

UN Peacebuilding Fund

Business Plan: 2014 – 2016



United Nations Peacebuilding Support Office

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1. Introduction

At the request of the General Assembly and the Security Council¹, the Secretary-General of the United Nations in 2005 established a multi-year standing Peacebuilding Fund (PBF) to support post-conflict peacebuilding in direct response to country need. The Fund financed its first activities in 2007. Its Terms of Reference – enacted by the General Assembly – were updated in 2009.² The first multi-year Business Plan was established for the period 2011 to 2013. In 2013, the Peacebuilding Support Office (PBSO), who manages the Fund on behalf of the United Nations Secretary-General, commissioned the Fund’s first independent, global evaluation, whose results were published in May, 2014.³

PBSO is now presenting this second three-year **Business Plan 2014 – 2016**. It draws on the experiences during recent years as well as the global evaluation’s findings to lay out a strategy for the next three-year cycle. It will be accompanied by an updated **Performance Management Plan (PMP)**, which will enhance the accountability of the Fund towards its objectives. Using these two documents as guides, the Peacebuilding Fund aims to continuously improve the quality of its programming and, more importantly, the likelihood of achieving sustainable peace in partner countries.

2. Fund Status at the Completion of the first Business Plan

The Peacebuilding Fund progressed on many fronts during the three years 2011 to 2013. Average allocations were \$71 million per year to a total of 27 countries during the period. Seven countries were declared newly eligible for the Fund⁴, while four others saw programmes – in some cases small activities funded uniquely through the Immediate Response Facility – draw to a close.⁵

More than half of programming was done in the six countries on the Peacebuilding Commission’s agenda.⁶ Beyond those six countries, the Fund continued to prioritize

¹ General Assembly resolution 60/180 and Security Council resolution 1645 (2005)

² A/63/818: “Arrangements for the revision of the terms of reference for the Peacebuilding Fund”

³ To access the Review, see <http://www.unpbf.org/document-archives/?did=322>

⁴ Chad, Kyrgyzstan, Myanmar, Niger, Papua New Guinea, South Sudan, Yemen

⁵ Haiti, Sri Lanka, Timor Leste, Uganda

⁶ Burundi, Central African Republic, Guinea, Guinea-Bissau, Liberia, Sierra Leone

immediate post-conflict settings. But the Fund also began more strategically supporting countries that emerged from political crises – many of which encountered violence – to build capacities to avoid a future relapse into crisis and violence. In a few cases, countries further away in time from their peace agreements sought support for situations where critical elements of peace agreements remained unimplemented, or where tensions or risks of relapse were growing. Evaluations and monitoring in all these settings highlighted the need for i) good conflict and political analysis, ii) political commitment of Governments, iii) strategic leadership by the United Nations at country level, and iv) sufficient capacity of the resident UN organizations in order for PBF investments to have impact.

Figure 1. Net Funded Amount, IRF and PRF, 2007-2013 (in USD millions)

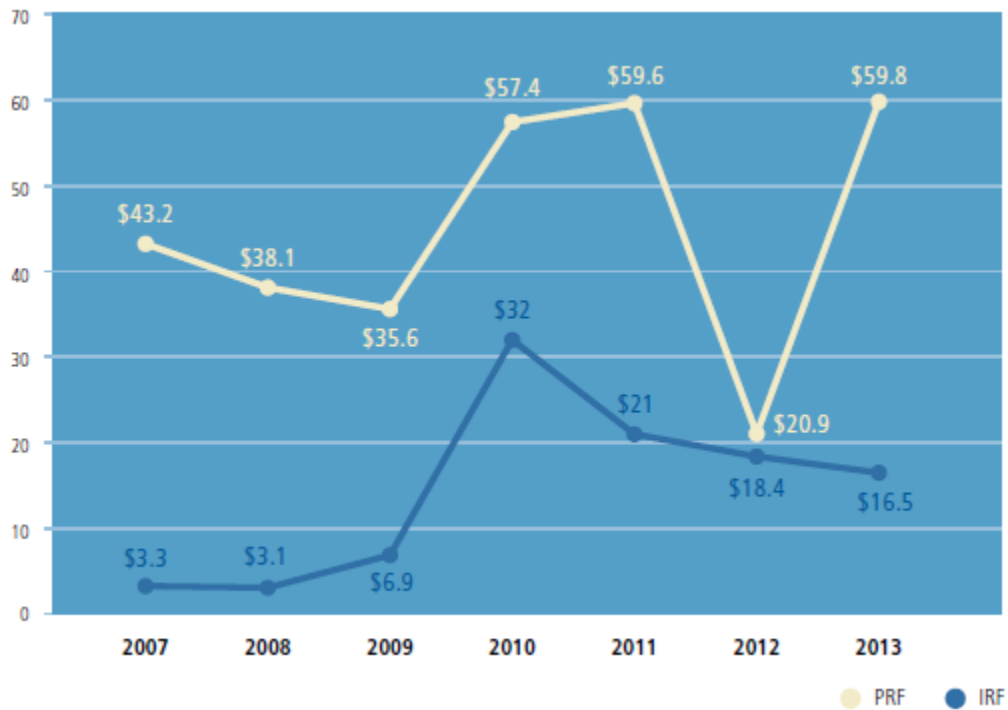
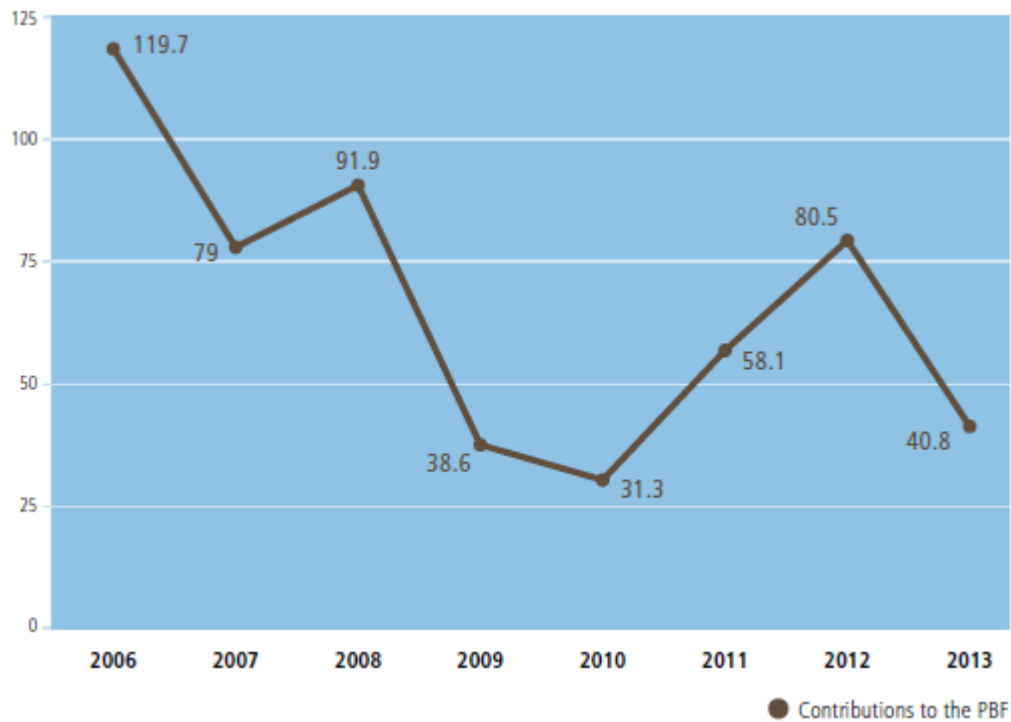


Figure 2. Contributions to the PBF, 2006-2013 (USD millions)



Further data on the progress made during the Business Plan period is available in the annual reports of the Secretary-General⁷ and the annual reports of the Multi-Partner Trust Fund Office (MPTF-O).⁸ In particular, the 2013 report of the MPTF-O seeks to summarize progress over the Business Plan period.

