
2. Promoting coexistence and peaceful resolution of conflict;
3. Economic revitalization and generation of peace dividends;
4. Rebuilding essential administrative services and capacities.

Budget	Partner	Total thematic budget: [mill.]
DKK 150 million.	UN Peacebuilding Fund (PBF)	DKK 150

Peace and Stabilisation Engagement Document (PSED) for the Multi-year core contribution to the UN Peacebuilding Fund 2021-2023

Peace and stabilisation engagement document

Introduction

The present peace and stabilisation engagement document provides the objectives and management arrangements for the peace and stabilisation cooperation concerning the Danish contribution to the United Nations Peacebuilding Fund 2021 - 2023. The agreement between the parties is constituted by the development engagement document together with the Standard Administrative Arrangement between the Kingdom of Denmark and the United Nations Development Programme, signed December 21, 2017. In addition, the Peacebuilding Fund's (PBF) operation is guided by its [Terms of Reference](#), which establishes the Fund's management arrangements, priority funding areas, and describes its two funding facilities.

Parties

Danish Ministry of Foreign Affairs / Ministry of Defense and the UN Peacebuilding Support Office with its administrative agent UNDP-MPTF.

Documentation

"The Documentation" refers to the documentation for the supported intervention, which is the PBF's 2020-2024 Strategy, the PSED, Performance Framework, Theory of Change, and Risk Management Matrix.

Contribution

Denmark, represented by the Ministry of Foreign Affairs, commits to a contribution to the engagement of:

DKK 150.000.000 (one hundred and fifty million)

for the period September 2021 to December 2023.

Strategic considerations and justification

The United Nations Secretary General's Peacebuilding Fund (PBF) was established in 2005 as part of a new peacebuilding architecture within the United Nations also consisting of the Peacebuilding Commission (PBC) and the Peacebuilding Support Office (PBSO).

Denmark was an active supporter of the establishment of the peacebuilding architecture to strengthen the UN's ability to stabilize fragile states and countries in post-conflict situations and foster a more coherent, coordinated and comprehensive approach among international organisations and actors. The creation of a peacebuilding architecture responded to what was widely seen as a fundamental gap in the United Nations framework: No single entity was responsible for supporting countries in the transition from conflict to development. To fill this gap, the PBF was established as a rapid and flexible funding mechanism aimed at launching essential peacebuilding interventions in countries emerging from conflict or undergoing political transition.

Since the establishment of the Fund, the understanding of Peacebuilding has evolved. While the idea of post-conflict peacebuilding is still highly relevant, it is also acknowledged that peacebuilding is intended to prevent the outbreak, escalation, continuation and recurrence of violent conflict. This was underlined in the 2015 review of UN's Peacebuilding Architecture, which introduced "*sustaining peace*" as the guiding term for peacebuilding activities "*all along the arc leading from conflict prevention (on which, in particular, the UN system needs to place much greater emphasis), through peacemaking and peacekeeping, and on to post conflict recovery and*

reconstruction". To recognise and create the basis for implementing the recommendations of the review, two resolutions, [S/RES/2282](#) and [A/70/262](#), were adopted in parallel by the Security Council and the General Assembly. The continued relevance of the "*sustaining peace*" agenda was reaffirmed by the 2020 resolutions on the review of the UN Peacebuilding architecture ([S/RES/2558](#) and [A/RES/75/201](#)), which also highlighted that peacebuilding financing remains a critical challenge.

The UN Secretary General has made the "*sustaining peace*" agenda the basis for the reform of the UN Peace and Security Pillar, making the PBF a "*hinge*" between the development and peace institutions of the UN, expanding its role as well as its size through a call for a "*quantum leap*" in funding.

A contribution to the PBF is aligned with key Danish foreign- and development cooperation policies, as well as the aim of strengthening multilateral security policy efforts. Furthermore, the PBF funds projects in some Danish priority countries. Moreover, stabilization is a key priority for Danish development cooperation as reflected in the strategy for development cooperation "Fælles om Verden", which has among its goals to combat the root causes of fragility, instability, crisis and conflicts by supporting conflict prevention, peace and stabilization and by including marginalized groups, women, children, youth, climate and human rights.

Lessons learned

The purpose of the Danish funding of DKK 100 million for the period 2018-2020 was to deliver a substantial Danish contribution to the expansion of the PBF, which the UN Secretary General has defined as a central vehicle for advancing the reforms of the UN peace and security pillar.

The PBF has established an impressive track record of leveraging other financial support at the ratio of 1:7, albeit shy of the target of 1:10. In terms of overall catalytic effect on peacebuilding outcomes, the Fund managed to exceed its own targets year-on-year during the entire funding period, with 49%, 52% and nearly 62% of projects helping to unblock political processes or enable follow-on peacebuilding results in 2018, 2019 and 2020, respectively.

The adaptability of the Fund was shown by its ability to adjust and reposition itself in the face of a global pandemic, where the PBF was able to immediately invest in new projects that met the needs of a rapidly changing global environment. As for the Fund's risk tolerance, over a third of the Fund's allocations has consistently gone to high-risk interventions (39% in 2018, 39% in 2019, 34% in 2020).

Engagement partner

Since 2006, the PBF has been delivering fast and flexible funding aimed at launching essential peacebuilding interventions to sustain peace in vulnerable countries and countries emerging from conflict. The PBF combines the advantages of a pre-positioned global fund with mechanisms to ensure national ownership and a country-specific focus. It is managed on behalf of the United Nations Secretary-General by the Peacebuilding Support Office (PBSO). It works closely with and supports the political work of the Peacebuilding Commission and is guided by the UN Resident Coordinators in recipient countries.

As defined in its Terms of Reference, the PBF provides support to peacebuilding initiatives in four priority areas:

1. Supporting the implementation of peace agreements and political dialogue;
2. Promoting coexistence and peaceful resolution of conflict;
3. Economic revitalization and generation of peace dividends;
4. Rebuilding essential administrative services and capacities.

In fulfilling its mandate, the Fund is further guided by six core principles, as defined in the Fund's strategy for 2020-24:

1. Timely
2. Catalytic
3. Risk-tolerant
4. Inclusiveness and national ownership
5. Integrated support
6. Cohesive UN strategies

PBF, moreover, has adopted a proactive approach to ensure that gender equality and women's empowerment are fully integrated in its work. In December 2015, PBF became the first UN Secretariat body and first UN pooled fund to achieve the Secretary-General's commitment that at least 15% of allocations directly support women's empowerment. The Fund has since set a more ambitious goal of 30%, which it has exceeded every year, bringing the figure to 40% in both 2019 and 2020. PBF is similarly leading UN efforts to support the implementation of Security Council resolution S/RES/2250 on Youth, Peace and Security and bolster UN capacity for youth-centred peacebuilding programming at country level. Finally, the current PBF Strategy 2020-24 commits to increased support for addressing conflict risks emanating from factors related to climate change as part of the Fund's objective to increase prevention efforts.

The PBF is uniquely equipped to respond to and prevent violent conflict. It applies a cross-pillar strategy that engages national leaders, international organisations and the wide spectrum of UN organisations. This enables it to convene a broad range of partners and catalyse investment. At the same time, all PBF-funded programmes are approved and developed together with national institutions.

Theory of Change and assumptions

A graphic illustration of the Theory of Change (ToC) is shown in Annex B. The narrative ToC is briefly summarised below.

The Theory of Change is based on the assumptions that 1) the PBF uses its unique funding approval process to ensure inclusive, conflict-sensitive and multi-disciplinary approaches with a wide range of partners; 2) a well-resourced PBF can help counter global underinvestment in peacebuilding and prevention; 3) PBF draws on its system-wide mandate under the Secretary-General and the guidance of Resident Coordinators to provide timely funding aligned with national priorities and strategic opportunities.

The PBF provides fast, flexible and catalytic funding for nationally owned, integrated peacebuilding initiatives. This allows national and international actors to respond faster to critical peacebuilding gaps and opportunities, delivering strategic peacebuilding and prevention effects, catalyzing additional resources and innovative approaches, and facilitating more coherent, joined-up approaches. National actors are enabled to manage conflicts more peacefully and foster just and inclusive societies.

PSED Results framework

The current objectives of the Fund are defined in its latest [five-year strategic plan](#) for the period 2020-2024, which outlines the funds strategic objectives as well as specific goals and indicators, against which performance and peacebuilding outcomes are assessed. This fourth strategic plan for the Fund is guided by the conclusions from the 2015 and 2020 reviews of the peacebuilding architecture and the resulting twin resolutions, the results of the analytic work undertaken with the World Bank for the "*Pathways for Peace Report*", as well as the lessons learned from the first 15 years of operation.

In addition to the four focus areas, identified in the Fund's ToR, and the Fund's eight guiding principles, the strategic plan for 2020-2024 identifies three priority windows:

1. Supporting cross-border and regional approaches;
2. Facilitating transitions; and
3. Fostering inclusion through women and youth empowerment

In light of global trends, the Fund – among other issues – expects to place special emphasis on:

- Facilitating inclusion of marginalized groups, given the extent to which exclusion has proven to be a driver of conflict.
- Countering hate speech and other divisive practices, and investing in civic education.
- Supporting durable solutions for displaced and host populations by complementing humanitarian efforts with investments in conflict management and dialogue.
- Building capacities that help communities better cope with shocks that can exacerbate conflict risks, such as insecurity, climate and economic shocks in both urban and rural settings.

The Danish Ministry of Foreign Affairs will base the actual support on progress attained in the implementation of the engagement as described in the documentation.

For Danish reporting purposes, the following key outcome and output indicators have been selected from the PBF Performance Framework (Annex B):

Project title	Multi-year core contribution to the UN Peacebuilding Fund		
Project objective	Provide fast, flexible and catalytic funding for nationally owned, integrated peacebuilding initiatives allowing national and international actors to respond faster to critical peacebuilding gaps and opportunities, delivering strategic peacebuilding and prevention effects, catalyzing additional resources and innovative approaches, and facilitating more coherent, joined-up approaches		

Outcome		PBF investments lead to more and better nationally led peacebuilding & prevention interventions, including in cross-border and transition contexts, and in support of more inclusion of women and youth.	
Outcome indicator		1: % of PBF active projects considered "on track with evidence of peacebuilding results" 2: % of PRF countries that contribute to higher-order collective outcomes	
Baseline	Year	2020	1: 19,2% 2: N/A
Target	Year	2023	1: 30% 2: 70%

Output 1		PBF meets annual approval targets set for 2020-24	
Output indicator		Total PBF annual approvals in USD	
Baseline	Year	2020	173,7m USD
Target	Year 1	2021	210m USD
Target	Year 2	2022	295m USD
Target	Year 3	2023	350m USD

Output 2		PBF approves projects in line with priority windows, and in support of gender-responsive peacebuilding	
Output indicator		1: % of PBF approvals that support gender-responsive peacebuilding 2: % of annual PBF approvals to transition settings 3: % of annual PBF approvals to women's and youth empowerment 4: % of PBF approvals to cross-border initiatives	
Baseline	Year	2020	1: 40% 2: 20,4% 3: 34,4% 4: 16,5%
Target	Year 1	2021	1: 30% 2: 35% 3: 25% 4: 20%
Target	Year 2	2022	1: 30% 2: 35% 3: 25% 4: 20%
Target	Year 3	2023	1: 30% 2: 35% 3: 25% 4: 20%

Risk management

Recognising that engagements in fragile country situations and post-conflict settings are inherently prone to greater risk and uncertainty compared to traditional development assistance, PBF has a multi-faceted approach to risk management, providing guidance to fund recipients on risk management at project and programme level, assessing and categorising the risk for each project, and implementing performance-based tranches to help manage risks.

Requiring a “risk marker” (RM) from 1 to 3, with 3 indicating projects of highest risk, for each project it approves, the PBF employs closer monitoring and may tighten its financial management of high risk projects through smaller or more numerous performance-based tranches. Furthermore, the Fund uses performance-based tranches as a key risk management approach, releasing funds based on the project meeting a set of defined milestones. In this manner, the Fund is able to remain engaged in higher risk contexts longer because its financial exposure is reduced. In addition to helping the Fund manage risks, transferring lesser amounts of money through performance-based tranches frees up resources that would otherwise be parked in a fund recipient’s account awaiting expenditure for up to 24 months.

