

Review of the Peacebuilding Fund

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Executive Summary

1. The Peacebuilding Fund (PBF) was established in 2006 to support interventions of direct and immediate relevance to the peacebuilding process and contribute towards addressing critical gaps in that process, in particular in areas for which no other funding mechanism is available. The PBF had a difficult start, in no small measure because of the political demands from New York to disburse rapidly, before PBF systems were fully in place or recipients had a clear idea what the purposes of the fund were. Despite that, this review finds that lessons have been learned from these experiences and are being applied to subsequent PBF cases. This positive learning curve is reflected at headquarters level, especially within the Peacebuilding Support Office (PBSO) as Fund Manager and the Multi-Donor Trust Fund Office (MDTF Office) as Fund Administrator, as well as at field level.

PBSO achievements

2. Even though the PBF is relatively new and it is not yet possible to assess the long-term impact of PBF activities, the review team finds that the Fund has succeeded in:

- promoting discussion and learning about peacebuilding issues in the context of post-conflict situations;
- promoting ongoing peacebuilding processes; and
- fundraising.

PBF challenges

3. At the same time, the Fund faces numerous challenges to the effective and efficient achievement of its objectives. These include strategic challenges, conflicting objectives and faulty assumptions, management challenges, issues surrounding PBF stakeholder roles and responsibilities, and operational challenges (Box ES1).

Box ES1 – PBF challenges

Strategic challenges

- No clear, common and consistent definition of peacebuilding;
- Lack of clarity on what can be expected from a modest size fund and on PBF's comparative advantage, as well as inadequate attention to sustainability of PBF-funded initiatives;
- Different interpretations among key PBF stakeholders of Fund's catalytic role;
- Identification of the most critical peacebuilding priorities and selection of projects / partners to address most critical peacebuilding needs;
- Lack of good communications with key stakeholders to explain basic PBF functions.

Conflicting objectives and faulty assumptions

- Capacity building versus requirement for fast disbursement;
- Early engagement versus preference of the Peacebuilding Commission (PBC) and UN Secretary-General for later-stage peacebuilding;
- Assumption Fund could operate effectively with a "light footprint".

Management challenges

- Inadequate management capacity in terms of numbers and strategic guidance.

Stakeholder roles and responsibilities

- Overall lack of understanding of the roles and responsibilities of key PBF stakeholders;
- Lack of clarity on the roles and responsibilities of recipient agencies.

Operational challenges

- Slow pace of project implementation due mainly to capacity issues within recipient agencies and/or implementing partners, UN procurement processes and political delays;
- Unrealistic expectations among donors / Member States on what can be achieved in post-conflict environments in a limited timeframe.

OIOS evaluation, revision of PBF ToR and Secretary-General's report

4. PBSO has struggled to address these challenges. In addition, PBSO has had to devote valuable time and resources to the recent evaluation of the PBF conducted by the UN Office for Internal Oversight Services (OIOS) and the PBSO Management Response to this evaluation, the ongoing process of revision of the PBF ToR and the upcoming UN Secretary-General's report on peacebuilding in the immediate aftermath of conflict. The changes to the Fund's ToR, if endorsed by the UN General Assembly, will bring additional challenges. The main changes proposed for the ToR are a broadening of the scope of the Fund to include 'efforts to revitalise the economy and generate immediate peace dividends to the population at large' and a restructuring of the Fund's three-window architecture to create two funding facilities open to countries on the PBC agenda (the former Window I countries) and countries declared eligible for PBF funding by the UN Secretary-General (the former Window II countries). The two funding facilities would be an Immediate Response Facility (IRF) and a Peacebuilding and Recovery Facility (PRF). The IRF would provide emergency funding for immediate peacebuilding and recovery needs, and as such replaces the former Window III, although without the current \$1 million cap on emergency funding. The PRF would provide longer-term peacebuilding and recovery support.

PBSO response

5. The appointment in April 2009 of an Acting Head of the Funding for Peacebuilding Branch (FPB) of the PBSO with the appropriate professional profile for strategic fund management is beginning to pay dividends. The FPB is implementing lessons in six key areas (Table ES1) and has a rolling action plan to tackle the most critical issues confronting the Fund.

Table ES1 – PBSO response to key challenges	
Challenge	PBSO Response
1. Staffing	Acting Head FPB appointed April 2009; review staffing requirements, take steps as soon as possible to fill gaps, bearing in mind slowness of UN personnel system
2. Areas of peacebuilding to be prioritised by Fund	Early support missions to the field to advise on priority plan development; criteria development, guideline revision
3. Guidance and training	Inter-agency task force to assist PBSO in developing appropriate criteria, updating existing guidelines; developing new two-facility concept; developing training package and training of trainers; annual global PBF management workshop; more hands-on guidance by PBF HQ staff (once capacity is increased)
4. Improved field support	Increased and earlier field presence of PBSO-trained staff, in particular during the development of the priority plans and the start-up of new programmes; initial 3-6 month surge capacity to help jump start programmes and train staff, develop robust in-country Secretariats and enhance national capacity development
5. Management systems	Management consultant to support the development of standard operating procedures, clarification of roles and responsibilities, field office management; definition of optimum HQ support needs
6. Perceptions/expectations management	Develop global and country-level communications strategy; outreach to donors and Member States; regular briefings

Recommendations

6. In order to maximise the use of PBF resources in line with the Fund's guiding principles, the review team has identified seven areas that would benefit from additional attention. A number of these were highlighted in the OIOS evaluation. Many have already been identified as high priority by PBSO / FPB and, as this review has demonstrated, progress has been recorded in strengthening PBF practices. The recommendations in Box ES2 are intended to further strengthen PBF practices in these areas:

- Strengthening the strategic focus of PBF funding;
- Clarifying roles and responsibilities of key stakeholders;
- Engaging in critical start-up activities;
- Strengthening PBF operational guidance;
- Identifying and tackling the main sources of delays in project development, approval and implementation;
- Strengthening the PBF communications strategy; and
- Accepting political realities.