PBSO also developed its management practices during the previous Business Plan period, building on four priorities identified by the Fund’s Advisory Group, namely: continuing to define the Fund’s strategic positioning, deepening the Fund’s catalytic nature through enhanced cooperation with International Financial Institutions, as well as strengthening monitoring and evaluation, and gender. New application guidelines were issued, with an entirely new chapter on Monitoring and Evaluation, an increased emphasis on conflict analysis, and new mechanisms to support programme design.⁹ A concerted effort was made to increase the synergies with the Peacebuilding Commission, including increased consultation on priorities and programming, coordinated advocacy and joint country visits. Four thematic reviews were undertaken – in security sector reform; demobilization, disarmament and reintegration of ex-combatants; ‘peace dividends;’ and gender. Together, these have influenced subsequent programming. Eight independent evaluations were made of country programmes, securing the routine of public, independent evaluations. New accountability mechanisms were introduced, such as the requirement for Joint Steering Committees to submit annual reports on progress made

⁷ A/68/722, A/67/711*, A/66/659

⁸ <http://mptf.undp.org/factsheet/fund/PB000>

⁹ Applications Guidelines are a living document and will be regularly updated to reflect policy adaptation stemming from evaluation recommendations and other organizational learning.

towards programme-wide peacebuilding outcomes, adding a more strategic element to the picture otherwise provided by agency-specific project reports. Project reporting templates were re-designed to emphasize peacebuilding theories of change and outcomes.

PBSO commissioned its first-ever independent global review during the last year of the Business Plan. The field work was completed by the end of 2013, and the final report was delivered in May 2014. The wide-ranging review made recommendations in many areas of the Fund's work. It endorsed the current division around four priority areas; encouraged increased attention to the effectiveness and efficiency of Joint Steering Committees; underscored the importance of strong analysis of social tensions, political opportunities and gender dimensions of peacebuilding; warned that the leadership and capacity of UN organizations on the ground was a critical factor in effectiveness; encouraged more use of the successful Immediate Response Facility; highlighted the stretched capacity of PBSO to provide the recommended increased level of assistance in programme design, knowledge management and monitoring; and encouraged that PBSO think of means to increase transparency in its decision making and bolster inclusiveness in programme design and oversight. The new Business Plan presents a strategy that applies the recommendations as optimally as possible within the means available.

3. Strategy for 2014-2016

For the next three years, the core objective of the Peacebuilding Fund will remain the same: to invest in post-conflict and post-political crisis settings, strengthening institutions to manage conflict thus avoiding a lapse or re-lapse into violence. This objective is guided by the Fund's Terms of Reference as resolved by the General Assembly in 2009.¹⁰

A set of **guiding principles** was established in the 2009 Terms of Reference that remain in force. Critical among them are that allocations are needs-based and responsive to *country demand*, that programming recognizes the centrality of *national ownership*, and that the PBF should strive for a *catalytic effect*, both in the sense of advancing peace processes and in filling critical financial gaps. Interventions need to be of “*direct and immediate relevance*”¹¹ to peacebuilding processes. Augmenting these principles are policy recommendations made by the Secretary-General's reports on peacebuilding. Taking cues from the latest report (2012), the Fund aims to both follow itself and finance *inclusive processes* and invest in *sustainable institutions* for managing conflict. The Fund seeks to put into practice systems of *mutual accountability*, making transparent commitments to financing while also requiring clear commitments from partners and instituting rigorous monitoring and evaluation. While maintaining the above, the Fund will promote gender sensitivity, empowerment and inclusivity in all aspects of its work.

¹⁰ A/63/L.72 of the General Assembly, approved on 17 June 2009.

¹¹ ToR Para 2.1

Country selection and global scope of the Fund

As outlined in the Fund’s Terms of Reference and Application Guidelines,¹² the Fund works on the basis of a declaration of eligibility by the Secretary-General that allows a specific country to access its resources. Eligibility is considered when a request is received by PBSO from the country concerned, via the resident UN representative. In reviewing requests, the Fund will prioritize the following:

- i) **Clear strategic advantage:** The Fund will capitalise on its capacity to take risks where others cannot, particularly with respect to the more political aspects of peacebuilding. PBF will look for opportunities to catalyse its often riskier interventions through partnerships.
- ii) **Critical post-crisis or post-conflict transition moments:** In early “post-conflict” days - after a peace agreement has been signed or a political crisis with threatening violence has been resolved through agreement - the PBF supports the rapid reinforcement of governments and actors involved in building sustainable peace. It seeks to enable the United Nations’ political and development actors to be responsive to national peacebuilding needs.
- iii) **Countries in a post-conflict or post-crisis peacebuilding phase where political commitment is high to address root causes and drivers of conflict:** The PBF provides multi-year support to build national and community institutions to consolidate peace. In support of committed national leadership, the PBF seeks to provide support to help the state increase its responsiveness to its citizens and create an environment of greater inclusivity and social cohesion.

For the 2014-2016 Business Plan, the Fund will continue to target an **active portfolio of 20 countries, and seek to raise and programme \$100 million per year**. This overall target is based on the experience of the last three years, as well as an assessment of capacity of PBSO to adequately aid in the design, allocate funds to, and monitor the implementation of programmes.

The Fund attaches **priority to countries on the agenda of the Peacebuilding Commission (PBC)**, which brings with it automatic eligibility for the Fund. (See sub-section on PBC under “Partnership”). A high priority will also continue to be assigned to requesting countries that are not only in a post-conflict or post-crisis setting, but which are considered **aid orphans, or otherwise struggling to obtain support – whether financial or political – from the international community**. Essentially, there should be no such country which – if its leadership is committed to peacebuilding – is not receiving support from the Fund.

¹² PBF Application Guidelines, Section 4.

The Fund will remain open to expressions of interests, communicated through the UN resident leadership, from any post-conflict country. If the Fund believes it can be catalytic to peacebuilding processes, help trigger additional financing, or fill a critical financial gap, it will consider doing so. It will do so in consideration especially of its capacity to manage programmes but also be mindful of its overall 20 country / \$100 million target.

The 2013 PBF Review has highlighted that much of the discussions that lead up to requests for eligibility are undertaken on an informal basis. Due to the nature of peacebuilding – heavily dependent upon national political processes and not very predictable – this informality is unlikely to change significantly. However, during the next Business Plan period, the Fund aims to use the following systems to increase formal consultations, many of which have already been started:

- Semi-annual “horizon scanning” with the UN Senior Peacebuilding Group
- Add “horizon scanning” element to quarterly working-level donor briefings
- Quarterly discussions with UNDP–DPA Joint Conflict Prevention Programme
- Quarterly information notes to the Peacebuilding Contact Group

Priority Areas of peacebuilding investment

The 2013 PBF Review judged that the four priority areas outlined in the 2009 Terms of Reference remain appropriate. Affirming the continuing validity of these four priority areas, the Fund will work with the Multi-Partner Trust Fund Office to update their Gateway in order to be able to track projects by priority, broken down into the following 12 focus areas.

Priority One: Responding to imminent threats to the peace process, support for the implementation of peace agreements and political dialogue

- Security Sector Reform
- Rule of Law
- Disarmament, Demobilisation and Reintegration
- Political dialogue (around specific time-bound peace/political agreements)

Priority Two: Building and/or strengthening national capacities to promote coexistence and peaceful resolution of conflict

- National Reconciliation
- Democratic Governance
- Conflict Prevention/Management

Priority Three: Supporting efforts to revitalise the economy and generate immediate peace dividends for the population at large

- Employment

- Equitable access to social services

Priority Four: Establishing or re-establishing essential administrative services and related human and technical capacities

- Strengthening of essential national state capacity
- Extension of state authority / local administration
- Governance of peacebuilding resources (including JSC Secretariats)

Within these four areas, the Fund aims over the course of the Business Plan to continue to pursue and better clarify its role in particular niches, while remaining open to different and innovative ways in which the Priority Areas may be defined. Some issues are cross-cutting, and the Fund aims to track them. For example, work on gender equality and women’s empowerment may show up in different areas, and will be tracked with the gender marker (see below). Reintegration of the displaced is another cross-cutting theme.