The Fund maintains a Risk Management Matrix which is updated at least once a year and which tracks its mitigation measures against the major identified risks. The latest Risk Management Matrix from February 2021 is summarized below and attached (Annex B).

In addition to these procedural mechanisms, in larger programming countries, the PBF relies on small PBF Secretariats and/or Peace and Development Advisors (PDAs), both as part of the UN’s Resident Coordinator Offices, for support to core PBF programming processes, including eligibility, design, implementation, and quality assurance.

Risk factor	Likelihood of occurrence	Impact	Risk response (mitigation action)	Residual risk (following response)	Background assessment to
Performance Monitoring and Accountability Reliance on agency monitoring and evaluation systems leading to: Lack of adequate performance and results information. Lack of verified and timely beneficiary level information. Lack of credible project level evaluation.	Low	Moderate	With the Fund’s new Strategy 2020-24, beginning in 2021 the Fund is rolling out a new approach to develop outcome-level ‘Strategic Frameworks’ in PRF countries. New PBF Strategic Performance Framework replacing the former results framework, to monitor performance against the PBF’s strategic objectives 2020-24.	Low	The PBF’s reliance on agency monitoring and evaluation systems presents advantages in terms of cost savings and the ability to maintain a lean management structure. It is also a structure that has been reviewed and approved by agencies’ executive boards and a function which is resourced at country and headquarter levels. A downside and risk to manage is each agency has different policies, practices and capacities which means limited uniformity and requires efforts to analyse and aggregate.
Partnerships Inability of partners to launch projects and spend funds received in a timely manner. Too rigid management systems of partners prevent them from adapting to changeable contexts or revising programmatic approaches.	Moderate	High	Resident Coordinators have to submit and countersign every proposal and coordinate strategic partnership identification and development at country level (in PRF supported by PBF Coordinators).	Moderate	Given that the Fund preferences funding higher risk initiatives in conflict-affected contexts, partners may not be able to implement projects as planned and risk not spending funds received that could then be spent better elsewhere. A lack of inclusiveness may lead to situations where may lead to situations where PBF is not funding the partners

Lack of inclusiveness in partner selection			Dedicated Thematic Reviews in 2021 on support to local peacebuilders and on PBF's gendersensitive peacebuilding approach.		best suited to address an identified issue, or not reaching the most relevant actors in a given context.
Resource Mobilisation Heavy reliance on a small group of donors causes unpredictability of funding due to few multi-year contributions and the perception that there is insufficient demand and PBF sits on too many reserves. This causes an inability to respond to needs in a timely manner, lack of engagement and proposals from key actors who might consider PBF funding too uncertain.	Low	High	PBF maintains and updates a resource mobilization strategy targeting specific member states and groups. The strategy is revised regularly in consultation and discussed with the PBF Advisory Group. Develop innovative funding and promotional initiatives, including through private sector engagement, to attract new funding and to increase PBF visibility.	Moderate	Since inception in 2006, the PBF has received support from over 60 Member States. PBF however relies on a small group of donors with a disproportionate share. This makes PBF vulnerable to fluctuations in the support from the core group of donors.

Inputs/budget

Denmark commits to a contribution of DKK 50.000.000 in 2021, and upon the final approval of the granting authorities, DKK 50.000.000 in 2022 and DKK 50.000.000 in 2023.

The funds will be released upon the request of PBF via the Fund's fiduciary agent, UNDP's Multi-Partner Trust Fund Office (MPTF-O), according to the Standard Agreement signed between the Government of Denmark and UNDP.

The following indicative disbursement schedule is agreed:

Date	Amount
Upon final approval of the contribution	DKK 50.000.000
1 August 2022	DKK 50.000.000
1 May 2023	DKK 50.000.000

The PBF must return a letter or email with acknowledgement of receipt of funds no later than 14 days after having received the funds.

As part of this grant, Denmark will cooperate with PBSO to carry out a review of the PBF-activities during the implementation period. DKK 500.000 from the above budget will be allocated to this review.

Management arrangement

The PBF's Terms of Reference tasks the Head of the Peacebuilding Support Office (PBSO) to provide overall direction and guidance on the management of the Fund, under the authority of the UN Secretary-General. In consultation with a senior policy group composed of senior management from UN Agencies, Funds and Programmes, the Assistant Secretary-General (ASG) for Peacebuilding Support reviews proposals submitted by the in-country Senior UN Representative for consideration of country eligibility and projects. The UNDP-managed Multi-Partner Trust Fund Office (MPTFO) serves as Administrative Agent for the fund, responsible for receiving donor contributions, transferring funds in accordance with the PBSO's decision-making, and providing consolidated financial reports.

Additionally, the Secretary-General appoints an independent Advisory Group of 10 members proposed by Member States to provide advice and oversight on the overall strategic direction and operations of the Fund. The Group meets at least twice yearly and delivers a report to the Secretary-General on its observations and recommendations regarding the management of the Fund. In addition, after each meeting of the Advisory Group, the Chair of the Advisory Group briefs Member States participating in the Peacebuilding Commission.

Reporting frequency and format

Donors to PBF receive quarterly briefings via the PBF Group of Friends mechanism as well as quarterly financial and annual activity reports. In addition, the Fund's top twelve donors hold an annual strategic financing dialogue with the Fund at capital level.

Results and financial reporting schedule:

Date	Report
1 June 2022	Certified Annual Financial Statement
1 June 2022	Consolidated Annual Financial Report
1 June 2022	SG's annual report to the General Assembly
1 June 2023	Certified Annual Financial Statement
1 June 2023	Consolidated Annual Financial Report
1 June 2023	SG's annual report to the General Assembly
1 June 2024	Certified Annual Financial Statement
1 June 2024	Consolidated Annual Financial Report
1 June 2024	SG's annual report to the General Assembly

The UN Peacebuilding Support Office is obliged to inform the Ministry of Foreign Affairs immediately if irregularities in the management of funds are foreseen or have occurred.

Financial Management

The financial management is described in the Standard Administrative Arrangement, signed on December 21, 2017.

In addition to this, it is worth noting that, all fund recipients are required to provide annual audited financial statements on PBF-funded projects to the MPTFO. This data is available publicly on the MPTFO website (<http://mptf.undp.org/>). In between annual audited financial data, every fund recipient provides uncertified financial updates twice a year, which are accompanied by the twice-yearly narrative progress reports.

Based on this, donors receive annual Certified Annual Financial Statements and an accompanying Consolidated Annual Financial Report, which provides detail about the Fund's accounts, including sources of funds, use of funds – including breakdown of funds and transfers to specific fund recipients – and cash flow. Both the Certified Financial Statement and Consolidated Financial Report are available publicly on MPTFO's website (<http://mptf.undp.org/factsheet/fund/PB000>).

Both parties will strive for alignment of the Danish support to the PBF's existing rules and procedures, while adhering to the minimum requirements as stipulated in the Ministry of Foreign Affairs' Guidelines for Financial Management for Development Cooperation, that must be considered an integral part of this agreement.

Any unspent balance or any savings of project funds shall be returned to the Ministry of Foreign Affairs together with any interest accrued from deposit of Danish funds. In case of jointly financed projects and baskets

arrangement where a single account is used by multiple development partners, interests accrued need not be returned.

Monitoring and Evaluation

At the country level, PBF specialists work with country-based partners to encourage the timely undertaking of monitoring exercises, especially baseline and end line surveys, and the rolling-out of new “community based monitoring mechanisms”. PBF specialists support country-based partners to utilize evidence from the monitoring systems established by projects and strategic priority plans within the routine reporting required by MPTF-O and the PBF and for improved Results-Based Monitoring of interventions. DM&E specialists assist in periodic review of implementation progress. Every PBF-funded project is required to report on progress twice a year through a mid-year narrative report in June and an annual report in November. Resident Coordinators in countries that have been declared eligible by the Secretary-General to receive PBF funding, moreover, submit an annual strategic assessment of progress in the country against the set of high-level priorities that inform the Fund’s programming. This assessment is due in December every year.

Every project funded by the PBF is required to undertake an independent final evaluation. In addition to these project-level evaluations, in eligible countries the Fund also supports a comprehensive approach to periodic review throughout the programme cycle: early in the implementation stage through an evaluability assessment, a midterm partnership review at 2 ½ years into the eligibility cycle, and at the end of the five-year eligibility timeframe a final, independent portfolio evaluation that seeks to measure the impact of PBF’s investments in a given country over the five-year span. By providing three opportunities to reflect on anticipated outcomes and the fitness of inputs and outputs to achieve those outcomes, the Fund encourages a stronger connection between evaluation and programme management/learning.

The current five-year strategy also commits to annual synthesis reports on PBF investments, the first of which was delivered for 2020. This is complemented by SG’s annual report to the General Assembly.

In addition to these regular commitments, with generous support from the German Foreign Office, the PBF is embarking on a three-year special project (2021-2023) on impact evaluation. This effort consists of three pillars of action: at least three impact evaluations in PBF recipient countries, capacity building and training for fund recipients and PBF staff, and strategic communications on results.

An evaluation manager at PBF ensures that all planned evaluation work is delivered on time and on budget. The evaluation manager works closely with PBF programming specialists and PBSO’s gender focal point, as well as field-based colleagues, government counterparts and PCG members, to ensure that all evaluative exercises are commissioned in a timely manner, that the right external expertise is sourced to undertake the evaluative exercises, and that external consultants have the information and access they need in order to produce high quality evaluations. Evaluation Terms of Reference are based on a comparable standard, customized as needed to individual country contexts. In addition to coordinating the work of the evaluation consultants, the evaluation manager provides quality assurance on the consultants’ work, including managing Reference Groups, reviewing preliminary work by the consultants, and the conduct of field visits during evaluation data collection wherever feasible. The evaluation manager also takes the lead in organizing a management response to each evaluation and for a dissemination strategy on all evaluation findings, thereby strengthening PBSO’s knowledge management processes.

The governance structure overseeing M&E for the fund consists of a network of actors and fora, including the PBF external Advisory Group, the Group of Friends of the PBF, which meets with PBSO quarterly for updates, an annual Strategic Financing Dialogue with top donors, as well as Joint Steering Committees (JSCs) in PRF recipient countries. Donors are also invited on an annual basis to participate in visits to recipient countries.

The Danish Ministry of Foreign Affairs shall have the right to carry out any technical or financial mission that is considered necessary to monitor the implementation of the programme.

After the termination of the programme support the Danish Ministry of Foreign Affairs reserves the right to carry out evaluation in accordance with this article.

Sustainability and exit

The PBF is currently supporting more than two hundred projects in 27 countries¹ and relies on contributions from numerous donors. Although the Kingdom of Denmark is a considerable donor to the PBF, the Fund has maintained operations since 2006 and would be able to continue without Danish funding. However, Denmark has supported the PBF since 2006 and no exit is expected at this time.

Annexes

- Annex A – 2020-2024 Strategy
- Annex B – Performance Framework, Risk Management Matrix, and Theory of Change

Signatures

Martin Bille Hermann

Permanent Representative

Permanent Mission of Denmark to the
United Nations in New York

Oscar Fernández-Taranco

Assistant Secretary-General

Peacebuilding Peacebuilding Support Office
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¹ According to the MPTF's [Factsheet](#) for the PBF on 27 July 2021.

SECRETARY-GENERAL'S PEACEBUILDING FUND

2020-2024 STRATEGY



United Nations
Peacebuilding



United Nations
Peacebuilding

Acknowledgements: The strategy was informed by key recent studies as well as lessons drawn from the increasing range of portfolio and project evaluations and thematic reviews conducted by the Fund and its partners. It moreover benefited from wide consultations with UN agencies and departments across the peace and security, development and human rights pillars; the Peacebuilding Commission; the Peacebuilding Fund's Advisory Group; donors and other Member States; and regional and civil society organisations.



“Global conflict trends and the expected number of United Nations transitions will require the Peacebuilding Fund’s critical support. The Fund’s new strategy will require unprecedented commitment from Member States, making my request for a quantum leap of support more pressing than ever”

António Guterres
Secretary-General

The Secretary-General's Peacebuilding Fund is the organization's financial instrument of first resort to sustain peace in countries or situations at risk or affected by violent conflict. The Fund invests with UN entities, governments, regional organizations, multilateral banks, national multi-donor trust funds or civil society organizations.