Box ES2 – Summary of recommendations

I. Strengthening the strategic focus of PBF funding

Comparative advantage of the PBF

Recommendation 1: The review team recommends that in order to make strategic choices about the use of PBF resources, project proposals be assessed using a well-defined list of criteria. This list should include, *inter alia*,

- Does funding reflect unmet or new needs that cannot be met rapidly from other sources of funding?
- Does the activity provide tangible early peace dividends to the population or contribute to the rebuilding of national capacities in areas relevant for peacebuilding?
- Would not funding the activity increase the risk of instability and relapse?
- Would the activity lead to immediate results and, if not, is there a realistic plan for follow-up funding/continuation?
- Do the proposed recipient agency and its partner(s) have a proven track record and capacity to successfully implement the activity within the envisaged timeframe?

The review team further recommends that project proposals approved under an eventual PRF should be clearly in line with the approved priority plan and support national capacity-building, while project proposals under an eventual IRF should be supported by an initial action plan developed by national and/or international partners or, should these be absent, fill a critical initial and time-sensitive funding need

Recommendation 2: The review team recommends that more attention be given to agreeing the linkages between different funding mechanisms in post-conflict environments in order to clarify the role of humanitarian funding in the immediate aftermath of conflict and the opportunities for early development funding. The review team further recommends that Priority Plans articulate the linkages between the PBF and other funding mechanisms in specific countries, using maximum synergies. To achieve these synergies, the PBF should focus on supporting those activities that do not duplicate what is being funded through humanitarian or development channels, but rather on supporting activities that complement and strengthen what is being funded through these channels. This would require the PBF to give special attention to processes of reconciliation, conflict management / reduction and the drivers of conflict. The revised PBF guidelines should reflect this orientation.

Better prioritisation of priorities

Recommendation 3: The review team recommends that the PBSO promotes the prioritisation of peacebuilding priorities. In order to do so, PBSO should provide technical assistance for the development of priority plans to ensure that they focus on a limited number of high-priority peacebuilding objectives implemented through peacebuilding programmes. Funding allocations should then be made on the basis of projects that address the highest priority objectives. This process will be facilitated to the extent that the integrated peacebuilding strategy is similarly focused to the extent possible on high priority objectives for those countries before the PBC.

Box ES2 – Recommendations (cont'd)

Early planning for sustainability

Recommendation 4: The review team recommends that PBF guidelines clearly stipulate that project proposals a) demonstrate that thought is being given to how a project links to other activities (ongoing and planned) in the same area and b) sketch out a preliminary plan for follow-on fundraising or institutionalisation as required.

Strategic lessons learning

Recommendation 5: The review team recommends that the PBSO requests the initial six PBF recipient countries to document lessons learned since the Fund's inception – drawing to the extent possible on lessons that have already been documented – so these can inform a systematic assessment of lessons learned to date. This assessment would then inform the revision of PBF guidance and tools and the development of a communication strategy (see also recommendation 15).

II. Clarifying roles and responsibilities of PBF stakeholders

Accountability

Recommendation 6: The review team recommends that in-country Secretariats and the MDTF Office should share responsibility for monitoring and analysing quarterly updates provided by RAs. The MDTF Office requires this information to fulfil its financial monitoring responsibilities. The in-country Steering Committees and their Secretariats require this information in order to fulfil their oversight responsibilities and carry out their function of monitoring and evaluating country-level PBF results. Based on Steering Committee decisions, the MDTF Office facilitates the submission of standardised quarterly updates. The results of Secretariat analyses provided to the MDTF Office should simultaneously be transmitted to the PBSO in New York in order to ensure that PBSO can fulfil its function of reporting to donors, member governments, its Advisory Group and other key New York based stakeholders on PBF results and in conducting lessons learned work. Additionally, it will be essential that PBSO and MDTF Office agree on reporting requirements.

With regard to annual reporting, the team recommends that the MDTF Office and PBSO continue working closely together on the reports and analysis on a country-by-country basis as the annual report is drafted.

Role of the Steering Committee

Recommendation 7: The review team recommends that Steering Committees be constituted before priority plans are developed and that the Committees be engaged in developing those plans. In order to minimise delays that this more inclusive approach might engender in the process of identifying PBF priorities, the team further recommends that in countries receiving funding from an eventual IRF that is likely to continue under an eventual PRF, the PBF provides the platform for preparatory activities such as working with UN and government officials to identify tentative membership and develop preliminary ToRs and Rules of Procedure for the Steering Committee. This work could be led by the Secretariats overseeing IRF funding located within the UNCT and supported by a portion of the IRF allocation.

Location of the in-country Secretariat

Recommendation 8: The review team recommends that for countries receiving funding from an eventual PRF, in-country Secretariats should ideally be developed within national government entities. Where in-country Secretariats are established within the UN Country Team, for example because the country begins by receiving resources from an eventual IRF, efforts should be made as soon as feasible to find a governmental home for the Secretariat. The team further recommends that where feasible, IRF funds should be used for preparatory activities such as sensitising PBF stakeholders on peacebuilding needs, conflict resolution, conflict-sensitive project design, and analysis of conflict drivers.

Box ES2 – Recommendations (cont'd)

III. Engaging in critical start-up activities

Recommendation 9: The review team recommends that the UN Country Team jointly with the government and the donors conducts a rapid assessment of ongoing and planned peacebuilding activities, capacities, country planning and coordination structures as soon as the country is declared eligible for PBF funding. In addition to informing project development under an eventual IRF, and the priority plan under an eventual PRF, this information should be shared among all stakeholders in the country, including the government, as well as with stakeholders at the headquarters level, specifically the PBSO in New York. PBSO should not be involved in the actual mapping exercise, other than providing guidance where needed.

Recommendation 10: The review team recommends that attention be given early in the process to conducting conflict assessments and SWOT analyses, or reviewing the findings of existing analyses, to help identify critical peacebuilding gaps and, in countries receiving support from an eventual PRF, to provide input into developing the priority plan. These analyses should be conducted by or at least in collaboration with national actors. Information should be shared among national stakeholders like the Steering Committee (for the PRF), the in-country Secretariat, RAs and implementing agencies, as well as with the PBSO.