Engaging politically

In contrast to other partners, the Fund’s mandate opens up possibilities to help countries address some of the more sensitive aspects of peacebuilding. The Fund will seek opportunities to exploit this advantage, which is frequently realised in Priority Areas one and two. PBF will coordinate with other multi-lateral and bilateral development partners to ensure complementarity and take advantage of the relative strengths of each.

Being catalytic to peace processes and engagement of other partners

The Fund will be *catalytic* in its financing.¹³ The Fund has defined an operational definition of catalytic, endorsed by its Advisory Group¹⁴, as follows:

*“For the Peacebuilding Fund, a program is catalytic if it enables a peace process to become unblocked and/or creates a larger or longer-term peacebuilding change to occur”*¹⁵

This definition includes both financial aspects, i.e. the extent to which the PBF has leveraged other resources, but also peacebuilding process aspects, i.e. the extent to which activities funded by the PBF catalyzed peacebuilding processes. This will be used both as a means to guide programme design in the field, and to establish measures of the

¹³ “Use of Fund resources is intended to have a catalytic effect in helping to create other, more sustained support mechanisms, such as longer-term engagements by development organizations and bilateral donors, and the mobilization of national stakeholders in support of peacebuilding”, Terms of Reference A/63/818, 2009.

¹⁴ A/63/818 Para. 5.3: The Advisory Group is established to “provide advice and oversight on the speed and appropriateness of Peacebuilding Fund allocations and to examine performance and financial reports”.

¹⁵ “*Catalytic Programming and the Peacebuilding Fund*”: PeaceNexus Foundation, September 2010

Fund's catalytic effect. While PBSO cannot commit to measuring the extent to which the Fund is financially catalytic in dollar terms, the definitions are too difficult to pin down to be this precise, increased efforts will be made to report more systematically in this area.

Responding to relapses into violence and political crisis

During the last Business Plan period, several PBF countries relapsed into serious crisis, including several where governments suffered non-constitutional changes in power. The Fund considers it an essential criterion that those holding political power are committed to peacebuilding. When governments that have committed to non-violent management of conflict fall unconstitutionally, the Fund will suspend its programmes. At the same time, recognizing that peacebuilding is not a linear process, the Fund will use its flexibility to see how resources can be used to assist a recovery from crisis. This will most often be done through the Immediate Response Facility (see section on IRF below), and will seek to work closely with UN leadership on sufficiently analysing conflict dynamics and setting priorities. The most essential criteria will be the re-establishment of a political process – and commitment of the authorities and actors to that process – which the Fund can be used to reinforce.

Financing 'peace dividends'

A particular need is to be clearer about what are generically referred to as **peace dividends**. The need for societies in post-conflict settings to re-enable individuals and communities to pursue productive and healthy lives and assert their human rights is self-evident. As a relatively small, catalytic fund, however, the PBF needs further criteria to prioritize its investments. Accordingly, activities that might be labelled as “peace dividends” – projects in particular falling into Priority Area 3 Economic Revitalization or Priority Area 4 (Re-)Establishment of Essential Administrative Services – must meet and be ready to be measured against peacebuilding criteria. *In particular, such activities must clearly target actors that have a specific potential to positively or negatively impact peacebuilding processes or address grievances or root causes of conflict as identified in the conflict analyses that underpin PBF's interventions.* Moreover, a key measure of success of such activities will be the extent to which those involved register improvements vis-a-vis conflict drivers, such as an increased sense of confidence in the state over issues of impunity or provision of services. If the core justification to access the Peacebuilding Fund is that the activity will improve citizen-state (or citizen-citizen, or community-community) relations, then this must be the measure by which success is judged.

For peace dividends, the Review also suggested that the Fund identify what kinds of activities it *cannot* support as a way to clarify expectations (and possibly reduce frustrations) on the part of potential applicants. This is difficult, however, as so much of peacebuilding is context-dependent. The Fund does not support humanitarian activities. The Fund generally does not support work in the health sector (even beyond humanitarian), unless it is related to a specific population or tension. In terms of the economy, the Fund is more likely to support short-term employment of larger numbers of people that can have a visible effect on stabilization or perceptions across a broader swath

of society. Any support for more expensive (but likely more sustainable) livelihood projects that are within the Fund's financing capacity will probably have to focus on particular sub-population groups that have a relevance for peacebuilding.

In the course of the Business Plan period, the Fund aims to investigate how it can further clarify criteria, including through working with the PBSO's Policy Branch on a review of employment and peacebuilding and utilizing the newly established guiding principles for programming with youth and peacebuilding.¹⁶

Identifying high-potential, high-risk activities

A comparative advantage of the Peacebuilding Fund, as affirmed by the Review, is its mandate to invest in activities that have high potential impact on peacebuilding processes but that also carry with them significant risk of failure. The Review found, however, that this asset was under-utilized.

In the coming Business Plan period, the Fund will undertake the following measures to increase the percentage of its investments focused on these high-potential, high-risk activities. First, increased advocacy will be made with UN leadership at country level to underscore the need for their strategic guidance, based on conflict analysis, to identify/design these activities. Most of the countries where the Fund invests are to a certain degree high-risk simply as post-conflict settings. The PBF, however, seeks *within that environment and as compared to other international partners working in the same setting*, to identify those activities that others may be reluctant to fund, even if they have a high potential impact. Second, the Review noted that the Immediate Response Facility (IRF) was particularly well-suited for such activities, and so its use will be expanded (see below). Third, starting in 2015 a "risk-marker" will be attached to individual projects. This will allow the Fund to better track such investments, analyse reasons for their success or failure, and separate out their performance from that of the portfolio as a whole.

Gender, women and peacebuilding

For several years, PBF has adopted a proactive approach to ensure that gender equality and women's empowerment are fully integrated in its work. The independent Thematic Review on Gender and Peacebuilding,¹⁷ completed in early 2014, found that while the structure to support gender-responsive peacebuilding is in place in PBF, it is not yielding sufficient results.

For the 2014-2016 Business Plan, PBF will pursue several initiatives for strengthening its work on gender and supporting the organization's commitment to SR 1325. First, using a revised Gender Marker, PBF will promote both programmes specifically targeting women's empowerment and gender equality (Gender Marker 3) and programmes where gender is fully mainstreamed, though not the primary objective (Gender Marker 2). PBF

¹⁶ To access the Guiding Principles, see PBSO's website, under Policy Issues.

¹⁷ The Gender Thematic Review can be accessed on PBSO's website, under Peacebuilding Resources.

will aim for 100 percent of its projects to be either Gender Marker 3 (with a minimum of 15% in this category) or Gender Marker 2. PBF will not approve projects that receive Gender Marker 0, but will provide technical assistance to RUNOs where possible to help them better factor gender concerns to obtain at least Gender Marker 1. RUNOs will continue to self-score their projects, but PBF will review and adjust systematically. Guidance on the application of the Gender Marker will be developed for both the Fund's internal use and Joint Steering Committees. In addition to the Gender Marker, in 2014 PBF will develop in cooperation with MPTF-O a gender budgeting system that will enable PBSO to better track gender-specific financial allocations. PBSO will continue to advocate for strong gender analysis within the conflict analyses that form the starting point for PBF interventions.

PBF will launch a second "Gender Promotion Initiative" (GPI 2), to stimulate further demand for projects supporting gender equality and women, particularly in their roles as actors for positive change. Building on lessons from the first GPI, this second round will specifically seek to support the integration of gender into PRF portfolios. Projects will be placed under the oversight of Joint Steering Committees and will systematically include a capacity-building component for the UNCT. Working closely with UN Women and other partners, technical assistance will be provided to help turning winning concepts into full project proposals. Global results indicators will be identified and integrated into PBF's Performance Management Plan, and an evaluation strategy will be developed.

Finally, PBF will adopt gender-responsive monitoring and evaluation norms and standards, in line with the UNEG, both for the in-country monitoring of projects and for its evaluative exercises.