The Fund works across pillars and supports integrated UN responses to fill critical gaps; respond quickly and with flexibility to peacebuilding opportunities; and catalyze processes and resources in a risk-tolerant fashion.

Cover picture:

© Paso Colombia

Gender-sensitive reskilling in post-conflict Colombia: family care while parents attend trainings for alternatives to coca production.



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The scale of violent conflict the world is facing today requires from us a concerted international effort to not only reduce the impact but also to prevent further escalation and misery. As we mark the 75th anniversary of the United Nations,

we must - more than ever - live up to the aspirations of our founders to "save succeeding generations from the scourge of war".

Global turmoil and divisions compel us to show the added value of multilateralism, strengthen our tools and adapt to new realities. Focusing on crisis response alone is unsustainable. We have to significantly increase our investments in prevention, and rebalance and integrate our approaches in line with our efforts to deliver the Sustainable Development Goals. In doing so, we need to pay far more attention to women and young people as agents for peaceful change and inclusive development. At a time when international action often falls short on key global challenges, they are showing remarkable leadership and capacity to mobilize others for the advancement of global solutions. Without their full participation in society, neither peace nor prosperity can be ensured over the long term.

We know that prevention works, saves lives and is cost-effective. But we must recognize we have been massively underinvesting. This can and must change. Peacebuilding requires political will and national leadership, but also the right support at the right time from the international community. It is important to take risks for peace and to enable actors such as the United Nations with the right mandate and entry points to seize opportunities—flexibly and quickly, bringing together the full range of the UN system's capacities.

The United Nations Peacebuilding Fund is a critical vehicle to support resilience and prevention. Over the past several years, the Fund has shown the tremendous capacity of Governments, the United Nations entities and partners to deliver results. I hope Member States will respond to my proposals for a meaningful increase in its funding capacities. This strategy sets out a vision for how we can address, with even greater dynamism and determination, the grave challenges of our times through a significant further increase in funding for prevention, peacebuilding and peace.

António Guterres
Secretary-General

EXECUTIVE SUMMARY

The Secretary-General's Peacebuilding Fund is the United Nations' instrument of first resort to respond and prevent violent conflict. In response to escalating levels of violent conflict since 2010, the Secretary-General embarked the United Nations on an ambitious reform agenda. He called for greater national leadership, a shift from response to prevention through cross-pillar strategies and a quantum leap of support to the Peacebuilding Fund—to enable United Nations system support to governments and societies dealing with complex conflict risks.

Contributing directly to the Department of Political and Peacebuilding Affairs 2020-2022 Strategic Plan, the PBF's Strategy for 2020-2024 sets out a bold vision to meet increasing demand to invest in peacebuilding through a broad range of partners. Although support to the Fund grew during the 2017-2019 cycle, demand has now outpaced available funding. Over the next five years, the PBF needs to significantly scale up to support an increasing range of countries and regions before, during and after an escalation of violent conflict. This will bolster the positive momentum in the Peacebuilding Commission and enable development actors to accelerate achievement of the Sustainable Development Goals (SDGs), recognizing that sustainable development is the most effective tool for prevention and that countries facing the greatest challenges to achieve the SDGs are those affected by violent conflict.

The PBF will focus on its unique comparative advantage as a timely, catalytic and risk-tolerant investor, with increased emphasis on quality assurance and learning, and a balanced approach to scale and focus. Meeting increased demand and supporting approximately forty countries requires faster and more systematic feedback loops for the benefit of beneficiaries and implementing partners, and to inform the Fund's investment decisions. The PBF is increasingly supporting new approaches in high-risk environments, which requires adaptation and learning from failure. Balancing scale and focus means investments large enough to make a meaningful difference to catalyze national and international peacebuilding efforts while maintaining clear sight of the Fund's niche and priorities.

Substantively, the Fund will maintain its core peacebuilding focus areas mandated in its terms of reference while scaling up its support to cross-border and regional approaches, transition contexts, prevention and inclusion. The Fund has received high demand for investment in regional approaches and anticipates a strong focus on facilitating transitions between United Nations configurations through more predictable financing. Given the role of horizontal inequalities and exclusion in driving today's violent conflicts, the Fund will further evolve its special Gender and Youth Promotion Initiatives; and continue to surpass its target of dedicating 30% of investments to gender-sensitive approaches; and place additional emphasis on inclusion of marginalized groups in peacebuilding processes.

The PBF is uniquely placed to incentivize coherent work across institutional mandates, based on national leadership, which is essential for peacebuilding. All PBF-funded programmes are approved and developed together with national institutions. Portfolio evaluations have repeatedly shown how the Fund provides strong incentives for the UN system and partners to work jointly in support of national efforts based on strong integrated analysis across pillars. As an integral part of the UN's Peacebuilding Architecture, the Fund and its partners will ensure experience is widely shared notably through the Peacebuilding Commission.

This strategy is the most ambitious for the PBF yet, designed to ensure the Fund is a core instrument at the heart of the UN's peacebuilding and sustaining peace efforts, and a driver of the critical United Nations reform agenda. Success will be a joint responsibility of the Fund and its partners and requires meeting the investment objectives while continuing to demonstrate the Fund's catalytic effects. The Fund will benefit from continuous guidance of the PBF's independent Advisory Group, the PBF Group of Friends as well as the group of top donors, allowing for course corrections and flexibility, including in response to recommendations from the 2020 Peacebuilding Architecture Review. The review will provide orientation and inspiration for recipient organisations, partner countries, donors and other stakeholders united by the aim to build and sustain peace.

1. GLOBAL CONTEXT



CONFLICT TRENDS

The surge in violent conflict around the world since 2010 has drastically increased human casualties, displacement, and humanitarian needs, often reversing hard-fought political, human rights and development gains and putting achievement of the Sustainable Development Goals at risk. Conflicts have become more regional in nature, spilling into one another in ways that drive instability and trigger consequences far beyond the region. Violent conflict is also increasingly intractable: more than 60 per cent of the conflicts from the early 2000s have recurred in the past decade. The growing role of transnational criminal networks and other non-state actors, some pursuing extremist agendas, has made today's conflicts more difficult to resolve with traditional negotiation and settlements.

Global trends indicate a geographical expansion of political violence amidst an increased proliferation of conflict actors and rising close-proximity violence against civilians. Civilians continue to bear the brunt of conflict with devastating impact particularly on women, children and youth. Attacks on women human rights defenders, humanitarians and peacebuilders have risen dramatically, further undermining the still insufficient progress on leadership and meaningful participation of women in peacebuilding.

KEY FIGURES 2018-2019



15% increase of new locations affected by disorder across Africa, Asia and the Middle East.



23% rise in newly emerged conflict actors



Historic high of **41.3 million** people internally displaced by violent conflict



Decrease in conflict fatalities but **increase** in total number of conflicts



82% of fragile and conflict-affected countries are off track to achieve SDGs

Around the world, and particularly in regions already suffering from insecurity, climate change poses an increasing danger to peace. The effects of climate change and environmental degradation can compound other conflict drivers or even become security risks in their own right. Their cross-cutting and multi-temporal nature also undermines prevention efforts. New pressures from digital technologies, the virality of hate speech, and disinformation are further confounding the conflict landscape.

The spread of violent conflict, instability and unrest into middle-income countries with relatively strong institutions has called into question the longstanding assumption that economic growth would lead inexorably to peace. As highlighted by the joint UN-World Bank study *Pathways for Peace*, political solutions are crucially important to address issues of inequality and exclusion, including of women, youth, and marginalized groups. Member States must address these challenges if they are to achieve the Sustainable Development Goals, an end in their own right but also, as the Secretary-General has noted, the best tool for prevention.

Yet the space for diplomacy and multilateral cooperation has narrowed as deep divisions amongst major powers have led to paralysis on threats to international peace and security. As nationalism and protectionism appear to be rising, faith in multilateralism is on the decline, eroding international norms in the process. This complicates the efforts of the UN and its partners to help find political solutions to conflicts and undermines our collective ability to manage risks.

A renewed and accelerated period of reconfiguration and drawdown of peace operations presents both opportunities and challenges. While such transitions bear opportunities to consolidate peace gains and benefit from shifting aid modalities, there is a statistically higher risk of conflict relapse in countries that have experienced cycles of violence in the past. The Security Council has mandated the closure of several missions in recent years. The next wave of expected transitions is often taking place in large geographic areas with limited state presence and continued protection and other structural deficits.

Despite these trends, there is evidence that well-targeted peacebuilding approaches can enhance the resilience of conflict-affected communities and transform how local and national institutions prevent and manage conflict more effectively. Independent evaluations of PBF-funded initiatives and other studies have repeatedly demonstrated that local-level community dialogues and early warning systems can contribute to improved inter-group social cohesion, enhanced trust between communities and state institutions, and reduce levels of violence.



UN RESPONSE AND REFORM

The 2016 resolutions on the review of the peacebuilding architecture underscored that lasting peace cannot be achieved without national ownership while recognizing that conflict risks do not emerge in isolation; they result from interactions of deeply rooted dynamics, shocks to fragile systems, and the political decisions of leaders.

The inter-related nature of these risks means that the UN must take a holistic approach, drawing on resources and capacities across the system focused on preventing the outbreak, escalation, continuation and recurrence of conflict while working effectively with a wide range of national, regional and international partners; addressing root causes; assisting parties to end hostilities and facilitating national reconciliation; and moving towards recovery and sustainable development while respecting and protecting human rights and fundamental freedoms. The resolutions also stressed the importance of women's leadership and participation in conflict prevention and peacebuilding, and encouraged the promotion of the gender dimensions of peacebuilding.

To strengthen the United Nations for this task, the Secretary-General has led an ambitious reform process with the core goal of enabling the UN to fulfil its mandate to prevent large-scale human suffering. The reforms focus on improving UN engagement on the ground by driving more integrated across the peace and security, development, and human rights pillars. In conflict-affected countries, the development system reform and reconfigured role of the Resident Coordinators ensure more concerted efforts to avert conflict impeding SDG attainment, facilitating analysis and planning to inform increased prevention and peacebuilding efforts by development, human rights, and humanitarian agencies, funds and

programmes. Moreover, the Secretary-General has prioritized actions to counter lagging progress of the Women, Peace and Security Agenda.

The role of the Peacebuilding Architecture has evolved from a relatively self-contained set of bodies to an integral part of a larger whole in which it plays a crucial role to ensure greater coherence. The Peacebuilding Commission has become an important Member States forum to provide integrated advice that complements the Security Council and mobilizes support from the international community for specific peacebuilding challenges. The renewed role of the Peacebuilding Support Office, which manages the PBF, as part of the new Department of Political and Peacebuilding Affairs (DPPA) allows it to better support cross-pillar approaches. DPPA's Strategic Plan 2020-2022 illustrates how the Fund connects with the full range of instruments and capacities at the Department's disposal, and how the Fund benefits from enhanced analytic and strategic capacities of the new shared regional structures.

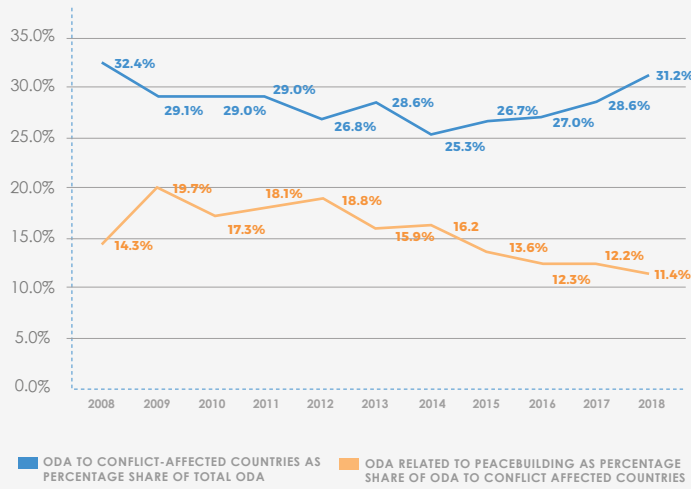


FINANCING FOR PEACEBUILDING TRENDS

This PBF Strategy begins in a context of continued aid volatility and financing gaps in fragile and conflict-affected countries. As summarized in *Pathways for Peace*, based on OECD DAC data, aid has remained unevenly distributed - 34 out of 56 fragile countries received less ODA per capita than the average; volatile - diverted from development and institutional support to humanitarian relief and back again; and infrequently directed to peace and state-building. There is moreover an increasing tendency to earmark funds, risking siloed approaches and leading to less flexibility in the system.