Recommendation 11: The review team recommends that the PBSO explores the possibility of creating a small facility within the IRF (if that facility is created) for the types of activities that Window III has typically financed to date, namely smaller activities supporting dialogue and reconciliation activities in uncertain situations.

IV. Strengthening PBF operational guidance

Recommendation 12: The review team recommends that operational guidance begin with a brief overview of the entire PBF process and contain subsections aimed at major portions of that process. This guidance should be as concise and user-friendly as possible – almost like a checklist – bearing in mind the different audiences at which it will be aimed.

V. Addressing the main sources of delays in project development, approval and implementation

Recommendation 13: The review team recommends that Country Directors / Resident Representatives be required to assess the capacity of their teams prior to applying for PBF funding. Steering Committees should require UN agencies applying for PBF funding to show that project management capacity is adequately budgeted for and demonstrate the capacity of their offices to manage PBF projects in a timely and effective manner. This is particularly urgent in the case of UNDP which has in the past executed three quarters or more of PBF projects and is likely to continue to be the dominant RA.

Where additional capacity is required, RAs could think of: a) upgrading capacity through their country budget; b) establishing a project management unit to manage PBF projects where there is critical mass; or c) requesting support from their headquarters to provide them with surge capacity to address the bottlenecks. PBSO and the MDTF Office could also work with that agency's headquarters and DOCO to identify ways of providing the necessary surge capacity.

VI. Strengthening the PBF communication strategy

Recommendation 14: The review team recommends that as soon as feasible PBSO / FPB systematically incorporates the lessons it has learned since the PBF's inception into a communications strategy for disseminating those lessons at headquarters and in the field to PBF stakeholders. In particular it is important to explain the challenges of peacebuilding to UN Member States (including countries receiving PBF funding), in New York and in capitals in order for them to gain a deeper understanding of the time-frame for implementing peacebuilding activities and the need for sustained support beyond the duration of most PBF projects.

VII. Accepting political realities

Recommendation 15: The review team recommends that PBSO develop ways of educating its donors, as well as the PBC, on the limits of fast disbursement in conflict-affected environments.

The team further recommends that PBF's donors should take the necessary steps to recognise the challenges of disbursing funds in post-conflict situations and provide flexibility while further supporting the PBF.

Benchmarks for strengthening PBF capacity

8. Drawing on the recommendations above, the review team believes that there are three areas on which attention should be focused in order to strengthen the capacity of the PBF to fulfil its main objectives. These are: a) improving PBF management systems; b) strengthening delivery of PBF resources, and c) strengthening communications and outreach. A number of high priority steps to achieve each of these goals are identified and benchmarks to measure progress are proposed. It is important to view these benchmarks as a dynamic list of high priority tasks that evolve over time as conditions change – for example if the Fund's new ToR are endorsed by the UNGA or when the UN Secretary-General's report is released and decisions are made on how to implement it. Achieving these three goals will require action both by PBSO and by other members of the UN system. It will also require the support of UN Member States, especially the members of the PBC and the PBF's major donors.

Acronyms

AA	Administrative Agent
BCPR	UNDP Bureau for Crisis Prevention and Recovery
CERF	Central Emergency Response Fund
CHF	Common Humanitarian Fund
CSO	Civil Society Organisation
DFID	Department for International Development [UK]
DOCO	UN Development Operations Coordination Office
DPA	UN Department of Political Affairs
DPKO	UN Department for Peacekeeping Operations
FPB	PBSO Financing for Peacebuilding Branch
IRF	Immediate Response Facility
MDTF	Multi-Donor Trust Fund
MoU	Memorandum of Understanding
NGO	Non-Governmental Organisation
OCHA	UN Office for the Coordination of Humanitarian Affairs
OIOS	UN Office of Internal Oversight Services
PBC	Peacebuilding Commission
PBF	Peacebuilding Fund
PBSO	Peacebuilding Support Office
PRF	Peacebuilding and Recovery Facility
RA	Recipient Agency
SMART	Specific, Measurable, Agreed to, Realistic and Time phased
ToR	Terms of Reference
UK	United Kingdom
UN	United Nations
UNCT	United Nations Country Team
UNDG	United Nations Development Group
UNDP	United National Development Programme
UNGA	United Nations General Assembly
UNSG	United Nations Secretary General

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1. Introduction

1.1 Review background

1. In February 2009, the Department for International Development (DFID) of the Government of the United Kingdom (UK) commissioned a review of the United Nations (UN) Peacebuilding Fund (PBF) on behalf of five of its major donors.¹ The objective of the review was threefold:

- To review operations and activities supported by the PBF against the objectives set out when the Fund was established and country-level strategies.
- To analyse the PBF's mode of operations and consider changes needed to make the Fund a more effective recovery and peacebuilding tool.
- To make recommendations for how PBF's mode of operations can be improved, including proposing "SMART" benchmarks² for measuring progress in implementation of these recommendations.³

2. The review was to analyse the effectiveness and efficiency of PBF mechanisms and the appropriateness of its operating modalities in addressing its stated aims. In particular, the review was to examine: 1) the strategic role of the PBF; 2) delivery, management and accountability of the PBF; and 3) knowledge and information. As such, the review was to answer questions that have been raised by stakeholders about the speed, flexibility, effectiveness and transparency of the Fund, and about the activities it has supported.

3. A Steering Group provided guidance and monitored progress. The Group consisted of representatives of the five donor Governments and representatives of the UN Peacebuilding Support Office (PBSO) and the UNDP Multi-Donor Trust Fund (MDTF) Office. The review was conducted by two independent consultants: Nicole Ball (team leader) and Mariska van Beijnum.

1.2 PBF background

4. The PBF was established by the UN Secretary-General (UNSG) in October 2006 at the request of the General Assembly (A/RES/60/180) and the Security Council (S/RES/1645 [2005]) as one of the three central components of the UN peacebuilding architecture (together with the Peacebuilding Commission – PBC – and the Peacebuilding Support Office). As such the Fund is part of the efforts of the international community to provide for a more sustained engagement in support of countries emerging from conflict.