Regional dynamics for peacebuilding

Stakeholders have often queried whether and how the Fund could address regional dynamics that affect peacebuilding within a country's borders. Efforts by the United Nations, such as by the development of a Sahel Strategy, are already trying to tackle the challenge. At the core of the Peacebuilding Fund, however, is the concept of national ownership, and the notion that a state's political and policy commitment is required if peacebuilding is to be sustainably successful. Thus the Fund's mechanisms require a declaration of eligibility for *a country*.

Consequently, in the Business Plan 2014-16, *on a pilot basis the Fund will aim to support efforts* which recognize the need to confront regional dynamics while maintaining its core country-based approach. In select settings, the Fund will be open to receive requests whereby actors based in an eligible PBF country propose to reach across borders to address regional dynamics. Country-level partners will remain accountable for strategy, design, monitoring and results. As this is a new pilot, the Fund will determine on a case by case basis the exact details of the approach. As a general rule, if the neighbouring (across the border) country is not already eligible, activities will be seen by the PBF as essentially associated with the requesting country. Additional funding will be made available for the chosen pilots and will not count against that country's IRF ceiling. In the third year of the Business Plan the pilots will be evaluated in order to determine

future policy in this regard. In applicable settings, the PBC will be encouraged to advocate participating governments to take the necessary measures to make projects successful.

4. Increasing the targeting and efficiency of the Fund's mechanisms

The Fund will maintain its two basic facilities, the Peacebuilding and Recovery Facility (PRF) and the Immediate Response Facility (IRF). The 2013 PBF Review affirmed the validity of this basic structure, and so no value in fundamentally changing it. However, for the next Business Plan period, measures are foreseen to improve the strategic positioning of the Fund's investments and the efficiency of these facilities.

Declaration of Eligibility

Starting from July, 2014, a **declaration of eligibility will be valid for an initial period of five years**. After five years, a review will be required to assess the impact of the Fund's investments, progress that has been made with respect to institution-building to sustain peacebuilding, how the level of risk of relapse into violence has evolved over the five years, and whether or not the Fund should remain active in the country. The review will be qualitative and participatory. More work will be done in the Business Plan period to define the precise modalities.

As is already in the latest version of the Application Guidelines, the Fund will continue with the trend established over recent years of providing increased assistance during the design phase of programmes. As soon as a country has been declared eligible, the Fund will seek to provide preparatory assistance – including through a small project through the IRF if needed – for conflict analysis, establishment of Joint Steering Committees and their Secretariats, facilitation of processes of prioritization, drafting of Priority Plans and elaboration of monitoring frameworks.

The Peacebuilding and Recovery Facility (PRF)

The **PRF will remain the centrepiece of the Fund**, with its dedication to national ownership through the establishment of the Joint Steering Committee, co-chaired by the UN and Government. PBSO recognizes, however, and the 2013 PBF Review confirmed, that there is considerable room for improvement in their functioning. With some few exceptions, Joint Steering Committees are not efficient enough as decision-makers, under-value monitoring of implementation, and fail to set aside time to consider the strategic impact of the array of projects that they approve. Two key objectives of the establishment of Joint Steering Committees – to manage financing investments on the one hand, but to serve as an inclusive space for the discussion of peacebuilding priorities on the other – can be at odds with one another. The first objective

might be better served by a smaller, executive body; the second by a more inclusive forum.

Another area of concern relates to the creation of Peacebuilding Priority Plans and governance mechanisms (i.e. Joint Steering Committees) specifically for the Fund. In line with current good donor practice, the Fund is committed to using existing mechanisms wherever possible, and does not insist on the creation of new structures. At the same time, to achieve strategic impact and ensure accountability, PBSO requires clear governance arrangements where the right people are involved to make decisions about peacebuilding. In practice, this has usually meant the creation of new Joint Steering Committees and the drafting of Fund-specific Peacebuilding Priority Plans. New approaches are required to see if a better balance can be achieved.

During the Business Plan 2014-2016, the Fund will undertake the following measures in order to improve the functioning of PRF grants:

- *Smaller, more efficient decision-making bodies* – guidance will be tightened to highlight the need for decision-making and oversight; UN participation should be appropriate to the context but not dominant (leadership and perhaps a rotating second member); clear leadership from Government will be required; development partners and civil society will be encouraged to follow a representative approach.
- *Additional processes to ensure inclusivity and broad country ownership* – More executive-styled Joint Steering Committees should use existing, broader forums or create less frequent but additional processes to ensure inclusivity at critical stages (such as decisions about key priorities or annual review of impact). This could be done, for example, through the establishment of independent advisory bodies, parliamentary briefings, visits to or public hearings organized in key geographic areas, annual civil society feedback sessions, or even contracting third-parties (civil society) to regularly monitor progress.¹⁸
- *Efforts to use existing frameworks more* – The Fund requires a ‘contract’ between itself and country level partners. This is all the more important as PBSO has no country-level presence. The Priority Plan serves as this contract. However, the Fund aims to experiment with how this need for a contract – at its core the results framework – can be met more often using existing mechanisms. One idea is to ‘annex’ a new, PBF results-framework to an existing framework that has a ‘good enough’ description of peacebuilding objectives. Another idea is to see if PBSO could not, in some cases,

¹⁸ In implementing this aspect of the Business Plan, PBF will maintain a balance between ensuring that government at all levels is engaged and owns the funded initiatives, while ensuring that civil society organizations, communities and citizens outside of capitals have an opportunity to participate in fora around peacebuilding priority setting and the effectiveness of programme implementation.

undertake missions to countries at critical times in their own planning processes,¹⁹ and make decisions in-country in real-time.

- *A vision towards supporting national development plans and UNDAF's* – In immediate post-conflict contexts, national development plans may not exist at all, or may be outdated. The Fund's experience to date has largely been that the immediately-available frameworks do not provide sufficient entry-points to serve as a Peacebuilding Priority Plan. Part of the inspiration for the new five-year review of eligibility is to offer an incentive by which time a new cycle of planning – both national and UNDAF– can occur that can add critical peacebuilding elements. If the Fund decides to continue with financing after the five-year review, it could then aim to use the new national planning frameworks rather than developing a new Priority Plan. Other new initiatives, such as the New Deal and associated mutual accountability compacts, offer opportunities for the Fund to use existing frameworks more often.
- *Clearer articulation of government contributions* – As a UN organization, the Fund has a particular interest in Governments' role in peacebuilding. In most settings, the authorities have the most significant leverage over whether or not sustainable peacebuilding is successful. As the Application Guidelines continue to evolve, Priority Plan and project templates will increasingly require explicit statements of policies or actions that Governments need to take in order for activities to succeed.
- *A performance basis for financing* – As has started during the last business cycle, the Fund will use performance as much as possible as a basis for financing. Initial tranches will remain on the smaller size, rarely exceeding \$15 million and often smaller. The initial amount will be based on the articulation of priorities in the Priority Plan, the size of the concerned population and scale of peacebuilding needs, the capacity of the UN and its partners to manage additional funding, and a clear analysis of financial flows and gaps for peacebuilding. Follow-on allocations can be done as early as the following year – well before the first tranche is completed – *if* partners can demonstrate that funds are being used efficiently and effectively.
- *Tightening UN accountability for functioning of Joint Steering Committees* – Joint Steering Committees can only play their executive role if they are well supported. A functioning Secretariat is critical. For the 2014-16 Business Plan, the standard policy will be that Secretariats to Joint Steering Committees will be housed within the UN SRSG or Resident Coordinator's office. The UN SRSG or Resident Coordinator, as co-chair, is accountable for a well-functioning Joint Steering Committee, alongside their government counterpart.

¹⁹ For example, this idea might be tried in Democratic Republic of Congo in 2014 in relation to STAREC and the updated ISSS.