Although prevention is a cost-effective way to secure development gains, adequate, predictable and sustained financing remains a critical challenge. On one hand, the share of total ODA allocated to conflict-affected countries and territories continued to increase in 2018 to 31.2% , from a low in 2014 of 25.3%. Yet, the share of ODA for peacebuilding in these settings has declined, from 19.7% in 2009 to 11.2% in 2018, which amounts to \$ 6.7 billion in 2018. By contrast, global military spending rose to \$1,822 billion in 2018, marking the highest level since 1988.

SHARES OF OFFICIAL DEVELOPMENT ASSISTANCE FOR PEACEBUILDING AND FOR OF CONFLICT AFFECTED COUNTRIES



Source: Peacebuilding Support Office, based on OECD data.

The Women, Peace and Security Agenda remains severely underfunded. While the overall share of bilateral aid for the promotion of gender equality in conflict-affected contexts has increased since 2010, the proportion of aid going to programmes with gender equality as the primary objectives has stagnated at the same level under 5%, relying on a very small group of major donors. Women's leadership continues to be impeded by lack of access to sustainable funding sources, with only 0.2% of bilateral aid to conflict-affected contexts going directly to women's organizations in 2016-17.

Many peacebuilding interventions need medium-sized investments for which it has become harder to secure funding. The OECD report *States of Fragility 2018* showed how this "missing middle" was hampering investments in public goods in fragile and conflict-affected countries. Many projects were either in a group of very small sizes, ranging from \$1,000 to \$30,000, or in group starting at \$2 million for bilaterals and \$10 million for multilaterals. The former tend to be too small for broader impact and have comparatively high transaction costs, while middle-sized programmes aimed, for instance, at peacebuilding outcomes such as social cohesion struggled to attract financing. Moreover, mobilizing financing for sub-national institutions -who often have low absorption capacities- was also found to be complicated.

This leaves such institutions often "chronically underfunded despite recognition that pockets of fragility often exist at the sub-national level".

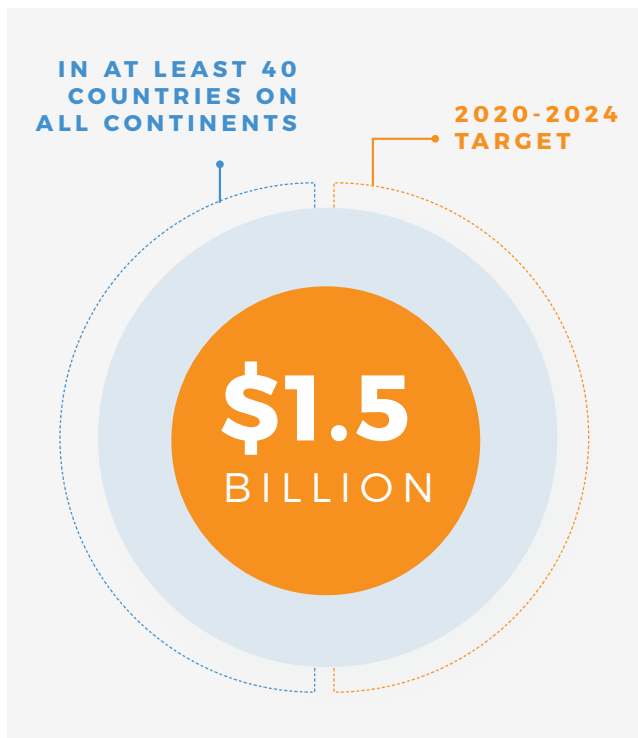
Countries undergoing transitions from peace operations tend to experience higher degrees of aid volatility as the main mechanisms and the scale of international support shift. The 2020 OECD study *Mission Drawdowns – Financing Sustainable Peace* highlights how the "financial cliff" is less about donor fatigue and more about donors unlikely to shift allocations to peacebuilding programmes given development programming is often locked in for three to five-year periods. Recent transitions, such as the drawdown of peacekeeping missions in Liberia and Haiti, evidenced this: the PBF was one of the few resources available to the United Nations Country Team to scale up efforts in areas previously covered by the missions, or requiring renewed attention. However, the Fund's resourcing levels were insufficient to meet demand. With the significant scale of downsizing or closing peace operations in the coming years, the challenge of transition financing remains significant.



© UN Photo / Abdul Fatai Adegboye 2019. In Côte d'Ivoire, the PBF filled a critical gap during the transition phase from a peacekeeping configuration allowing it to maintain the focus on peacebuilding, and as the largest contributor to the programme helped catalyze other donors and the Government to fund approximately 90 per cent of the programme.

2. INVESTMENT PRIORITIES

INVESTMENT OBJECTIVE

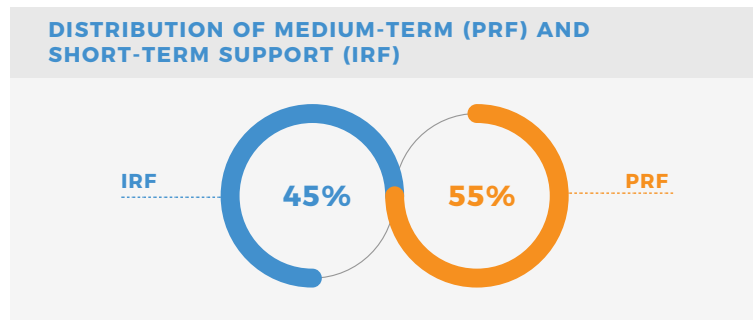
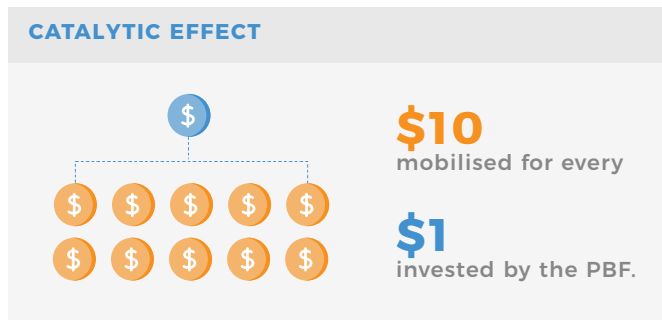
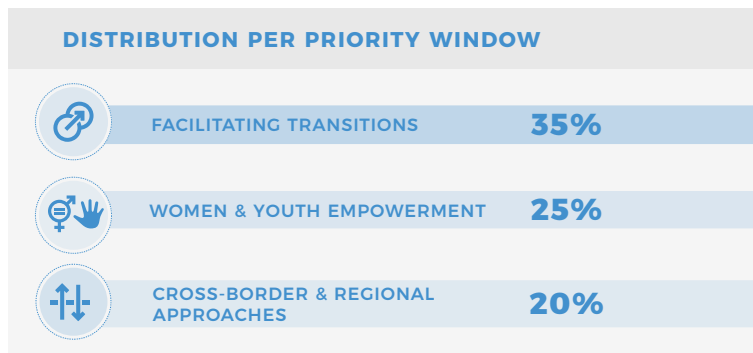
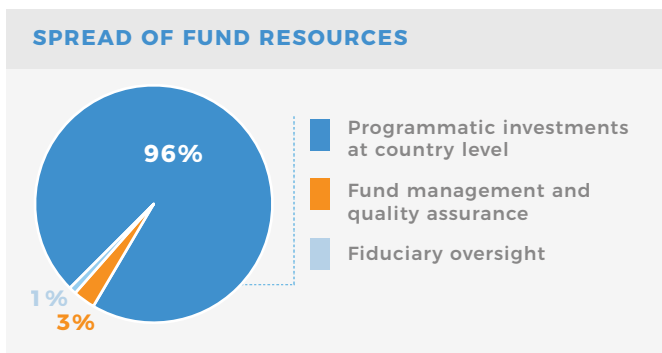


In view of global need for peacebuilding support and the demand and approval levels of the past years, the PBF aims to invest \$1.5 billion over this five-year period. This would amount to an increase of almost 70% compared to the previous period. The Fund deems this sufficiently ambitious and necessary to meet demand to remain a relevant instrument in the face of today's challenges and as the next phase towards meeting the Secretary-General's vision to achieve \$500 million of investments in peace per year through the PBF.

The Fund plans to manage growth gradually, aiming to increase approvals at approximately the same rate as growth in donor contributions in the previous year.

The PBF plans to invest in about 40 countries at any given time, with a balance of countries receiving larger investments over five-year periods following their request and the Secretary-General's approval of full eligibility; and those countries that receive a limited, time-bound amount in response to urgent needs or opportunities.

The PBF is a demand-driven fund which responds flexibly to peacebuilding opportunities. It nonetheless anticipates the following approximate distribution of investments:




FUND ACCESS AND PRINCIPLES

PBF RESPONSE		
IRF	Immediate Response Facility	☑ Approvals within 48 hours
PRF	Peacebuilding Recovery Facility	☑ Eligibility granted by the SG

The Fund strives to respond as early and quickly as possible to peacebuilding opportunities and national demand. Any country with urgent peacebuilding needs can access limited, short-term support through the Fund's **Immediate Response Facility (IRF)**. Accessing a broader support package with a medium-term horizon through the **Peacebuilding and Recovery Facility (PRF)** requires eligibility granted by the Secretary-General upon request of the Head of State or Government which includes a thorough conflict analysis and strategic prioritization process. Priority will continue to be given to countries considered "aid orphans" with significant financing gaps for peacebuilding.

The Fund's investments are guided by its **core principles as well as UN strategies and decision-making mechanisms** at country (UN Common Country Analysis, Sustainable Development Cooperation Frameworks, Mission mandates), regional (Regional Prevention Strategies) and global level (Secretary-General's Executive Committee and Regional Monthly Reviews).

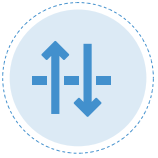
PBF PRINCIPLES		
1 Timely		4 Inclusiveness and national ownership 
2 Catalytic		5 Integrated support 
3 Risk-tolerant		6 Cohesive UN strategies 

PEACEBUILDING AND SUSTAINING PEACE BEFORE, DURING AND AFTER AN ESCALATION OF VIOLENT CONFLICT

Over this planning period, the Fund expects to further increase its investment in prevention efforts, maintain a significant footprint on post-conflict recovery, and a smaller role in ongoing crisis contexts.

INCREASED EMPHASIS ON PREVENTION	COMPLEMENTARY SUPPORT IN CRISIS CONTEXTS	POST-CONFLICT RECOVERY
THE FUND WILL		
<ul style="list-style-type: none"> Act as a catalyst for integrated approaches to support the Secretary-General's vision on reorienting the UN's work around prevention, and to contribute to balanced approaches across peace, development, human rights and security. Work with a wider range of UN and other partners to expand their efforts and pilot new approaches, based on systematic analysis of conflict risks such as exclusion and human rights violations. Support national ownership and inclusion in political processes as prerequisites for successful prevention, including through more emphasis on inclusive local governance capacities and youth empowerment. Provide more support to managing conflict risks emanating from climate-change related pressures on people and resources. 	<ul style="list-style-type: none"> Only use its Immediate Response Facility (IRF) in these contexts. Focus on mitigating the further escalation of conflict, especially at local levels. Complement broader UN peace and mediation efforts, for instance by investing in positive actors for peace or initiatives that support enabling environments for mediation. 	<ul style="list-style-type: none"> Offer broader, multi-year support packages on request of national authorities based on thorough joint conflict analysis and priority plans. Focus especially on countries undergoing transitions between UN configurations.

◆ PRIORITY WINDOWS



SUPPORTING CROSS-BORDER AND REGIONAL APPROACHES

A comparative advantage for the Fund in a context where transnational and regionalized conflicts have spread, and international aid systems have not sufficiently adjusted to enable adequate responses.

KEY OBJECTIVES

- **Extend** the PBF's support to cross-border programmes to initiatives that can help address wider regional trends through multi-country programming, e.g. on issues like transhumance, migration, violent extremism and dealing with conflict drivers exacerbated by climate change
- **Enable** recipient organizations to extend their presence and pilot new approaches in underserved geographies working holistically across the development—humanitarian—peacebuilding nexus.
- **Support** the UN's regional prevention strategies, enabling joint approaches of a range of partners from the UN system, regional and civil society organizations.
- **Develop** new avenues for civil society organizations to implement programs in areas where UN access and presence is more limited
- **Strengthen** the UN's strategic cooperation on peacebuilding with regional organizations especially the African Union.