5. Its Terms of Reference state that the Fund will support interventions of direct and immediate relevance to the peacebuilding process and contribute towards addressing critical gaps in that process, in particular in areas for which no other funding mechanism is available. Use of Fund resources is meant to have a catalytic effect in helping to bring about other, more sustained support, such as longer term engagements by development agencies and bilateral donors.⁴

6. The PBF focuses on providing support during the very early stages of a peacebuilding process. It is also envisaged however, that there may be circumstances in

¹ These donors are Canada, the Netherlands, Norway, Sweden and the UK.

² SMART is an acronym for Specific, Measurable, Agreed to, Realistic and Time phased.

³ See Annex I for the full Terms of Reference of the review.

⁴ A/60/984, *Peacebuilding Fund Terms of Reference*, 22 August 2006. While this review was in process, the ToR of the PBF were revised. They are currently awaiting approval by the UN General Assembly (UNGA). See section 2.2.

which the PBF could meaningfully extend support to countries at a more advanced stage of their peacebuilding process when no multi-donor trust fund has been established and/or where critical peacebuilding interventions remain under funded.

7. The scope of the activities to be funded by the PBF covers four priority areas:
- Activities in support of the implementation of peace agreements and the facilitation of political dialogue;
 - Activities in support of national efforts to build and strengthen capacities which promote peaceful coexistence and national reconciliation;
 - Establishment or re-establishment of essential administrative services and related human and technical capacities; and
 - Critical interventions designed to respond to imminent threats to the peacebuilding process.⁵

8. The PBF has a two-tier decision-making structure. The first tier involves a central allocation of funding at a global level by the UNSG. Countries can access the Fund through one of three windows (Box 1). The second tier in PBF decision-making occurs at the country level. For Window I and II countries, the national authorities and ranking UN representative in the country jointly conduct a country assessment and an analysis of critical funding gaps. Based on these, a short term priority plan is drawn up, containing a select number of critical interventions to strengthen and sustain the peacebuilding process. For Window I countries, the priority plan is meant to be informed by the Integrated Peacebuilding Strategy (IPBS) agreed between the PBC and the national authorities of the country concerned.

Box 1 – PBF window structure

Window I: Country on PBC agenda; SG declares eligible following PBC recommendation

Window II: Country on verge of (re)lapsing into conflict, SG declares eligibility based on advice of UN Senior Policy Group

Window III: Country requires immediate funding to respond to unforeseen and imminent threat to peace process, SG can allocate up to US \$1 million

9. Priority plans are presented to the head of the PBSO, who conducts a review of the plan through a consultative process involving senior officials from various UN entities represented in the Inter-Agency Peacebuilding Contact Group⁶ in an effort to avoid any duplication with ongoing or planned interventions. On the basis of the review, the overall funding envelope for the country is determined. The subsequent review and approval of project activities is conducted at the country level in a process co-managed by the ranking UN representative in the country and the government authorities. A National (or Joint) Steering Committee is set up, consisting of UN representatives, government representatives and other stakeholders in the country. In formally approving project submissions, the Steering Committee has to ensure that any activities funded under the PBF country allocation will: a) support the priorities identified in the priority plan, b) seek to address a gap that cannot be funded through any other mechanism and c) not duplicate other ongoing

⁵ A/60/984, *Peacebuilding Fund Terms of Reference*, 22 August 2006. When the new ToR are approved by the UNGA, these categories will be revised to include recovery-related activities.

⁶ The Inter-Agency Peacebuilding Contact Group consists of representatives of the Department of Peacekeeping Operations (DPKO) as chair of the Integrated Mission Task Force; the Department of Political Affairs (DPA) as chair of the Executive Committee on Peace and Security; the Office for the Coordination of Humanitarian Assistance (OCHA) as chair of the Executive Committee on Humanitarian Assistance; the United Nations Development Programme (UNDP) as chair of the UN Development Group (UNDG); as well as the Office of the UN High Commissioner for Human Rights and the Development Operations Coordination Office (DOCO).

interventions.⁷

10. Under the authority of the UNSG, the PBSO provides overall direction and guidance on the programme management of the PBF and monitors its operations. The UNDP MDTF Office serves as the Fund's Administrative Agent (AA), responsible for administering the Fund, receiving donor contributions, disbursing funds and consolidating progress reports submitted by the Fund's recipients. The MDTF Office administers the Fund in accordance with its rules, regulations, directives and procedures. Activities can be implemented by a range of implementing partners: government authorities, the organisations and bodies of the UN system and other international organisations and non-governmental organisations. However, all projects must include a UN recipient agency charged with overseeing project management, monitoring and reporting, and ultimately fiduciary responsibility and accountability for project performance. In order to receive PBF funding, UN entities are required to conclude a Memorandum of Understanding (MoU) with the UNDP MDTF Office.

11. The Fund's ToR state that the management fees for programme implementation and fund management will not exceed 11 percent of funds received. The recipient UN agencies are entitled to claim a fee to cover their indirect costs associated with the management of PBF-funded projects, up to a maximum of 7 percent of funds received.⁸ In addition, the MDTF Office charges a standard administrative fee of 1 percent. The remaining 3 percent is used to cover all costs encountered by the PBSO directly related to PBF management.⁹

12. The PBF is a multi-year standing fund, supported entirely by voluntary contributions. Up to March 2009, the Fund had received US\$ 305.9 million in commitments from 45 donors,¹⁰ thereby far exceeding its initial US\$ 250 million funding target. Thus far, the majority of the funding has been allocated to the two first countries declared eligible under Window I: Burundi and Sierra Leone (each allocated 29% of the overall PBF funding). As most PBF funded activities fall within the mandate of UNDP, it has been the main recipient agency, receiving 73.4% of the total allocations up to January 2009.

Table 1 – PBF basic facts	
Overall Fund size (commitments as of 31 March 2009)	US\$ 305.9 million
Number of donors	45
Top 5 donors (deposits)	Sweden – US\$ 54.5 million UK – US\$ 52.9 million The Netherlands – US\$ 46.4 million Norway – US\$ 32.1 million Japan – US\$ 20 million
Fund allocation (as of 31 March 2009)	USD 122.3 million
No. of recipient countries (as of 30 April 2009)	12

⁷ A/60/984, Peacebuilding Fund Terms of Reference, 22 August 2006.