The Immediate Response Facility (IRF)

The Immediate Response Facility (IRF) has proven to be a flexible instrument suited to a variety of peacebuilding contexts. During the last Business Plan period, IRF accounted for 25 percent of allocations. It can be deployed very quickly (in days when necessary); it can be used strategically to address sensitive issues for which Priority Plans are less well-suited; it can be used to respond to unforeseen challenges or windows of opportunity; and it has significantly lower transaction costs than the PRF. On the other hand, it requires more vigilance [and is very dependent upon UN leadership] to ensure that proposals are based on conflict analysis²⁰ and that it has been thoroughly developed in collaboration with the wisest selection of partners (as there is no Joint Steering Committee).²¹ Looking at this range of pros and cons, in balance, the 2013 PBF Review judged that the IRF should be expanded, bearing in mind its fast and flexible nature. With respect to the IRF, the Fund will undertake the following measures during 2014-16:

- *Increased utilization of IRF ‘packages’* – It was foreseen even in the 2009 guidelines that proposals to the IRF could either be for stand-alone projects or packages of projects. In countries that have been declared eligible, the Fund will seek to use more often the ‘package’ approach, as a sort of hybrid between the IRF and the PRF. The approach will include the creation of a small executive committee, co-chaired by Government and the UN. To date, a two-step local process has been used. The executive committee will first design and circulate a call for concept notes, outlining a basic strategy and listing criteria based on available conflict analysis. The call for concept notes should identify common orienting goals to which projects should contribute, and will serve as the basis for the development of a common results framework. Promising projects will then be selected for development. The Fund views that this approach could be particularly effective in more ‘crowded’ environments, where the Fund should be using in particular its comparative advantage to fund those potentially high-impact activities where other partners are reluctant.²²
- *Assisting already eligible countries to respond to relapse* – As noted earlier, countries receiving support from the Fund have in some cases relapsed into violence. When that happens, the full range of the Fund’s programmes are often suspended. Once a political pathway is agreed that can help countries climb out of crisis, however, the IRF will be used to provide programmatic support.

²⁰ Conflict analysis will always be advocated, even while in the case of IRF’s, this will be balanced against other factors calling for rapid action. Resource permitting, PBF will explore the elaboration of standard procedures for lighter conflict analysis that can be done for IRF’s.

²¹ The fact that there is no Joint Steering Committee should not be interpreted to mean that there is less national ownership. Every IRF needs to be signed by Government.

²² In 2014, this approach is being pursued in Mali and Somalia, for example.

- *Increasing the IRF per-country ceiling* – PBSO will follow the recommendations of the 2013 PBF Review to benefit more from the comparative advantages of the IRF. The per-country ceiling of active IRF projects will be increased by 50 percent, to \$15 million for the Business Plan period.

5. Design, Monitoring & Evaluation and Knowledge Management

Starting with the previous Business Plan, the PBF has committed itself to strengthen its accountability systems and enhance organizational learning. The impulse to improve has come internally, as PBSO has sought to boost its management of the Fund, as well externally, through the recommendations of various evaluative exercises which have called upon PBSO to establish stronger M&E systems²³ and ensure the integration of gender throughout PBF evaluations.²⁴ Moreover, experience over the past Business Plan has shown that while RUNOs are experts in their mandated fields, the peacebuilding projects they implement benefit when project managers are accompanied by a dedicated M&E specialist with specific peacebuilding expertise. The upcoming Business Plan period will see the establishment of an enhanced evaluation agenda, paired with guidance to country-based partners to ensure more robust monitoring of PBF-funded interventions.

To achieve these improvements, PBSO will:

- Roll out a three-phased country evaluation strategy covering the full programme cycle,
- Introduce community-based monitoring to complement strengthened reporting by UN partners,
- Through close M&E accompaniment during design, help clarify the relationship between project and Priority Plan outcomes and indicators to ensure greater collective impact,
- Strengthen reporting on peacebuilding outcomes, and
- Innovate new approaches to monitoring and evaluation to address persistent field-wide challenges.

Country evaluation strategy. For PRFs, evaluation will be strengthened through a more comprehensive approach to periodic review throughout the programme cycle. PBSO will engage country partners at three key moments: early in the implementation stage through an evaluability assessment, at midterm, and again for a final evaluation that will seek to measure the impact of PBF’s investments. By providing three opportunities to reflect on

²³ OIOS (2008), “Report of the Office of Internal Oversight on the Independent Evaluation of the Peacebuilding Fund;” Nicole Ball and Mariska van Beijnum (2009) “Review of the Peacebuilding Fund;” and Jups Klyuskens and Lance Clark (2014) 2013 Global Review of the Peacebuilding Fund 2011-2013.

²⁴ See recommendations from the SWAP 2014 Evaluation Performance review and the 2013 Thematic Review on Gender and Peacebuilding.

anticipated outcomes and the fitness of inputs and outputs to achieve those outcomes, PBSO hopes to encourage a stronger connection between evaluation and programme management/learning.

The evaluation strategy will be implemented using the comparative advantage of two kinds of M&E support offered by PBSO: two country-dedicated M&E specialists and one peacebuilding evaluation manager. While the M&E specialists will work more closely with the countries under their portfolio during the design and project implementation stage (including the implementation of evaluability assessments and midterm reviews), the evaluation manager will be responsible for overseeing the timely implementation of high quality programme-wide final evaluations. This division of labour will ensure that the support that country partners receive at key moments of the design and implementation phases has continuity, while preserving the independence and critical distance needed for end-of-programme evaluations. As a result, PBSO expects the evaluation portfolio to expand from approximately 3 evaluations per year, to 14-16 evaluative exercises per year, offering more opportunity for timely programme adjustments and securing broader overall coverage. While the expansion of the evaluation agenda appears to be substantial, evaluability assessments and midterm reviews should be understood as participatory programme management processes and opportunities for early course correction. Taken together, this approach will ensure that evaluations can be better timed, conceived of as a body of organizational learning, and recommendations can be more closely followed up.

Expanded monitoring. Effective programme management and quality evaluations rely on access to timely, valid information. PBSO will outline an agenda for internal and external monitoring of results at country level that will underpin its new evaluation strategy. Internally within the UN, as noted in the paragraph on Harmonization below and in Section 6, the basis for RUNO project monitoring frameworks will be a menu of global-level indicators to be developed by PBF's M&E Unit, as well as project-specific outcome and output indicators. Throughout project implementation, the M&E Unit will work closely with RUNOs to ensure that the various instruments for collecting data on these indicators is timed to inform key moments in the programming cycle, such as annual and mid-term reviews. By ensuring the availability of up-to-date data on well-targeted indicators, these changes will boost reporting on peacebuilding *outcomes* in semi-annual and annual reporting by RUNOs. Externally, PBSO will encourage the development of community-based monitoring schemes that include target as well as non-target communities. In so doing, PBSO aims to give voice to those who are most affected by conflict, as well as capture the difference – if any – PBF support makes in target communities. And community monitoring reports will provide the Joint Steering Committees with better information to make decisions.

Harmonization of peacebuilding results and indicators. Improved monitoring of programme outcomes relies on results frameworks that articulate clear objectives and identify indicators appropriate for measuring desired results. For the PRF, changes to the results framework, institutionalised in the most recent updates to the Application Guidelines (April 2014), more closely tie Priority Plan outcomes to the projects that are expected to contribute to them. Specifically, results frameworks will be completed in

two phases: phase one at the point of Priority Plan approval that includes indicators for PPP Outcomes, and phase two that includes project-level indicators under each Priority Plan outcome and is finalised after the JSC approves projects. DM&E Country Support officers in PBSO will work closely with countries during both phases. During the initial design, they will assist with the conceptualization of outcome-level results frameworks. During the second phase, they will work with outcome-by-outcome working groups at country level to identify appropriate indicators linking project and outcome levels, as well as map out a plan to ensure the collection of baseline and other data.

More effective reporting. PBF DM&E specialists will also assist RUNOs and JSC Secretariats to analyse and report on their achievement of peacebuilding outcomes, translating more robust monitoring into more effective reporting. Piloted in 2013, PBSO will expand its efforts throughout the new Business Plan period to better support country-based colleagues to regularly review progress, validate continued relevance for peacebuilding, and report clearly.