FACILITATING TRANSITIONS

A major priority for the United Nations, the Fund expects the largest share of its investments in this period to support countries undergoing complex transitions, especially when UN configurations change.

KEY OBJECTIVES

- **Generate** momentum for peacebuilding strategies and international support through close collaboration with the Peacebuilding Commission and other stakeholders, leading to improved coherence and sequencing of aid instruments.
- **Address** transition financing gaps through greater investments in approximately eight transition contexts, providing more predictability for partner countries and the United Nations while preparing the ground for longer-term financing to start.
- **Support** the implementation of the Secretary-General's planning directive on transitions, ensuring that financing planning begins two years before mission closures, and anticipates the following five years.



FOSTERING INCLUSION THROUGH WOMEN AND YOUTH EMPOWERMENT

To help achieve the 2030 Agenda for Sustainable Development's commitment to “leave no one behind”, and to recognise the critical role of young people and women in peacebuilding.

KEY OBJECTIVES

- **Support** the meaningful participation of women, young people, and the most marginalized in peacebuilding.
- **Increase** the volume of the Fund's special calls for proposals, the Gender and Youth Promotion Initiatives, to better meet growing demand.
- **Recalibrate** the focus of the special calls in close consultation with recipient entities to ensure they help address gaps in the WPS and YPS agendas; and to incentivize innovation, e.g. changing concepts of masculinity, unblocking the structural impediments for participation of both women and youth, and shifting youth programming towards facilitating inclusive governance mechanisms and policy dialogues.
- **Expand** partnerships with civil society organisations and explore new avenues to make funding available for community-based organisations.
- **Surpass** the PBF target that supported programmes should invest at least 30% of their resources in gender-sensitive peacebuilding.

FOCUS AREAS



IMPLEMENT AND SUSTAIN PEACE AGREEMENTS

- Political dialogue
- Rule of law and transitional justice
- Security sector reform
- Disarmament, demobilisation and reintegration

“Activities designed to respond to imminent threats to the peace process, support for the implementation of peace agreements and political dialogue, in particular in relation to strengthening of national institutions and processes set up under those agreements.”

Complementing mandates of UN Missions, especially in transition contexts. Moreover, women continue to be insufficiently included in peace processes. The Fund therefore expects to place special emphasis on:

- **Supporting** inclusive political processes and political solutions for the effective implementation of peace agreements, in line with priorities defined under the Action for Peacekeeping Declaration.
- **Supporting** local-level and community-based processes to complement high-level mediation efforts, combining UN capabilities with those of other actors such as civil society and regional organizations.



© UN RCO / Papua New Guinea, 2019. In Papua New Guinea the PBF assisted in signing of parliamentary partnership agreement between National Parliament and Bougainville House of Representatives, to increase collaboration during and after the referendum.



DIALOGUE AND PEACEFUL COEXISTENCE

- National reconciliation
- Conflict prevention and management
- Democratic governance

“

Activities undertaken to build and/or strengthen national capacities to promote coexistence and peaceful resolution of conflict and to carry out peacebuilding activities”

In view of global trends, the Fund expects continued high demand from Member States to support national capacities with the peaceful and inclusive management of critical reform and transition processes, coping with the displacement crisis, and to deal with long-lasting legacies of violent conflict. The Fund therefore expects to place special emphasis on:

- **Facilitating** inclusion of marginalized groups, given the extent to which exclusion has proven to be a driver of conflict.
- **Countering** hate speech and other divisive practices, and investing in civic education.
- **Supporting** durable solutions for displaced and host populations by complementing humanitarian efforts with investments in conflict management and dialogue.
- **Building** capacities that help communities better cope with shocks that can exacerbate conflict risks, such as insecurity, climate and economic shocks in both urban and rural settings.



© UN PBF / Niger, 2019. The PBF increased women's participation in conflict prevention platforms between the communities and security forces in Niger.



PEACE DIVIDENDS

- Employment generation
- Equitable access to social services

“

Activities undertaken in support of efforts to revitalize the economy and generate immediate peace dividends for the population at large”

To ensure a peacebuilding impact, employment and social services in conflict-affected areas need to be targeted at the people who most need them, the most marginalized and hard-to-reach, and they need to have a voice in how this is provided. Based on an understanding of gendered and youth dynamics, the Fund sees its niche especially in:

- **Jump-starting** new partnerships and encouraging engagement in neglected or higher risk geographies, for instance on livelihoods, food security and peacebuilding in remote rural or border regions.
- **Facilitating** a shift away from short-term job projects to incentivizing economic inclusion, especially of youth.
- **Developing** better sequencing strategies and partnerships to take successful initiatives to scale, especially through cooperation with the International Financial Institutions and other donors.
- **Increasing** engagement with the private sector, for example by expanding pilots with social impact investment bonds encouraging SME to invest and employ in higher risk areas.



© UN RCO / Liberia, 2020. In Liberia, together with FAO, the PBF equipped community members with skills and tools to help them practice agriculture as both a source of food and livelihoods.



RE-ESTABLISHING BASIC SERVICES

- Strengthening of essential national state capacity
- Extension of state authority/local administration
- Governance of peacebuilding resources

“

Establishment or re-establishment of essential administrative services and related human and technical capacities which may include, in exceptional circumstances and over a limited period of time, the payment of civil service salaries and other recurrent costs”

The Fund expects some increase in this area given levels of conflict and complex transitions, as well as many areas that have had little to no presence of state services. Understanding that there is no automatic link between such services and more legitimacy and trust, the Fund expects to place special emphasis on:

- **Enabling** the UN and others to accompany governments in strengthening their capacities especially at the local level and extending their ability to provide services for citizens, combined with a strong emphasis on state-citizen engagement. Strengthening local governance capacities.
- **Facilitating** partnership and financing strategies with larger donors and national authorities to ensure the PBF can generate catalytic effects, such as piloting new systems or jump-starting critical capacity provision that can be taken to scale through larger financing instruments



© UN RCO / El Salvador, 2019. The migrant returnees in El Salvador established entrepreneurial ventures in health and wellness services, food catering, hair salons and poultry farming, supported by the PBF together with WFP.

3. PARTNERSHIPS FOR PEACEBUILDING

The PBF plays a critical role in enabling partnerships based on comparative advantages and complementarity, understanding that no actor can make a significant difference alone.

This is an important contribution to the partnership objectives of DPPA's Strategic Plan 2020-22.

To support integrated approaches and cohesion of the UN System, the Fund:

- **Provides** strong follow-up to decisions by the Secretary-General's Executive Committee, Regional Monthly Reviews, and Integrated Task Forces.
- **Connects** with the Peacebuilding Commission to link integrated advice and support from the international community with good practices and sustained support on the ground.
- **Empowers** the strategic capacity of Special Representatives and Special Envoys of the Secretary-General and Resident Coordinators to emphasize conflict prevention and peacebuilding in analysis and planning processes, and to catalyse programmatic integration with peacekeeping and political missions.
- **Ensures** complementarity with programmatic assessed funding of Missions; with the distinct roles of the CERF and the SDG Fund; and with the full range of capacities in DPPA, DPO, and the UN agencies, funds and programmes including the UNDP-DPPA Joint Programme on Conflict Prevention and the capacities deployed thanks to the DPPA Multi-Year Appeal.

To facilitate partnerships essential for catalytic effect and broader coalitions for peace, the Fund:

- **Facilitates** joint analysis, planning and programming across pillars, in support of nationally-led plans, including with the World Bank, the EU, and other partners, for example through the UN-World Bank-EU joint Recovery and Peacebuilding Assessments.
- **Seeks** to further enhance sequencing of aid instruments by addressing gaps and proofing concepts that can be followed up or taken to scale by bilateral donors, the EU, International Financial Institutions and others.

- **Increases** partnerships with civil society organisations both for learning and to help provide more flexible funding to local-level organisations, with modalities adjusted to different capacity levels from context to context.

- **Integrates** regional organisations in the development and implementation of peacebuilding strategies and provides programme support directly or through UN partners to facilitate a greater role of these bodies.

- **Consolidates** and manages these partnerships through coordination at headquarters and the Fund's communication efforts, and at country level through the Resident Coordinators and, in larger recipient countries, through the PBF Secretariats.

HUMANITARIAN-DEVELOPMENT-PEACEBUILDING AND PARTNERSHIP FACILITY

This special Facility managed by PBSO enables strategic collaboration between the UN, the World Bank Group, and other partners, catalysing joint efforts to increase impact in crisis-affected situations. The Facility accepts joint proposals from UN and World Bank leaders at country and HQ-level.



Joint assessments and joint planning frameworks



Joint evidence base for programming through joint analysis and joint data



Design and implementation support to scale up impact

4. FUND MANAGEMENT AND QUALITY ASSURANCE

Management and quality assurance systems will require further adaptation to ensure the Fund balances oversight of greater resources with its ability to remain flexible and effective. For a system-wide pooled-fund to succeed, implementation responsibility must be shared, and recipient UN agencies and partners have a critical role to deliver this strategy in full.

MANAGEMENT STRUCTURE

- The Fund expects the secretariat to grow with new expertise and capabilities to complement its technical support functions through deployments under its Programme Support Roster, which it will also increase. The costs for the secretariat, as a percentage of contributions, will continue to shrink.
- Small PBF Secretariats in eligible countries to support Resident Coordinators, national counterparts and recipient agencies.
- The Fund may also deploy Programme Officers into regional hubs to account for oversight and support of larger portfolios closer to the recipient countries.

Going forward, the Fund will increase its ability to track a wider range of key management information data through the overhaul of the MPTFO Gateway, which holds complete information about all PBF-funded projects, and complementary analytical systems.

KEY FACTORS TRACKED IN THE PBF'S MANAGEMENT INFORMATION SYSTEM

FUND LEVEL	PROJECT LEVEL
<ul style="list-style-type: none"> • Income, approval and cash-balance levels • Demand and allocations across Priority Windows and Focus Areas • Utilization of the Fund's 3% overhead 	<ul style="list-style-type: none"> • Quality of project proposals • Catalytic effects of projects • Budgeting and expenditure of gender-responsive peacebuilding efforts • Risk, success and failure assessments • Contribution to the Sustainable Development Goals • Budgeting and expenditure in relation to OECD credit reporting system

TRANSPARENCY AND ACCOUNTABILITY

The Fund will draw on this data for its day-to-day management and to inform regular reporting. It will also be the basis for independent reviews to help analyze performance data, take stock of contextual developments and recommendations from key stakeholders and the Fund's Advisory Group, and allow the Fund to make adjustments to its strategy as needed. All reports, reviews, and evaluations will be published on the Fund's website and the MPTFO Gateway, respectively.

REPORTING	INDEPENDENT REVIEWS	OVERSIGHT
<ul style="list-style-type: none"> • Annual Secretary-General report to the General Assembly • Periodic results synthesis reports • Annual project evaluation synthesis reports • Bi-annual project progress reports from recipients 	<ul style="list-style-type: none"> • Mid-term review of the PBF Strategy in 2022 • Global review in 2024 • Regular Audits 	<ul style="list-style-type: none"> • PBF external Advisory Group • Quarterly Member States meetings of PBF Group of Friends • Annual Strategic Financing Dialogue with top donors • Joint Steering Committees in PRF countries • Annual donor visits to recipient countries

DATA MANAGEMENT, MONITORING AND EVALUATION

The Fund has invested in peacebuilding initiatives since 2006 and has made project evaluations mandatory from 2018. This gives the PBF a unique data advantage that it will harness further to inform its own decision-making and the practice of recipient organizations. It will also make this data more readily available to other interested parties for the sake of transparency and learning.

Management and quality assurance systems will require further adaptation to ensure the Fund balances oversight of greater resources with its ability to remain flexible and effective. For a system-wide pooled-fund to succeed, implementation responsibility must be shared, and recipient UN agencies and partners have a critical role to deliver this strategy in full.