⁸ MoU between the Recipient UN Organisations and the UNDP regarding the operational aspects of the PBF.

⁹ The MoU between the UN and the UNDP relating to the management of the PBF states that these include: a) direct costs related to the implementation by PBSO of activities to the PBF; b) expenditures related to the PBF Advisory Group; c) support to the office of the SRSG and the national counterparts involved in the review of project submissions (i.e. co-chairs of the National or Joint Steering Committee); and d) additional tasks requested of the Administrative Agent by PBSO. While in the past some costs associated with in-country capacity building were borne by the PBF budget, in the future most will be financed through a capacity-building project aimed at developing peacebuilding and project management capacity within a relevant government entity.

¹⁰ <http://www.unpbf.org/pledges.shtml> on 16 April 2009.

Table 1 – PBF basic facts	
Division of funds over modalities (as of 30 April 2009)	Window I: 70%, divided among 4 countries (Burundi, Central African Republic, Guinea-Bissau, Sierra Leone)
	Window II: 25%, divided among five countries (Comoros, Côte d'Ivoire, Guinea, Liberia, Nepal)
	Window III: 5%, divided among nine projects in eight countries (Burundi, Central African Republic, Côte d'Ivoire, Guinea, Haiti, Liberia, Kenya, East Timor)
No. of recipient UN agencies (up to January 2009)	13

2. Review Context

13. A number of recent and ongoing processes need to be taken into account in carrying out the current review: a) the recent evaluation of the PBF conducted by the UN Office for Internal Oversight Services (OIOS), b) the Management Response of the PBSO to this evaluation, c) the ongoing process of revision of the PBF ToR and d) the UN Secretary-General's report on peacebuilding in the immediate aftermath of conflict.

2.1 OIOS evaluation

14. In December 2008, the Report of the UN Office for Internal Oversight Services on the Independent Evaluation of the Peacebuilding Fund was issued. The evaluation was undertaken at the request of the PBSO, as an independent evaluation of the Fund was required no later than two years from the adoption of its ToR.¹¹ The objective of the evaluation was to assess the operations and results of the PBF and propose enhancements to its architecture and functions. As most projects supported by the PBF did not commence until late 2007, and OIOS started its evaluation in March 2008, the evaluation did not assess the Fund's long-term impact. Rather, the evaluation assessed preliminary outcomes.¹²

15. The evaluation's overall finding was that the Fund has the potential to fill a vital peacebuilding niche not readily met by other funding vehicles and that early results were achieved. However, the Fund must become speedier, more efficient and more strategic to fulfil its vision. According to the evaluation, the PBF has yet to fully realise its two key objectives: a) quickly identifying and funding countries' most critical peacebuilding gaps and b) catalysing more substantial and sustainable peacebuilding funding.¹³

16. OIOS presented six recommendations to the PBSO¹⁴ to enhance the PBF architecture, administration, management and operational modalities:

- PBSO should improve the clarity of the roles and responsibilities of the various stakeholders involved in the PBF in the Fund's guiding documents and in its stakeholder communications.
- PBSO should conduct a strategic internal resource assessment in order to fill its key

¹¹ A/60/984, Peacebuilding Fund Terms of Reference, 22 August 2006.

¹² OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, p.6.

¹³ OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, p.24.

¹⁴ Given its mandate, the OIOS cannot direct recommendations to entities beyond the UN Secretariat. However, OIOS encourages PBSO to work together with the other entities involved in the PBF to implement the recommendations.

functional gaps.

- PBSO should develop an improved suite of tools, guidelines and procedures to facilitate faster and more strategic decision-making.
- Within its delegated authority, PBSO should strengthen the PBF's accountability mechanism and more clearly articulate this mechanism in the Fund's guiding documents.
- Within its delegated authority, and in partnership with recipient agencies at Headquarters and in the field, PBSO should proactively address the main sources of delay in project implementation.
- PBSO should facilitate more systematic lessons learning within and across countries, as well as within the Office itself.¹⁵

2.2 PBSO management response to the OIOS evaluation

17. PBSO responded to the OIOS evaluation in a Management Letter on January 23, 2009. PBSO acknowledged most of the findings of the OIOS evaluation and stated that it would address all six recommendations made by the OIOS. However, the detailed management response matrix does not adequately prioritise the actions needed to respond to the recommendations, nor is a clear division of tasks or a realistic timeline included. This means that the management response cannot be used as a management tool.

18. Furthermore, PBSO did not consult with any of the PBF stakeholders on its management response. While PBSO was not formally required to do so, one can question whether it was a strategically wise decision to exclude the stakeholders whose support and cooperation is needed to bring about the most fundamental improvements to the effectiveness and efficiency of the PBF. It was reported to the review team that this decision negatively influenced the working relationships between PBSO and UN entities in New York.

2.3 Revision of PBF ToR and upcoming Secretary-General's report

19. As this report was being written, two processes were underway that will affect the further development of the PBF and any attempts to enhance the effectiveness and catalytic impact of the PBF. First, the PBF ToR are being revised, which means that the PBF guiding documents will have to be revised as well. Second, the UN Secretary-General's upcoming report on peacebuilding in the immediate aftermath of conflict (expected to come out in mid-2009) might influence the broader peacebuilding architecture, including the PBF's place in it.

20. When the PBF was established, it was stipulated that the ToR of the Fund would be reviewed no later than two years after their adoption following consultations with the Advisory Group and the outcome of an independent evaluation (i.e. the OIOS evaluation).¹⁶ The ToR were revised between December 2008 and March 2009, and are expected to be endorsed by the UN General Assembly (UNGA) in mid-2009. To inform the review process, the PBSO engaged in informal consultations and briefings with Member States, donors, the PBC, recipient country principal UN representatives, and the wider UN system – including the Peacebuilding Contact Group and the UNDP MDTF Office. Interlocutors stated that this consultative process began rather late, and that some of the consultations were initiated by the stakeholders rather than the PBSO. It is now felt, however, that the resulting ToR nonetheless largely reflect the input of the different stakeholders and are endorsed by them.