Contributing to the knowledge-base. Taken together, these changes will assist our partners to implement stronger peacebuilding interventions, as well as provide PBSO with more reliable access to evidence about what works and what is less effective in peacebuilding. PBSO will capitalise on this evidence to generate knowledge about peacebuilding, evidence that will strengthen the periodic Thematic Reviews that PBSO commissions. Specifically, PBSO will assign dedicated staff to work with country-based partners and PBSO programme officers to identify lessons learned across a range of substantive, thematic peacebuilding areas. Outputs for this workstream will include quick and digestible practice notes to translate PRF and IRF evaluation recommendations into broader lessons learned, the capturing of key analysis and knowledge emerging from RUNO and JSC strengthened reporting, and one Thematic Review per year focusing on PBF-specific topics. In addition, the Knowledge Management specialist will partner with PBSO's Policy Branch to produce one Thematic Review per year on topics of general interest to the peacebuilding community. PBSO will utilise a PBF Community of Practice to disseminate evidence, as well as provide a platform for field-based colleagues to share experiences about programme-related topics and raise questions about the substance or process of peacebuilding.

Finally, peacebuilding monitoring and evaluation notoriously faces a number of methodological challenges that combine to produce weaker evaluations. PBSO will focus this next Plan cycle on advancing innovations in monitoring and evaluation for peacebuilding practice, innovations expected to help improve the general field of peacebuilding M&E. It will do this by establishing a UN Evaluations Group²⁵ M&E for Peacebuilding working group and deepening its network of external partners, including the World Bank, the OECD-DAC, INGOs, and academic institutions.

²⁵ PBF gained membership into UNEG in April 2014.

6. Performance Management Plan

Elaboration of the first Business Plan also saw PBSO's first attempt to systematically capture its own performance against a set of clear criteria. The Performance Management Plan (PMP) added to PBSO's transparency and accountability to its stakeholders.

For the upcoming Business Plan period, PBSO will strengthen monitoring of its own performance. New elements in the next PMP will be the establishment of baselines and clear targets. Importantly, indicators within the PMP will more closely align to those used at country level to provide PBSO and stakeholders alike an increased understanding of PBF's global impact.

Specifically, starting in the second half of 2014, PBSO will launch a menu of global indicators for each of PBF's 12 Focus Areas. In addition to project-specific indicators, project managers will be required to include at least one global indicator within their project's results framework. Global results indicators will enable PBSO to improve its understanding of its overall contribution to peace through the thematic 12 Focus Areas such as SSR, rule of law, reconciliation, and peace dividends. The various thematic sets of indicators will include gender-specific indicators and, where applicable, will draw from those formulated to track progress against Security Council Resolution 1325. In identifying thematic-based global results indicators, PBSO will draw to the greatest extent possible on other established indicator lists, including those being developed by other partners such as the World Bank or for the New Deal, to ensure complementarity with other global efforts. To promote regular collection of peacebuilding data, PBSO will also advocate for the inclusion of peacebuilding indicators in major data collection instruments such as the Household Budget Survey, the Demographic and Health Survey and UNICEF's Multi-Indicator Cluster Survey.

As in the past, the PMP will also provide indicators to track key administrative targets, such as fundraising and allocation targets and the determination of an allocation decision within 21 days of receiving a proposal.

7. Partnerships

Partnerships have tremendous potential to enhance the impact of the Fund's work. Some are related to country-level operations, others to the positioning of the Fund within the UN and the international community more broadly, but all are strategic.

The Peacebuilding Commission

Over the last Business Plan period, the Fund enhanced its collaboration with the Peacebuilding Commission (PBC). While the Fund is managed separately as an instrument of the Secretary-General, its genesis and Terms of Reference underscore the priority that it should attach to supporting the PBC's work. The six countries currently on the PBC's agenda have received more than 50 percent of the Fund's cumulative resources to date. Renewal grants – and new IRFs, especially in cases where countries

have relapsed into violence – have recently been approved in all six. Going forward, while the absolute level of funding will depend upon specific circumstances, it is anticipated that PBC countries will continue to receive the most significant share of the Fund’s allocations.

In terms of specific mechanisms, globally, the Chair of the Secretary-General’s Advisory Group to the Fund aims to brief the PBC after every meeting. In countries on the agenda of the PBC, the Fund will provide an opportunity to the Chair of the Country Specific Configurations to review proposals prior to approval to solicit comments. Perhaps of greater importance, during the critical design stage of programmes, the Fund will encourage discussion between UN leadership resident in country and the Chair of the Configuration in order to identify those activities which are the most critical for avoiding a relapse into violence. The Configuration has an important role to play in the subsequently discussing and advocating with Governments policy changes and actions that can be taken to ensure positive impact of activities financed by the Fund. As occasion allows, PBSO staff working on the fund will seek to travel with members of the Configurations to partner countries.

UN System collaboration

The Peacebuilding Fund aims to both benefit from the wide range of expertise across the UN system *and* incentivize improved collaboration. This requires both systems for regular coordination²⁶ as well as strategic partnerships. Additionally, the Review highlighted that in many countries, individual UN organization capacity for peacebuilding is not as strong as it might be. The following are actions aim to address these issues.

- *The Joint UNDP-DPA Programme for Building National Capacity for Conflict Prevention*– PBSO has instituted routine quarterly meetings with the DPA-UNDP joint programme in order to scan the horizon for countries needing support, evaluate comparative advantages of different UN actors to provide support, and coordinate action. In countries declared eligible for the Fund, up to 50 percent of the costs of the deployment a Peace and Development Adviser can be financed from the Fund.
- *The Joint UNDG-ECHA working group on transitions* – This working group, co-chaired by PBSO, serves as another source for the identification possible priority countries.
- *The Rights up Front initiative* – The Secretary-General has committed the United Nations to a policy of emphasizing protection and human rights. PBSO will feed into the Rights up Front initiative, in particular where there are concerns about imminent relapse into violence. In countries that are eligible, the Fund can assist programmatically.

²⁶ See Section 2 concerning coordination with the Senior Peacebuilding Group and the Peacebuilding Contact Group on horizon scanning, for example.

- *Peacekeeping and special political mission settings* – It goes without saying that PBSO, as an office within the UN Secretariat, will always work closely with a given mission’s Lead Department. PBF will nurture its relationship with both DPKO and DPA in headquarters and in the field to strengthen coordination of its strategic peacebuilding interventions.
- *Non-mission settings* –In non-Mission settings, DPA can play a key role in helping to ensure that activities are strategic. In non-Mission settings, for example, the Fund may encourage joint missions,²⁷ or draw on regional offices²⁸ to assist in analysis, programme design and monitoring.
- *UNDP’s conflict prevention expertise* – Amongst the agencies, funds and programmes, UNDP has a particular expertise in the area of conflict prevention and peacebuilding. While the Fund has habitually worked closely BCPR, for the next Business Plan period, the Fund will seek to identify specific countries on an annual basis where BCPR’s successor, the Bureau for Policy and Programme Support’s expertise can be drawn upon to assist with analysis, programme design and monitoring.
- *Global Focal Point on the Rule of Law* – In relevant countries where the Fund is involved in rule of law issues, Fund programme officers will participate in missions, assessments and coordination meetings to benefit from and support more coordinated UN efforts in this area.
- *UN Development Operations Coordination Office (DOCO)* – DOCO has a significant role to play in two areas critical for effective peacebuilding programmes: UN leadership on the ground through the Resident Coordinator system, and conflict analysis underpinning UN Development Assistance Frameworks (UNDAF). Annually, the Fund will feed into an assessment of countries that would benefit from conflict analysis tied to their UNDAF cycles, seek to be included in inductions of relevant Resident Coordinators, and participate in events such as the Montreux-meetings of Resident Coordinators in complex settings.

The Fund will as a matter of course work with individual departments and agencies that have specific, relevant expertise. For example, all security sector projects will be coordinated with DPKO’s Office of the Rule of Law and Security Institutions (OROLSI). As discussed earlier, UN Women will play a leading role on gender programmes. UNHCR has specific expertise in peacebuilding challenges related to return and reintegration. UNICEF has a deepening experience with education and child soldiers. UNFPA is involved in women and youth programming, and even its work on census can have peacebuilding consequences. UNOPS has expertise in infrastructure work, ILO has

²⁷ For example, in 2013 there were such joint missions to Papua New Guinea and Bosnia and Herzegovina.