NEW MEASURES TO ENHANCE M&E APPROACHES FOR PEACEBUILDING EFFECTIVENESS:

- Improve guidance on how to measure "achievable change" and "catalytic effect", with increased roles for PBF secretariats in close collaboration with recipient agencies, RCOs and Joint Steering Committees.
- Pilot new evaluative approaches in three countries, e.g. using quasi-experimental approaches for innovative or risky initiatives.
- Share noteworthy efforts of recipient agencies who innovate design, monitoring and evaluation in peacebuilding programmes.
- Align with system-wide changes in mission and non-mission contexts, notably the updated UN Common Country Analyses and country evaluations (guided by the Development Coordination Office) and the Comprehensive Performance Assessment System (CPAS) being introduced for all UN missions.
- Establish a design, monitoring and evaluation advisory function where leading experts periodically review and enhance monitoring and evaluation practices of the PBF and its recipients.

The Fund will focus on topics that are of multi-agency interest and complementary to the policy and knowledge work of respective lead agencies. It will develop and adjust guidance notes and facilitate workshops and webinars on this basis, always in collaboration with recipient agencies who are responsible for implementing programmes. Taken together, the PBF believes this approach will help make meaningful advancements in the practice of peacebuilders worldwide.

LEARNING SYSTEM

POLICES AND LEARNING



Leverage the PBF's data advantage to inform decision-making, system-wide policy development and institutional learning

INTER-AGENCY KNOWLEDGE



At country level and beyond, use transformative potential of the PBF as a system convener to create permissive environments for agencies to support holistic peacebuilding efforts and avoid siloes.

FIELD-BASED LEARNING



Better programming and inclusive approaches require feedback loops and learning at the project level, involving agencies and beneficiaries



Thematic reviews



Data analysis



Synthesis reports

GREATER EMPHASIS ON LEARNING

Monitoring and evaluation alone do not automatically lead to learning and quality improvement. The Fund also recognizes that taking higher risks or piloting new approaches requires faster feedback loops to enable adaptive programming and applying lessons, including those derived from failure.

It is important to not only capture "good practices", but to apply knowledge through systematic feedback loops that facilitate tangible learning for better programming. This needs to happen at different levels for different purposes. The PBF will work with partners to create such feedback loops at three levels.



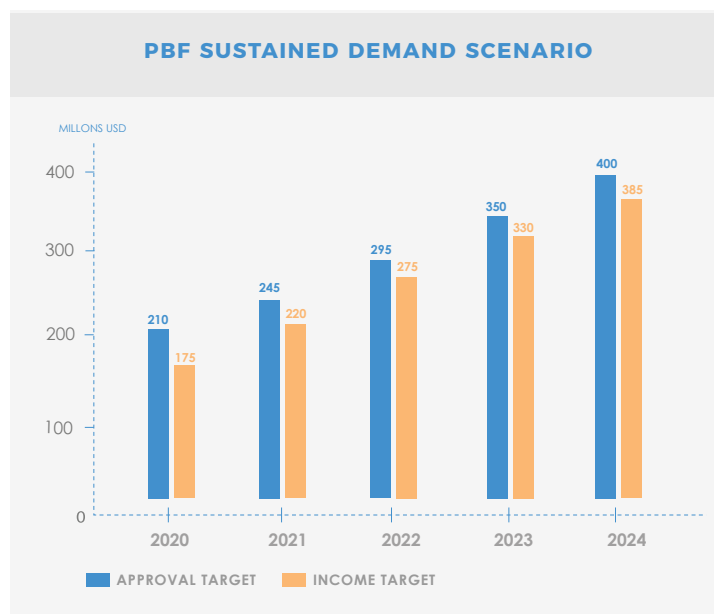
© UNDP Burundi / Patrice Brizard, 2018. Together with UNDP, IOM and UNHCR, the PBF supported the socio-economic reintegration of refugees, host-community members, returnees, and internally displaced people affected by the displacement crisis in both Tanzania and Burundi.

5. FUNDING STRATEGY

The Fund achieved growth over the 2017-2019 planning cycle through a modest overall increase in contributions, and by drawing significantly on the carry-over from the preceding cycle. The overall increase was only achieved, however, thanks to higher contributions from a small number of donors.

To meet the 2020-24 Strategy's objectives and make significant progress towards the Secretary-General's call for a quantum leap in contributions to the Fund, the PBF believes it will continue to depend to a large extent on voluntary funding but will also continue to pursue additional avenues.

To ensure growth is realistic and manageable, and to avoid overcommitments while still meeting expanded demand, the PBF has created a growth scenario that sets annual approval and income targets with a gradual and proportionate growth trajectory.



The Fund will:

- Increase and diversify the number of the PBF's significant donors through further outreach and engagement with a broad range of Member States as part of the Secretary-General's drive for reforms.
- Encourage Member States to commit to a more regular and higher-volume replenishment cycle for the Fund by raising the profile of the Fund and creating an appropriate forum for replenishment commitments.

- Work closely with the Peacebuilding Commission which plays a central role in helping to mobilize funding.
- Pursue options presented by the Secretary-General of how to channel a proportion of assessed contributions to the PBF increasing predictability and ensure that investing in peacebuilding is anchored as a core commitment of the United Nations membership.
- Ensure consistent complementarity with other key system-wide Secretary-General Funds, notably the CERF and the SDG Fund.
- Explore innovative funding partnerships, including increasing private donations.



© Women Peacebuilders / 2018. In Kyrgyzstan, the PBF helped to prevent violent extremism with youth-led engagement in collaborative initiatives with the national government, and local self-government bodies to voice youth needs and grievances and seek opportunities for shared and constructive problem solving.



© UN PBF / 2018. In the Gambia, the PBF helped to provide justice to the human rights victims through the Truth, Reconciliation and Reparations Commission.

TIMELY



CATALYTIC



RISK-TOLERANT



INCLUSIVENESS & NATIONAL OWNERSHIP



INTEGRATED SUPPORT



COHESIVE UN STRATEGIES



un.org/peacebuilding



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SECRETARY-GENERAL'S
PEACEBUILDING FUND
2020-2024 STRATEGY

MARCH 2020

PBF PERFORMANCE FRAMEWORK

LAST REVISED 5 APRIL 2021

TARGET

ACHIEVED


























DISAGGREGATED








































1

OUTCOME	INDICATORS	MEANS OF VERIFICATION	BASE LINE						
STRATEGIC PEACEBUILDING & PREVENTION EFFECTS: PBF investments lead to more and better nationally led peacebuilding & prevention interventions, including in cross-border and transition contexts, and in support of more inclusion of women and youth	1.0.1 % of PBF active projects considered "on track with evidence of peacebuilding results"	Project score tracked in PBF Reporting Dashboard	36.5%	30 19.2	30 	30 	30 	30 	The score is assigned by PBSO based on analysis of project progress reports, end evaluations and other sources. Inclusion criterion is all projects within 6 months of the project end date.
	1.0.2 % of PRF countries that contribute to higher-order collective outcomes	SDCFs, ISFs, PBF Strategic Frameworks	N/A N/A	N/A N/A	50% 	60% 	70% 	80% 	PBF revised its approach to PRF countries' 5-year eligibility requests in 2020. This revision calls for the adoption of country-level strategic frameworks to guide PBF investment strategy in certain country settings. PBF began rolling out this new policy in January 2021. These frameworks are designed to better articulate joint peacebuilding results and theories of change at the outcome level to allow for better monitoring by the UN Country Teams and, in time, evaluation of cumulative PBF project results through independent portfolio evaluations
OUTPUTS									
1.1 PBF meets annual approval targets set for 2020-24	1.1.1 Total PBF annual approvals in USD	Annual PBF approval table	\$191m	\$175m \$173.7m	\$210m 	\$295m 	\$350 	\$400m 	Annual approval targets relate to the "sustained growth scenario" set out in the PBF Strategy 2020-24. They are based on anticipated demand and management capacity as well as on available income and will have to be adjusted as these factors can fluctuate.
1.2 PBF approves projects in line with priority windows, and in support of gender-responsive peacebuilding	1.2.1 % of PBF approvals that support gender-responsive peacebuilding	End of year review of project budgets dedicated to GEWE	30% 40%	30 40	30 	30 	30 	30 	This is the target set in PBF's Strategy 2020-24. To note: the UN's guideline is for all UN initiatives to have at least 15% of budgets dedicated to gender and women's empowerment.
	1.2.2 % of annual PBF approvals to transition settings	PBF Annual approval table	30%	35 20.4	35 	35 	35 	35 	Indicator calculated on the basis of dollar amounts, not numbers of projects.
	1.2.3 % of annual PBF approvals to women's and youth empowerment	PBF Annual approval table	21%	25 34.4 G-13.5; Y-20.9	25 	25 	25 	25 	Indicator on Gender includes Gender Marker 3 projects in both GYPI and regular program; indicator on youth includes all projects that have a primary focus on youth in both GYPI and regular program. Projects that are GM 3 and primarily focused on youth are counted only in the Gender indicator, which will slightly undercount PBF's overall achievement.
	1.2.4 % of PBF approvals to cross-border initiatives	PBF Annual approval table	8%	20 16.5"	20 	20 	20 	20% 	
1.3 PBF distributes project approvals along priority areas as outlined in Terms of Reference	1.3.1 % of PBF approvals approved towards Implementing and Sustaining Peace Agreements	PBF annual approval table	16%	19.3					These indicators do not have predetermined targets as explained in the PBF Strategy, given that the Fund has to retain flexibility on specific needs identified. It is nonetheless important for the Fund to track to establish comparative emphasis and inform learning and partnership approaches.
	1.3.2 % of PBF approvals approved towards Dialogue and Peaceful Coexistence	PBF annual approval table	65%	65.5					
	1.3.3 % of PBF approvals approved towards Peace Dividends	PBF annual approval table	8%	8.5					
	1.3.4 % of PBF approvals dedicated approved towards Re-establishing Basic Services	PBF annual approval table	11%	6.6					
1.4 PBF supports national ownership through establishment of Joint Steering Committees (or equivalent)	1.4.1 % of PRF-recipient countries that have Joint Steering Committee or equivalent in place that help ensure national ownership and facilitate strategic partnership and oversight between national, UN and other stakeholders	PRF country tracker	50%	N/A 45	60 	70 	75 	80 	"PBF encourages the creation of Joint Steering Committees in PRF countries to facilitate prioritization, partnerships and strategic oversight of PBF investments. These can be dedicated PBF JSCs, OR, to avoid duplication and where applicable, existing steering committees such as those of national MPTFs or other aid coordination frameworks that can integrate PBF steering functions at country level. The Fund has committed to establish or support existing JSCs for countries seeking eligibility or re-eligibility that fall into tiers one or two as part of the 2020-2024 Strategic Planning cycle."
1.5 The PBF ensures a robust Monitoring, Evaluation & Learning system	1.5.1 % of PRF countries with strategic frameworks where outcome-level data is collected	PRF country tracker	N/A	N/A 	80 	80 	80 	80 	The Fund has committed to support the collection of strategic outcome-level data within the first 9-12-month period for most tiers one and two countries seeking eligibility or re-eligibility as part of the 2020-2024 Strategic Planning cycle.
	1.5.2 % of projects requiring project evaluations for which a final evaluation has been completed	Project evaluation tracking table	31.6	> than previous year 36.4	> than previous year 	> than previous year 	> than previous year 	> than previous year 	PBF requires independent project end evaluations for all projects. The responsibility for conducting these lies with recipient entities. This indicator tracks compliance.
	1.5.3 % of PRF countries with Strategic Frameworks that engage in community-based monitoring mechanisms or other feedback loops.	CBM analytic reports; minutes of JSC meetings	0%	0 0	20 0	30 0	35 0	40 0	"The feedback loop is the Community-based monitoring mechanism, which will provide a vehicle for including the voices of our ultimate stakeholders within the JSCs (or their equivalents). JSCs include senior level government, UN, CSOs and donors at country level. PBF is committed to testing the viability of this approach, but full implementation will be contingent on: 1) sufficient Fund capitalization to allow for additional M&E budgets to PBF Secretariats, and 2) evidence of uptake within the JSCs and broader UN of the information provided by stakeholders.
	1.5.5 Number of Thematic Reviews commissioned annually	Thematic Review final reports published on the PBF website		2 1	2 	2 	2 	2 	



















































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OUTCOME	INDICATORS	MEANS OF VERIFICATION	BASE LINE						
CATALYTIC EFFECT: PBF investments catalyze more investments in peacebuilding at country level, help unblock critical processes, and enable innovative approaches for peacebuilding and prevention	2.0.1 Additional \$ leveraged for peacebuilding initiatives after initial PBF investment	Three-year estimates in collaboration with PBF Secretariats, plus project reporting, and through portfolio evaluations	(2017-2019) 7 to 1	(2018-2020)  10 to 1 	(2019-2021)  10 to 1 	(2020-2022)  10 to 1 	(2021-2023)  10 to 1 	(2022-2024)  10 to 1 	
	2.0.2 % of PBF approved projects leveraging innovative/blended finance	PBSO tracking through annual approval table and reporting on projects identified as aiming at innovative/blended finance	N/A	 TBD					PBSO's Project Appraisal Committee will mark projects with clear pilot or innovation aspects and track them and their end evaluations to analyse their effects. There are not specific targets but rather an effort to better assess degree to which this kind of catalytic effect manifests itself.
OUTPUTS									
2.1 PBF approves projects that are considered risk-tolerant	2.1.1 % of PBF approvals considered "high-risk" (Risk marker 2)	PBF annual approval table	N/A	 23.3					PBF will not set targets for these types of initiatives but commits to tracking implementation of this policy for evaluation at the end of Strategic Plan 2020-2024.
2.2 PBF approves projects that seek to pilot new or untested approaches	2.2.1 % of PBF approved projects which include pilot components	Project Appraisal Committee (PAC) score card	N/A	 TBD					PBF will not set targets for these types of initiatives but commits to tracking implementation of this new policy for evaluation at the end of Strategic Plan 2020-2024.