21. The ToR revision was guided by two broad objectives: a) to enhance the PBF's capacity to serve as a flexible, responsive and focused resource for peacebuilding support

¹⁵ OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, pp.24-27.

¹⁶ A/60/984, *Peacebuilding Fund Terms of Reference*, 22 August 2006, paragraph 8.

including through rationalising and simplifying the Fund's structure and architecture, and b) to enhance and maximise synergy between the PBC and the PBF through provisions of enhanced consultation and dialogue.

22. The main changes proposed for the ToR are a broadening of the scope of the Fund and restructuring the Fund architecture.¹⁷ Both changes have been strongly backed by the donors and the Member States, reflecting concerns about the Fund's capability to react quickly and provide flexible funding in immediate post-conflict situations, i.e. to fill the early recovery funding gap. As a result, if the ToR are endorsed by the UNGA, the PBF would also have the objective supporting efforts to revitalise the economy and generating immediate peace dividends to the population at large.¹⁸

23. The existing three window structure would also be revised. There would be two funding facilities open to countries on the PBC agenda (former Window I countries) and countries declared eligible for PBF funding by the UN Secretary-General (former Window II countries). The two funding facilities would be an Immediate Response Facility (IRF) and a Peacebuilding and Recovery Facility (PRF). The IRF would provide emergency funding for immediate peacebuilding and recovery needs, and thus replace the former Window III. The original funding cap of US\$ 1 million on Window II activities would be lifted; the PBF operational guidelines would instead propose alternative mechanisms for guiding allocations for different peacebuilding support tasks. National authorities and the senior UN representative in the country would request IRF funding; the UNSG could immediately allocate funds based on a case-by-case assessment. Allocations and disbursements under the PRF would follow the established, but revised, rules and procedures under former Windows I and II, i.e. they would be made based on a priority plan jointly developed by national authorities and the senior UN representative in the country concerned.

24. In certain cases, the IRF could be used to deal with some of the most urgent peacebuilding needs in the immediate post-conflict phase. It could also be used to begin preparations for subsequent PRF funding to deal with the longer-term peacebuilding issues. Applying for funding under the IRF, however, would not necessarily mean that a country should or would also receive funding under the PRF. Nor would a country have to apply for funding under the IRF before it could apply for funding under the PRF.

25. The review team acknowledges the need for the PBF to be engaged in the immediate post-conflict situations and believes that the Immediate Response Facility proposed in the revised ToR would be able to fulfil this need. The IRF is intended provide the United Nations with sufficient flexibility to react rapidly where needed. The team feels however that such a rapid reaction was equally possible under the former Window III – as has been made evident in several cases (such as the rapid disbursement of funds to support the Ouagadougou Political Agreement for Côte d'Ivoire and the Nimba County reconciliation processes in Liberia). It would be worthwhile to examine why relatively little use was made of Window III funding (which has to date accounted for only 5 percent of the overall funding) and why the bulk of this funding was not used in immediate post-conflict situations.

26. Although these questions are outside the scope of the current review, the team believes that the answers are to be found in the relative newness of the Fund, a lack of knowledge of the Fund on the part of countries and UN agencies, the time and effort necessary to apply for a relatively small amount of money and the (perceived) added value of the PBF as opposed other funding sources available in the immediate post-conflict

¹⁷ The revised ToR were still in draft form at the time of writing.

¹⁸ As of this writing, it is assumed that the UNGA will consider the revised ToR toward the end of June or in early July 2009.

situation.¹⁹ Lifting the funding cap would probably make it more worthwhile for Agencies to apply for PBF funding. This in turn would raise two issues. First, the benefit of having a small window to address unforeseen events may be lost, as the tendency would be to use the IRF for somewhat larger immediate post-conflict needs. The review team therefore believes that it would be beneficial to explore the possibility of creating a small facility within the IRF for the types of activities that Window III has typically financed to date, namely smaller activities supporting dialogue and reconciliation activities in uncertain situations. Second, lifting the IRF funding cap could run the risk of allocating a substantial share of PBF resources to immediate needs while leaving the longer term peacebuilding requirements underfunded. The team therefore believes that the operational guidelines for the PBF should incorporate some guidance on division of funding between the IRF and the PRF.

27. The ToR provide the political framework within which the PBF operate. Detailed management and administrative issues will be incorporated in updated fund policies and guidelines that will accompany the revised ToR. The process of updating these policies and guidelines will be led by the PBSO, in close cooperation with the UNDP MDTF Office, as well as the Advisory Group, donors, recipient UN organisations and country-level stakeholders. This process is expected to be influenced by the upcoming UNSG report on peacebuilding in the immediate aftermath of conflict, as this report is expected to set some parameters for the roles and responsibilities of the PBF.

28. Following the revision to the PBF ToR, it will be important for the PBSO to ensure that all PBF stakeholders understand their roles and responsibilities and what those roles and responsibilities imply for their interaction with the PBF and other PBF stakeholders. It is anticipated that the PBSO will continue to conduct regular briefings on the performance of the PBF with Member States, the PBC and donors. A proposed annual meeting will provide all stakeholders with the opportunity to review PBF performance, results and emerging lessons, as well as an opportunity to solicit replenishment of the Fund.

3. PBF: 2006 – Present

3.1 Achievements of the PBF

29. First and foremost, it is important to acknowledge that the PBF is a relatively new fund. It was established in 2006 and has been operational only since 2007 (with most projects commencing in late 2007 or 2008). It is therefore not yet possible to assess the long-term impact of PBF activities. It is only now that some of the projects in the first two countries declared eligible (Burundi and Sierra Leone) are coming to an end.

30. Within this short timeframe however, **a positive learning curve** is clearly discernable. Most actors involved will admit that the PBF processes in Burundi and Sierra Leone have not been the best examples of how the Fund should be managed. Several important factors determined the trajectory in Burundi and Sierra Leone: their status as PBC countries, political pressure to disburse funds, funding envelopes that overwhelmed local absorptive capacity, lack of knowledge and experience with the PBF (the two countries were in fact pilot countries for the Fund), and lack of capacity due to the initial assumption that the Fund was to have a light footprint. It is clear that lessons have been learned from these experiences and that these lessons have been applied to subsequent PBF cases. The team finds it very positive that the PBSO and the MDTF Office are actively involved in identifying lessons to be learned and applying these in new cases.