²⁸ For example, the United Nations Office for West Africa has played a critical role in accompanying the Fund’s activities in Guinea.

expertise on peace dividends interventions related to employment. The UN Staff College delivers conflict analysis training, in which PBF regularly participates. These organizations – together with others, though they cannot all be mentioned here – will be kept abreast of the Fund’s work through quarterly briefings of the Peacebuilding Contact Group at headquarters level, and involved in country-specific cases as appropriate.

As a part of working with the UN system, the Fund will, within its means, also seek to support the strengthening of the peacebuilding capacity of recipient UN organizations. Weak capacity has been cited in independent evaluations as a constraint on the effectiveness of the Fund. Increased surge support from PBSO, more financing of preparatory assistance, an evaluation approach that emphasizes accompaniment, the Community of Practice, more thematic reviews and partnerships with specific programmes such as to roll-out conflict analysis, are all examples of policies of the Fund to build more capacity across the UN system for peacebuilding.

International Financial Institutions and other Development Partners

The Fund’s mandate includes an objective of being catalytic to bigger financing by longer-term development partners, in particular the development banks. Over the last Business Plan period, the Fund in collaboration with the World Bank and UNDP in particular hosted two global dialogue meetings, and with the Advisory Group’s encouragement has made efforts to have some country-level cooperation. While coordination is par for the course, a more explicit ‘catalytic’ relationship remains elusive. During the Business Plan period, the Fund will seek to:

- *Pilot the availability of additional financing for synergistic activities* – As part of its routine engagement, the Fund will offer that *additional* resources could be made available for activities that are explicitly developed collaboratively between the UN and a development Bank partner.²⁹ The point of this effort is to incentivize discussions at country level to identify actions that the UN can take – funded by the PBF – that the development banks explicitly recognize as being helpful to their own efforts.
- *Joint missions with the World Bank’s conflict expertise* – At least once a year the Fund will seek to organize a joint mission with the World Bank and/or a regional development bank to identify opportunities for collaboration and catalytic activities that the Fund could support.
- *European Union* – The European Union is a significant development partner in many countries where the Fund is active. In such countries, the Fund will make a particular effort to a) encourage the European Union to play a role on Joint Steering Committees and b) ensure that its activities are well-coordinated with those of the European Union, including through establishing desk-to-desk relations between New York and Brussels.

²⁹ Programmes need not be formally be joint, but there must be a mutually agreed connection between the activities.

The Fund also seeks to work closely with leading development partners at country level. One mechanism is through inclusion on the Joint Steering Committee. By playing an active role in Joint Steering Committees, development partners can add their voice to advocacy for the most strategic use of PBF resources on what are often sensitive peacebuilding issues. It can also assist with coordination.

Piloting more flexible implementation arrangements

The Peacebuilding Fund has achieved much of its success to date due to its use of the Multi-Partner Trust Fund Office (MPTF Office) as its administrator. This enables the Fund to draw on pre-negotiated administrative agreements across the UN system, so that essentially as soon as an activity has been substantively agreed to, it can be funded within days. There may be situations, however, where it could be beneficial to the overall objectives of the United Nations to provide financial assistance directly to partners are than those associated with the UN system. For example, working through Governments directly may help build the state and have a more direct effect on the relationship between the state and its citizens. In other cases, working with non-governmental partners may allow more flexibility, better access, or simply expand the range of capacities available to scale-up activities. During the next Business Plan, on a limited, pilot basis only, the Fund will explore the following new modalities.

- *Direct support to Governments* – On an exceptional basis where the Fund may be requested to finance directly governmental activities or services,³⁰ and when it is judged strategic to do so, the Fund will, in collaboration with the MPTF Office, explore how mechanisms can be established to pass the Funds directly the Government for implementation.³¹ Accountability, in such cases, will lie primarily with the Government.
- *International peacebuilding NGOs as direct recipients* – The Fund already finances the work of international NGOs in many settings. This is done by supporting a UN recipient organization who, in turn, partners with the NGO in question. In some settings, the Fund may be able to expand, accelerate or render more efficient its impact by financing an NGO directly. In the Business Plan period the Fund will pilot such financing by pre-qualifying in a transparent process a limited number of NGOs with international standing and capacity. These NGOs would then be able, through regular country level procedures through Joint Steering Committees and so on, to receive support from the Fund.

³⁰ As a generalization, the United Nations provides technical assistance, rather than the direct provision of services.

³¹ The first pilot will be in May, 2014, with temporary support to salaries in the Central African Republic in collaboration with the World Bank. Such exceptional support is foreseen in the 2009 Terms of Reference. This approach was also advocated by the Chair of the CAR Configuration of the Peacebuilding Commission.

The Fund will also *continue with and expand its advocacy for its policy of encouraging national civil society organizations to participate* in all aspects of the Fund’s programming. For any civil society organization that is supported by the Joint Steering Committee to receive financing, the Fund will facilitate the identification of a UN partner.

Strategic partnerships to provide technical assistance to the Fund’s operations

The Fund has benefited in recent years enormously from strategic partnerships with organizations providing expertise in peacebuilding. At least three of these partnerships are expected to continue throughout the next Business Plan, while other opportunities may arise. These partnerships are in addition to the expertise that the Fund seeks in-house and both compliments and reinforces a UN systems approach.

The Fund benefits from technical assistance from PeaceNexus Foundation in the areas of programme design, conflict analysis, monitoring and evaluation, and lesson learning in one to three countries per year. The African Centre for the Constructive Resolution of Disputes (ACCORD) provides crucial guidance and resources to help build peacebuilding capacity in PBF programming countries for priority setting, design and monitoring and evaluation, including hosting and facilitating PBF’s first-ever global training workshop in 2013. Interpeace is providing expertise to assist with conflict analysis and programme prioritization through its IPAT facility, in an anticipated one to two countries per year.

Stakeholder engagement

PBF and its UN partners will continue with three main modalities for communication with stakeholders:

- **Annual Stakeholder event:** “to provide all stakeholders with the opportunity to review Fund progress and emerging lessons” and to “provide an occasion for replenishment of the Fund”.
- **Briefings to the PBC after each Advisory Group meeting:** The Chair of the Advisory Group of the PBF will brief the PBC after meetings, or PBSO will do so on their behalf. (See also section on PBC partnership)
- **Quarterly donor briefings:** briefings will continue to be held quarterly in New York to keep Permanent Missions informed of status of PBF. These briefings include participation of the PBF’s Administrative Agent to provide up-to-date information on the financial status of the PBF.

8. PBSO Management

The Financing for Peacebuilding Branch of the Peacebuilding Support Office is responsible for the day to day management of the Fund. The Branch is funded

principally by the 3 percent fee taken from contributions to the Fund.³² No United Nations regular budget resources are used in the management of the Fund, but the Branch is supplemented with ad hoc extra-budgetary resources.³³

Over the course of the last Business Plan, the Fund has increased its technical assistance during programme design, monitoring of implementation and evaluation. It has received consistent advice to do so from partners and the Advisory Group, and has been further encouraged to document more learning and knowledge.

In preparation of the Business Plan 2014-16, the Fund analysed the time needs required by its team in order to ensure quality design, monitoring and reporting on the anticipated portfolio. Time was planned to undertake analysis, coalition building across UN partners, review and assistance in design of proposals and approaches for IRFs and PRFs, country visits, contributions to knowledge management, review and implementation of M&E frameworks, and reporting. Planning also took into account the shifting of the management of the country evaluations from country level to PBSO in New York, though funding for this would still come from programme funds.³⁴

Overall, PBSO estimates that the annual cost of managing the PBF and assistance for design, monitoring and evaluation is \$4.6m.³⁵ Summaries of the annual needed budget are presented in the table below.

³² Memorandum of Understanding (MoU) between the United Nations and the United Nations Development Programme regarding the management of the Peacebuilding Fund: “The Administrative Agent may also transfer direct cost approved by PBSO in support of the Fund’s operations at global and country levels at a rate not to exceed 3% of the amount contributed by each donor”. Additionally, the Administrative Agent charges a 1% fee to manage the receipt and transfer of finances, the inter-agency trust fund system with partner agencies, and the online information “gateway”.