3

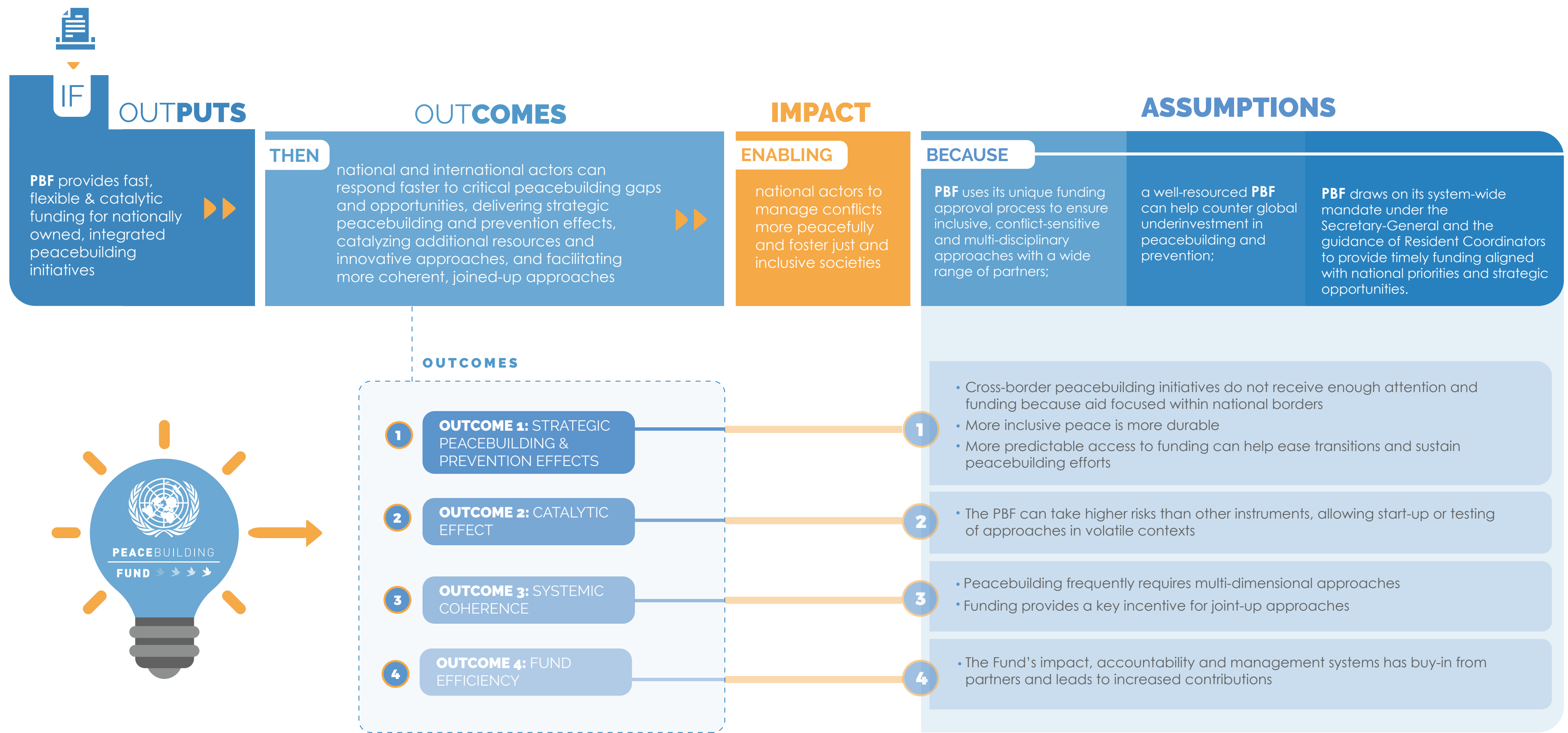
OUTCOME	INDICATORS	MEANS OF VERIFICATION	BASE LINE						
SYSTEMIC COHERENCE: PBF investments enable the United Nations system and partners to implement more coherent and integrated approaches to peacebuilding in a timely manner	3.0.1 % of PBF approved projects that are joint UN-CSO projects	PBF annual approval table.	0%	 10.6					Joint UN-CSO projects were first piloted in 2020 with the first Gender and Youth Promotion Initiative welcoming joint UN-CSO proposals. PBF will not set targets for these types of initiatives but commits to tracking implementation of this policy for evaluation at the end of Strategic Plan 2020-2024.
	3.0.2 Number of PRF countries where PBF planning is aligned with new SDCFs	Annual Strategic Reports from RCs, PBF/DCO reporting	N/A	N/A	 1 	 2 	 2 	 2 	PBSO is coordinating with DCO to identify countries who start new Sustainable Development Cooperation Frameworks in a given year and where PBF can align or integrate its planning processes (such as eligibility applications and Strategic Framework)
	3.0.3 In countries with Peace and Development Advisors (PDAs), % of PBF countries where PDAs provided support to PBF processes including eligibility, design, implementation, and quality assurance	PDA reporting and annual survey through the Joint "PDA" Programme	95%	90	90	90	90	90	"A joint indicator with UNDP/DPPA's Joint Programme on conflict prevention capacities (PDAs), indicative of complementarity of different key UN system-wide instruments
	3.0.4 % of government, UN and donor respondents who rate PBF's integration role highly	Annual targeted partner survey in PRF countries	N/A	N/A	50	50	50	50	PBSO is introducing a new limited survey in 2021, working through PBF Secretariats, that will ask a set of targeted questions on an annual basis
OUTPUTS									
3.1 PBF supports both short term and medium-to-long term peacebuilding initiatives	3.1.1 % of PBF approvals to IRF and PRF facilities	PBF annual approval table	IRF - 43.2%/ PRF - 56.8%	 45/55  57.7/42.3		 45/55 	 45/55 	 45/55 	
3.2 PBF provides support in UN peacekeeping and special political mission settings	3.2.1% of PBF approvals in peacekeeping mission settings	PBF annual approval table	39%	 20					
	3.2.2 % of PBF approvals in special political mission settings	PBF annual approval table	12%	 6.6					
3.3 PBF provides funding to civil society organizations	3.3.1 % of PBF funding to civil society organizations	PBF annual approval table	8%	 10.5					

4

OUTCOME	INDICATORS	MEANS OF VERIFICATION	BASE LINE						
FUND EFFICIENCY & EFFECTIVENESS: The PBF maintains and enhances management & governance systems that consolidate it as leading multilateral, pooled financing instrument with increased resources	4.0.1 Annual financial contributions to PBF in USD	MPTF Gateway	\$134.8m	 200m  \$180.2m	 200m 	 275m 	 330m 	 385m 	
	4.0.2 # of contributors to PBF (disaggregating for existing versus new contributors in the current Strategic Plan)	MPTF Gateway	24	 24 	 > than previous year 	 > than previous year 	 > than previous year 	 > than previous year 	
	4.0.3 % of donors with multi-year commitments	MPTF Office	6	8	11	11	14	16	
	4.0.4 % of contributions from top 12 donors	MPTF Gateway	96%	 < than previous year  95.2%	 < than previous year 	 < than previous year 	 < than previous year 	 < than previous year 	
OUTPUTS									
4.1 The PBF manages funds in a responsible and transparent way	4.1.1 PBF overhead as percentage of annual contributions	Fund Status / Administrative Records	1.8%	 < 3%  TBD	 < 3%  TBD	 < 3%  TBD	 < 3%  TBD	 < 3%  TBD	
	"4.1.2 Projects that are financially closed within one financial reporting year after project end date.	Project reporting dashboard: overdue analysis	N/A	50	60%	65%	70%	75%	
	4.1.3 The PBF commits to maximize transparency and accountability through regular, informative updates to donors.	Minutes meetings and Chair's summaries of meetings	N/A	 TBD 	 4 meetings 	 4 meetings 	 4 meetings 	 4 meetings 	

PBF THEORY OF CHANGE

LAST REVISED 5 APRIL 2021



PBF RISK MANAGEMENT MATRIX

LAST REVISED FEBRUARY 2021



The Peacebuilding Fund’s (PBF) Strategy 2020-24 sets out how the Fund will capitalize on its unique comparative advantage as a timely, catalytic and risk-tolerant investor, with increased emphasis on quality assurance and learning, and a balanced approach to scale and focus. Meeting increased demand and supporting approximately forty countries requires faster and more systematic feedback loops for the benefit of beneficiaries and implementing partners and to inform the Fund’s investment decisions. The PBF is increasingly supporting new approaches in high-risk environments, which requires adaptation and learning from failure. Balancing scale and focus means investments large enough to make a meaningful difference to catalyze national and international peacebuilding efforts while maintaining clear sight of the Fund’s niche and priorities.

Implementing this strategy requires the Fund to manage a number of risks. The Fund has put in place a series of controls over the years but recognizes the need to continually adjust these to ensure the Fund remains “fit-for-purpose”. This matrix organizes and registers the main risks that the Fund sees within its control to manage.

The Fund’s risk management approach is informed by findings of the Office of Internal Oversight Services (OIOS), as well as project and country portfolio-level evaluations and the Fund’s regular Synthesis Review. As early as 2010, OIOS grouped key risks in relation to the operation of UN general trust funds, particularly those that give funds to entities outside the UN secretariat, into four categories: Loss of legitimacy, loss of financing, loss of knowledge capacity and loss of operational capacity. Many of these risks remain applicable for the PBF’s operation and have been used as the base starting point for this risk management strategy. More recently, a subsequent 2019 OIOS audit of the PBF’s programme and operational management found that the Fund had appropriate governance and coordination arrangements in place and was adequately enhancing its funding risk management, resource mobilization and project closure activities. It recommended that the Fund improve monitoring, documentation and evaluation of projects, and application of project evaluation results. PBF’s Strategy 2020-24 explains measures the Fund has put in place in response to the 2019 audit recommendations, which also feature, where applicable, in this risk management matrix.

The PBF Secretariat uses the risk management matrix to monitor and track the status of key risks and related mitigating actions and is updated annually. The matrix is not to be considered as a separate work stream for the PBF; it is rather a lens on the PBF’s regular workplan and maps our initiatives against the risk areas that they help mitigate and helps to identify potential gaps in risk mitigation.