31. Also, the Fund has been very successful to date in terms of **fundraising**, exceeding its own funding target by over 20 percent. That the PBF to date has managed to commit 45

¹⁹ PBSO officials note that because of understaffing, they have been unable to conduct as much outreach as they would have liked.

donors, and thereby develop a very broad donor base, is a positive development, as it underlines a broad interest in and support for peacebuilding issues. Interlocutors in the PBF countries reported that the PBF has contributed to putting the peacebuilding needs of these countries on the international (political and donor) agenda.

32. Based on its interviews with stakeholders at country level²⁰ and its visits to PBF project sites, the team sees positive effects of the PBF funded support that are perhaps somewhat overshadowed by the popular critiques of the PBF. Even though many challenges remain for the PBF – as will be described throughout this report – the team feels it is important to underline the successes of the PBF given the ongoing challenges it faces. One of the main achievements to be highlighted is the ***PBF's contribution to a process of discussing and learning about peacebuilding issues in the broader context of post-conflict situations***. The lack of a common definition and understanding of what peacebuilding entails is a major challenge to the international desire to provide support to countries emerging from conflict and is of course a major challenge to the PBF. However, PBF processes appear to contribute to filling this knowledge gap and feed into the ongoing international discussions on this subject (including, importantly, the upcoming UNSG report on peacebuilding in the immediate aftermath of conflict).

33. Furthermore, the process of discussing peacebuilding priorities within a given country context has also had ***a positive impact on the ongoing peacebuilding processes*** in these countries, as PBF mechanisms (such as the National or Joint Steering Committees) bring together stakeholders who might not otherwise interact regularly on these issues. The Joint Steering Committee in Burundi for instance provided civil society organisations with an opportunity to engage in a peacebuilding dialogue with the Burundian government at a time when this might otherwise not have been possible. As such, the process of discussing peacebuilding priorities can be seen as part of the peacebuilding process. The OIOS evaluation also found this to be a positive consequence of the Fund.²¹

34. Based on its visits to project sites and its review of project documentation, the team feels that some PBF supported projects will be successful in achieving their objectives. For instance, the team visited a rule of law civic education project in Liberia that seems to be reaching and educating rural people in Liberia on basic human rights and law enforcement. Similarly, the team visited a women's micro-credit scheme project in Burundi that seems to be successful in providing certain groups of women – including those who had been internally displaced – with credit to set up and run their own small businesses and reintegrate into the local society.

35. Notwithstanding the fact that such projects serve a purpose and contribute to the improvement of the basic living conditions of the people involved, questions remain: Do these projects contribute to the ongoing process of peacebuilding in these countries? Do these projects tackle the priorities identified in these processes? In both cases, it is debatable whether these projects are much more than normal recovery / development projects, similar to others funded simultaneously through other channels that have some peacebuilding spin-offs.

36. Indeed, it is unclear why projects supported by humanitarian or development funding should not routinely aim for this type of peacebuilding spin-off. One could argue that PBF activities showcase such a spin-off and as such serve as an example to the wider aid community. However, that would require in-country PBF actors to enter into a dialogue with those developing humanitarian and development projects to support them in identifying

²⁰ Besides visiting Liberia, Kenya and Burundi, the team also interviewed some stakeholders in Côte d'Ivoire, Nepal and Sierra Leone.

²¹ OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, p.23.

opportunities to create peacebuilding spin-off. This has not been the case thus far, nor has it been a stated objective of the activities. Therefore, questions remain about the strategic added value of funding these activities through the PBF and about the added value of the PBF as opposed to other sources of funding and ongoing development processes.

Box 2 – PBF achievements summarised

- Incorporating lessons from early PBF countries into subsequent work;
- Exceeding fundraising targets;
- Contributing to a process of discussing and learning about peacebuilding issues in the broader context of post-conflict situations;
- Having a positive impact on ongoing peace processes.

3.2 Challenges facing the PBF

37. As noted above, the PBF faces numerous challenges to the effective and efficient achievement of its objectives. The review team's findings echo to a large extent the challenges identified by the OIOS evaluation.

38. **Strategic challenges.** The Fund's effectiveness and efficiency have been hampered by a number of strategic issues. Central to this is the **lack of a clear, common and consistent definition of what constitutes 'peacebuilding'**, either within the UN system or among donors. For some, any activity in a conflict-affected country at any point in time can be defined as peacebuilding. For others a more focused definition is appropriate (for example, a proactive response to the key actors and factors that cause conflict). This lack of a clear definition results in widely varying expectations among PBF stakeholders as to what the Fund does and what it could reasonably achieve. OIOS similarly noted numerous misunderstandings among stakeholders on these issues.²²

39. There is **a pressing need for clarity on what can be expected from a fund of modest size as well as on the PBF's comparative advantage.** The PBF is one of a multitude of funding instruments that can be accessed to support the needs of conflict-affected countries. In most cases, Steering Committees do not appear have mapped the comparative advantages of different types of funding, some of which may be available early in a peace process and others which may take a bit longer to come on stream but all of which can meet peace-related needs. In this respect, it is important to understand the main differences between peacebuilding and humanitarian funding: the former requires a political approach built on consultation and dialogue with national actors (government and civil society). It is equally important to be clear that recovery-related needs are enormous (Box 3). In the past, donors have been reluctant to finance recovery-type activities.²³ The needs of one or two countries could easily absorb the entire PBF. Thus, it will be essential to target PBF funding to the greatest extent possible on its areas of comparative advantage.

Box 3 – PBF, Liberia and recovery needs

In Liberia, UNMIL sought funding for labour-intensive road-building projects. It was able to raise a few million dollars from the World Bank, but a senior UN official commented: "If only we had US \$20 million. We really could have made a difference." Liberia, a country of 3 million people, had received a total PBF allocation of US\$15 million and has numerous peacebuilding and recovery needs.