³³ Over the last Business Plan 2011-13, the Fund benefited at different times from secondments from UNDP, UNHCR and WFP, and extra-budgetary support from Australia, Germany and the Netherlands.

³⁴ Previously, country programme evaluations were funded inside PRF grants, and were commissioned locally, usually by UNDP. For the next Business Plan 2014-16, PBSO will manage those country evaluations out of New York. The purpose of this is to reduce the administrative obstacles that were occurring in trying to organize country-commissioned evaluations to global standards, increase the use of a regular set of evaluators, and increase the standardization and thus comparability of evaluations.

³⁵ The proposed budget for the Business Plan 2011-13 was \$3.6m per annum. It is not directly comparable to that proposed for 2014-16, however, as it did not include country evaluations which during the last Business Plan period were financed and commissioned through the country programmes. Sufficient resources were not forthcoming for the 2011-13 period, however. (For example, the independent 2013 PBF Review cites that the actual budget for 2014 was only \$2.4m). The budget was supplemented, fortunately, by extra-budgetary support and secondments.

<i>By activity</i>	Total (USD)
Overall PBF management - posts (11 posts)	2,250,000
Overall PBF management - operations (travel, IT, website, translations, pubs)	372,500
Advisory Group and annual stakeholder	147,500
Cross-country learning	77,500
	<i>Sub-total funded by PBSO fee</i>
	2,847,500
Country M&E support and knowledge management (3 posts, travel, office support)	760,000
Commissioned country evaluations/mid-term reviews/prep assessments	780,000
Country evaluations project manager (1 post)	225,000
	<i>Sub-total funded by programme funds</i>
	1,765,000
	Total
	4,612,500

PBSO remains committed to the approach of linking its own management capacity to the volume and effectiveness of the Fund’s investments. The core capacity of the Financing for Peacebuilding Branch to manage the Fund will thus continue to be covered by the three percent fee taken from contributions. These core resources will cover the Branch leadership, country portfolio management, organization of Advisory Group and stakeholder meetings, minimal communications costs (web, minimal translation, one printed publication per year), modest staff training, information technology equipment and associated rent and travel. Core resource needs amount to \$2.85m annually, conservatively set below what would be available if the full \$100m as targeted were to be mobilized each year.

As it has learned through its experience, country evaluations and now the global 2013 PBF Review, additional technical assistance during the design phase, more investment in accompanying monitoring and evaluation, and generation of lessons learned can increase the success of PBF investments. While country partners can procure technical assistance as necessary themselves, for this Business Plan period the Fund will also use programme funds to increase PBSO’s country support capacity and learning from country programmes, amounting to \$0.76m. PBSO also now feels that it is in the position to manage the country evaluations from New York to ensure standardization and increase cross-country learning concerning evaluations (see M&E section). For this Business Plan period, resources to support the three phase evaluation strategy, which have always been programme funds but previously channelled through country grants, will also be managed in New York with an anticipated annual cost of \$1.05m.³⁶ Approximately 14 evaluation products are expected to be delivered each year with these resources (see M&E section). Together with its key partners, PBF will regularly review required evaluation resources against a country-driven global evaluation plan to ensure that these resources are managed responsibly, in a transparent and accountable manner.

³⁶ This approach – of centralizing the evaluation function – was also discussed and supported at Advisory Group meetings in 2013, who have examined M&E issues at every meeting. The cost of these evaluations – at below one percent of anticipated programming – is well below many United Nations Evaluation Group member policies of between two and five percent allocated to evaluation alone (i.e. not including other monitoring).

Resource permitting, the Fund will undertake a comparative review, as recommended by the 2013 PBF Review, of other funds' costs and use of resources in the management of their work.

Finally, the audit of PBSO that was undertaken by the UN Office of Internal Oversight Services (OIOS) in 2013 highlighted two actions that needed to be taken in relation to the Fund. First, PBSO needed to better capture and share substantive, technical knowledge. Second, the Fund needs to improve the robustness of its internal administrative record-keeping. OSIS noted that action would depend upon available resources. The former is addressed through plans for increased assistance in this design, M&E (see Section 5). The latter will be undertaken internally during 2014.

Staffing plan for the Financing for Peacebuilding Branch

The management of the Fund is human resource intensive. The staff of the Financing for Peacebuilding Branch of PBSO carry out the work described throughout this document – exploration of country settings, facilitation of discussion across the UN system, programme review, technical assistance for design, monitoring, lesson learning and thematic and annual reporting – without the benefit of field offices. Resident Coordinators' offices play a critical role in the functioning of the Fund, but are also thin on the ground. The 2013 PBF Review has highlighted the importance of having sufficient capacity in PBSO, and has judged increased capacity in New York as a “good investment.”³⁷

To achieve its target and remain within the bounds of its management fee, PBSO envisions a core team of nine professional posts that cover leadership/business processes, portfolio management admin, overall management of design, monitoring and evaluation. There will be two support staff for the Branch as a whole. In terms of country support, there will be two programme design/M&E posts, one knowledge management officer, and one global country evaluations project manager. The Country Support DM&E officers are expected to support approximately 10 countries each. The evaluations project manager should oversee the delivery of 14 evaluation products annually (for more details see Section 5).

³⁷ The Review also notes that while PBSO was being established, a small reserve of the management fee had been established, in most recent years when the Fund has become more active that reserve has been exhausted. PBSO's management of the Fund now relies more directly to each year's contributions (see pages xvii and 48-50 of the 2013 Review).

Chief, Financing for Peacebuilding Branch, PBSO

Country Portfolio Management	Design, M&E and Knowledge Management	Business Processes
4 Programme Officers	Sr DM&E Adviser	Business Processes Officer (Advisory Group, Stakeholder meeting, Reporting)
1 Junior Programme Officer	2 Country Support DM&E Advisers	1 Admin Officer (in DPKO Exec Office)
<i>(approx. 5 countries each)</i>	1 Evaluations project manager	2 Support staff (for the whole Branch)
	1 Knowledge Management Officer	
<i>Staff: 5</i>	<i>Staff: 5</i>	<i>Staff: 4</i>

PBSO during the last Business Plan period benefited from a number of professional secondments from UN agencies and posts supported with extra-budgetary contributions.³⁸ PBSO will continue to seek such support to fit with this staffing plan and thus realize cost savings.

Mobilizing contributions

The Fund will seek to mobilize \$100 million per year as per its target. The annual stakeholder meeting provides a principal forum for the replenishment of the Fund, along with the other consultative forums (see “stakeholder engagement”). The Fund encourages formal, multi-year contributions. Such forward-looking commitments are immediately and publicly recorded on the gateway. In cases where formal multi-year agreements are not possible, donors have take public occasions to state their intention to maintain an annual contribution, which is also appreciated.

The Fund is grateful to the following donors who have contributed during the last Business Plan 2011-13.

³⁸ Secondments of various lengths were received from UNDP, UNHCR and WFP. Extra-budgetary support for posts was received from Australia, Germany, and the Netherlands.

PBF Business Plan 2011-2013 Contributors

Australia, Bangladesh, Belgium, Canada, Chile, China, Colombia, Croatia, Denmark, Egypt, Estonia, Finland, Germany, India, Indonesia, Ireland, Japan, Luxembourg, Mexico, Morocco, Netherlands, Norway, Pakistan, Peru, Poland, Qatar, Republic of Korea, Russian Federation, Slovakia, Saudi Arabia, Spain, Sweden, Turkey, United Kingdom.

Previous Contributors to the PBF

Austria, Bahrain, Brazil, Czech Republic, Cyprus, France, Iceland, Israel, Italy, Kuwait, Libya, Nigeria, Portugal, Romania, Slovenia, Switzerland, Thailand, United Arab Emirates, Organization of the Islamic Conference.

For real-time and historical details on dates and amounts of contributions please see <http://mptf.undp.org/factsheet/fund/PB000>