Risk and Potential Impact	Existing Controls	Additional Mitigation Actions	Status February 2021
<p><u>RISK AREA 1 - Performance Monitoring and Accountability</u></p> <p>The PBF's reliance on agency monitoring and evaluation systems presents advantages in terms of cost savings and the ability to maintain a lean management structure. It is also a structure that has been reviewed and approved by agencies' executive boards and a function which is resourced at country and headquarter levels. A downside and risk to manage is each agency has different policies, practices and capacities which means limited uniformity and requires efforts to analyse and aggregate.</p>			
<p><u>Risk</u></p> <p>Reliance on agency monitoring and evaluation systems leading to:</p> <ul style="list-style-type: none"> - Lack of adequate performance and results information. - Lack of verified and timely beneficiary level information. - Lack of credible project level evaluation. <p><u>Potential Impact</u></p> <ul style="list-style-type: none"> - Inability to adequately demonstrate PBF results or impact at the project level. - Hampered learning and adaptation, and thus, improvement. - Possible loss of confidence by donors and member states. 	<ol style="list-style-type: none"> 1. The PBF Guidelines (2018) delineate accountability and responsibilities for monitoring and evaluation and introduced mandatory, agency-led end-evaluations. 2. Independent PBF country portfolio evaluations provide an additional level of assurance in PRF countries about the PBF's added value and help gauge performance at outcome level. 3. PBF Secretariats in countries with larger portfolios provide frontline oversight and monitoring assistance while ensuring timely reporting. 4. PBF's biannual progress reporting requirements allow PBSO to monitor project performance and take mitigating measures for underperforming projects. 5. PBF guidance on project 	<ol style="list-style-type: none"> i. With the Fund's new Strategy 2020-24, beginning in 2021 the Fund is rolling out a new approach to develop outcome-level 'Strategic Frameworks' in PRF countries. ii. The Strategy 2020-24 committed to pilot new impact evaluation approaches. PBF has partnered with Germany on a special project launching in 2021 to this effect. iii. New PBF Strategic Performance Framework replacing the former results framework, to monitor performance against the PBF's strategic objectives 2020-24. iv. Strengthen collaboration and coordination with agency evaluation departments to improve PBF coverage in agencies' own evaluations and studies. 	<ol style="list-style-type: none"> i. In 2021, Strategic Framework exercises have taken place or are planned in: Guatemala, Western Balkans, Kyrgyzstan, Sudan, South Sudan, Haiti, Madagascar, Guinea-Bissau and Burundi. ii. The impact project formally launched in January 2021. Case study selection is expected to be completed by April 2021 and implementation running through December 2022. iii. Draft developed and discussed with key donors in late 2020. To be finalized in February 2021. iv. PBF is already working with UN Staff College, FAO, WFP and WHO on HQ-led capacity building initiatives for improved peacebuilding design, monitoring and evaluation. In Q1 and Q2, PBF is collaborating with UN Women on a thematic Review on gender peacebuilding, and in Q2 and Q3 with UNV on a thematic review on local peacebuilding initiative. In Q4 2021, PBF, FAO and UNICEF will collaborate on a thematic review on climate-related peacebuilding challenges.

	<p>design, monitoring and evaluation, including community-based monitoring.</p> <p>6. Targeted trainings in collaboration with agencies for country teams of sub-regions facing particular programming challenges.</p> <p>7. Regular publication of independent PBF thematic and synthesis reviews (in collaboration with recipient agencies) for comparative lessons learning and transparency.</p> <p>8. Fund level results framework (2016-20) that is reviewed annually and independently by the UK.</p>		
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Risk and Potential Impact	Existing Controls	Additional Mitigation Actions	Status February 2021
<p><u>RISK AREA 2 – Partnerships</u></p> <p>The PBF makes grants primarily to UN agencies, funds and programmes and, to a lesser but increasing extent, civil society organizations. It occasionally also funds – mostly indirectly – Governmental institutions in programme countries and may invest with regional organisations or multilateral development banks. There are potential risks pertaining to all fund recipients, and others that are specific to the type of partner. Given that the Fund preferences funding higher risk initiatives in conflict-affected contexts, partners may not be able to implement projects as planned and risk not spending funds received that could then be spent better elsewhere. A lack of inclusiveness may lead to situations where PBF is not funding the partners best suited to address an identified issue, or not reaching the most relevant actors in a given context.</p>			
<p><u>Risk</u></p> <ul style="list-style-type: none"> - Inability of partners to launch projects and spend funds received in a timely manner. - Too rigid management systems of partners prevent them from adapting to changeable contexts or revising programmatic approaches. - Lack of inclusiveness in partner selection <p><u>Potential Impact</u></p> <ul style="list-style-type: none"> - Possibility of delayed or untimely response and underspend. - Loss of effectiveness and peacebuilding impact. - Perception of PBF not being flexible enough to reach a diverse set of partners 	<ol style="list-style-type: none"> 1. PBF introduced a tranche-based disbursement system to grantees in 2016: the higher the risk, the more tranches (2-4). In cases of under-delivery or contextual changes that do not allow the full completion of a project the PBF will withhold outstanding tranches. 2. Resident Coordinators have to submit and countersign every proposal and coordinate strategic partnership identification and development at country level (in PRF supported by PBF Coordinators). 3. PBF policy on the Gender Marker aims to require that each project devotes least 30% of budgets on gender-sensitive peacebuilding. This is validated through detailed financial reporting. 4. PBF GYPI initiative requires recipients to 	<ol style="list-style-type: none"> i. Dedicated Thematic Reviews in 2021 on support to local peacebuilders and on PBF's gender-sensitive peacebuilding approach. ii. Collaboration with DCO to align PBF prioritisation and planning processes with roll-out of new CCAs and UNSDCF's. iii. Discuss partnership and coherence issues in the PBF Advisory Group and with ASG for Development Coordination 	<ol style="list-style-type: none"> i. In Q1 and Q2, PBF is collaborating with UN Women on a thematic Review on gender and peacebuilding (CSO representative – Global Network of Women Peacebuilders), and in Q2 and Q3 with UNV on a thematic review on local peacebuilding initiative (CSO representative – TBD). In Q4 2021, PBF, FAO and UNICEF will collaborate on a thematic review on climate-related peacebuilding challenges. ii. Priority countries for 2021 identified. New PBF Strategic Frameworks will be fully aligned to new SDCF's. In particular, PBF SF process will help refine SDCF peacebuilding pillars in Sudan, South Sudan and Madagascar by December 2021. iii. Dedicated break-out group discussion with Advisory Group planned for Q1 2021.

	<p>channel minimum of 40% of funds to local CSOs.</p> <p>5. Regular discussions of partnership issues through the UN Peacebuilding Contact Group, and the QUNO-convened civil society network, and with key recipient agencies on a needs basis.</p> <p>6. Inclusion of civil society representatives within Peer Review Groups accompanying and validating PBF thematic reviews.</p> <p>7. Due diligence assessments of civil society recipients for every project conducted by MPTFO.</p>		
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Risk and Potential Impact	Existing Controls (Per Sep. 2012)	Additional Mitigation Actions	Status February 2021
<u>RISK AREA 3 - Resource Mobilization</u> Since inception in 2006, the PBF has received support from over 60 Member States. PBF however relies on a small group of donors with a disproportionate share . This makes PBF vulnerable to fluctuations in the support from the core group of donors.			
<u>Risk</u> - Heavy reliance on a small group of donors. - Unpredictability of funding due to few multi-year contributions. - Perception that there is insufficient demand and PBF sits on too many reserves. <u>Potential Impact</u> - Inability to respond to needs in a timely manner. - Lack of engagement and proposals from key actors who might consider PBF funding too uncertain. - Perception of undue influence or donor/member state bias viz. top donors.	<ol style="list-style-type: none"> 1. PBF maintains and updates a resource mobilization strategy targeting specific member states and groups. The strategy is revised regularly in consultation and discussed with the PBF Advisory Group. 2. Quarterly briefings to the PBF Group of Friends (once p.a. at Ambassador level) to keep full group of donors informed and engaged 3. Annual Strategic Financing Dialogue (since 2019) with Top Twelve Donors at capital level to ensure and maintain full buy-in in the Fund's strategy 4. Enhanced communication strategy (since 2019) through social media, targeted publications and audio-visual material 5. Dedicated technical donor focal points to ensure trust and direct communication with the PBF Secretariat. 6. Members of the PBF Advisory Group 	<ol style="list-style-type: none"> i. Ensure adequate staff capacity, procedures, tools and systems are in place to support resource mobilization efforts. ii. Adapt resource mobilization and communications strategy to strengthen initiatives to maintain, broaden and deepen of the donor base. iii. Develop innovative funding and promotional initiatives, including through private sector engagement, to attract new funding and to increase PBF visibility. iv. High-level Replenishment Conference co-chaired for the first time by the SG together with top donors and key recipient countries to raise political profile and buy-in v. Full overhaul of the Fund's website and online presence vi. New donor-facing reporting format through a visually enhanced "results report" on the 2017-19 strategy period vii. Integrate PBF resource mobilization efforts into broader UN initiatives to strengthen peacebuilding and prevention partnerships with emerging or non-traditional donors; and strengthen key donors' involvement to broaden and 	<ol style="list-style-type: none"> i. PBF is recruiting a P5 Strategy and Partnerships in Q1/2021 and his further expanding its communications teams from 2 to 3 staff through the addition of a Web Developer. ii. The Fund is taking stock after the 2021 Replenishment Conference and will adjust its RM/C strategies in consultation with the Advisory Group. iii. PBF is continuously exploring new options to increase visibility and reach new partners. A collaboration with Germany on innovative financing options is being planned. iv. Held successfully in January 2021 with record Member State turn-out at high level. v. Pending recruitment of dedicated web developer. vi. Published in December 2020. vii. Canada and Germany organized joint demarches with other top donors to encourage emerging donors to step up more. Morocco, as chair of a PBC country configuration, offered to approach other PBC members and lobby them to contribute. Increased use of recipient agency leaders to advocate on behalf of the PBF.

	constitute a broad and diverse representation of Member States and function as advocates for the PBF.	deepen the donor base. viii.Keep staffing for the secretariat function a function of income of the previous year	
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Risk and Potential Impact	Existing Controls	Additional Mitigation Actions	Status February 2021
<p><u>RISK AREA 4 – Comparative advantage</u></p> <p>The Fund's comparative advantage is its niche as a timely, risk-tolerant and catalytic pooled funding instrument. Some inter-related factors have the potential to affect perceptions about the PBF's comparative advantage. This includes the risk that PBF is not sufficiently focused and conflict-sensitive especially in higher risk contexts, which may lead to situations where PBF is not funding the most strategic interventions or not well coordinated with other funding instruments. A compound risk is the Fund being perceived as being too stretched over too many countries and unable to demonstrate sufficient added value to justify channelling money through such a pooled fund. Similarly, there is a risk that recipients perceive the transaction costs (e.g. in the form of project prioritization, proposal preparation, compliance and reporting) associated with obtaining PBF funds too onerous compared to other funding sources, which would undermine the Fund's timeliness.</p>			
<p><u>Risk</u></p> <ul style="list-style-type: none"> - Insufficient focus on the right priorities / higher risk contexts - Insufficient conflict-sensitivity at country level for PBF proposals. - Perception of PBF being stretched too thin over too many countries - Perception of insufficient added value of PBF. - Perception of transaction costs being too high. <p><u>Potential Impact</u></p> <ul style="list-style-type: none"> - PBF not meeting its objectives of targeting critical peacebuilding gaps, being timely and risk-tolerant, and promoting coherence and inclusion. - Possible loss of funding if donors not convinced of sufficient comparative advantage and added value. - Fund not being used strategically by UN and partners. - Inadequate resources for recipient agencies and their 	<ol style="list-style-type: none"> 1. PBF annual investment plans assess country contexts based on RC Annual Strategic Reports, RMRs, consultation with DPPA/DPO Regional Desks and DCO and align investments with PBF priorities as per Strategy 2020-24. 2. Country-level portfolio evaluations include value added assessments of PBF's role in peacebuilding contexts. 3. Annual Reviews by DFID (now FCDO) include value for money assessments. 4. Scorecard for proposal appraisals includes conflict sensitivity, value for money and catalytic potential criteria. 5. Regular benchmarking against comparable funding instruments 6. Joint guidance on complementarity and delineation between PBF, 	<ol style="list-style-type: none"> i. Assessment within thematic reviews, where relevant, of PBF vis-à-vis comparable Funds. 	<ol style="list-style-type: none"> i. Q1 and Q2 2021, the Gender thematic review will include assessment of PBF with respect to several other similar Funds' performance on supporting gender equality and women's empowerment.

implementing partners to effectively support implementation of PBF projects.	CERF and SDG Fund, with regular reminders to RCs		
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