Source: Authors' interviews

²² OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, p.11.

²³ Cluster Working Group on Early Recovery, *Financing for Early Recovery: Highlighting the Gaps. A Review of Humanitarian Financing Mechanisms*, Working Draft, September 2008, pp. 4-6.

40. Similarly, there are ***different interpretations among key PBF stakeholders on what the Fund's catalytic role entails***. The PBF ToR are very clear in defining this role in the traditional financial sense of mobilising more sustainable and substantial funding for peacebuilding. Most of the project documents reviewed by the review team did not include plans for resource mobilisation, nor did the project managers interviewed seem to have clear ideas on how to go about that. Similarly, in the countries visited there were no adequate mechanism in place for systematically addressing the catalytic objective, nor the Fund's exit strategy. OIOS also noted these issues and suggested that it might not always be feasible to reconcile the Fund's catalytic role with its comparative advantage of making high-risk investments others are unwilling to assume: other bilateral and multilateral funding entities reluctant to fund the type of high-risk initiatives PBF supports in the first instance might be no more eager to do so at a later time either.²⁴ As Box 4 demonstrates, there are a wide variety of approaches to the Fund's catalytic function.

Box 4 – Different field-level approaches to the PBF's catalytic function

Burundi: In the early stages, there seems to have been little to no effort to use the PBF to catalyse funding. It is only as PBF funded projects are ending that the government has begun to focus on follow-on funding. The government is looking to the donors to provide this funding while the donors expect the government to begin to support initiatives begun with PBF funding.

Kenya: The government and the UN Country Team are planning to apply for Window II status in order to sustain activities begun with Window III (emergency) funding in the wake of electoral violence in late 2007 / early 2008. Some donors have questioned why Kenya, which has access to many more resources than the typical PBF recipient, would need external financing for peacebuilding activities.

Liberia: In a reversal of the PBF's catalytic role, the Tumutu Agricultural Programme, implemented by Landmine Action and aimed at ex-combatants, received PBF funding to supplement its original DFID funding.

Nepal: The catalytic function of the PBF is interpreted as being critical in promoting a One UN approach to peacebuilding. That is, the Fund's is intended to help catalyse coherence and coordination within the UN system.

Source: Authors' interviews

41. However, stakeholders also consider the catalytic role of the Fund to be about enhancing peacebuilding capacity and putting peacebuilding issues on the political agenda, both internationally and at country level. Viewed in this way, the PBF has registered some successes, as discussed above.

42. The differences in interpretations and expectations on the key objectives of the PBF cause the Fund to be open to a wide variety of criticism: it is not clear against which yardstick the results of the Fund should be assessed. The OIOS evaluation concurs, stating that it found a lack of clarity with regard to the Fund roles and responsibilities, which impedes the Fund in fulfilling its catalytic role and hampers its ability to ensure accountability.²⁵

43. The OIOS evaluation questioned whether the Fund's decision-making processes are sufficiently strategic in identifying countries most in need of peacebuilding assistance, the most critical peacebuilding priorities, or the optimal projects and partners for addressing these priorities.²⁶ This question remains (Box 5). However, with regard to ***identifying countries most in need***, it is important to take into account the fact that the process of determining PBF eligibility involves a negotiation rather than a unilateral decision. The role

²⁴ OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, pp.20-21.

²⁵ OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, p.13.

²⁶ OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, pp.16-18.

of the PBC determining PBF eligibility seems to be a further complicating factor in this respect. The PBSO initially developed a long list of potential PBF recipient countries, but not every country on that list was keen to become a PBF country. Some countries were reluctant to be considered at risk of relapsing into conflict. Others did not want to associate themselves with the PBF because they felt it carried a risk of coming onto the PBC agenda (which was deemed politically undesirable, as it was associated with admitting to a certain level of weakness and perceived to be allowing international interference in national affairs). As the Fund needs to be demand driven, negotiating PBF eligibility is a process that takes time, persuasion and knowledge.

Box 5 – Adding Eastern DRC to the PBF country list

There is an on-going discussion between different UN actors on the question whether or not the Democratic Republic of Congo (DRC) should be declared eligible for PBF funding. There are those who argue that the PBF should be used to fund activities that would support the UN Mission in the DRC (MONUC), e.g. infrastructure reconstruction, creating peace dividend for the local population in the so-called 'pockets of peace'. On the other hand, there are those who argue that the situation in the DRC remains too volatile to start investing in peacebuilding processes; rather one should invest in humanitarian assistance and early recovery projects. The PBF is not considered to be a source of funding for those kinds of activities. Also, there are those who argue that the needs in the DRC are simply too high for the PBF to be able to make a difference – given the modest size of the Fund.

Source: Authors' interviews

44. The review team confirmed that ***the process of identifying the most critical peacebuilding priorities*** in PBF countries also requires a process of negotiation. The team does not believe that the priority plans produced to date uniformly prioritise the most urgent needs in terms of peacebuilding. This is clearly linked to the above-mentioned lack of clarity on what constitutes peacebuilding and the lack of mapping of comparative advantages of different types of funding. It underlines the need for guidance to National or Joint Steering Committees on these issues. It also underscores the limitations on the PBSO's ability to actually steer these processes due to the decentralised decision-making process.

45. The same holds true for ***the selection of projects and partners*** in PBF countries. Based on a review of PBF project documents, the review team believes that projects have not adequately reflected top peacebuilding priorities and that this problem has been complicated by inadequately prioritised priority plans and integrated peacebuilding strategies (Box 6). When UN Country Teams (UNCTs) have used PBF resources to promote their own objectives, such as building a relationship with national authorities, there is also a risk that top peacebuilding priorities will not be addressed. Additionally the team agrees with the

Box 6 – The Sierra Leone power project

Sierra Leone was included on the PBC agenda in March 2007. Its initial priority peacebuilding plan was based on 'broad national consultations,' and identified 'four areas where there are critical peacebuilding gaps and challenges that require urgent intervention through the Peacebuilding Fund': 1) youth empowerment and employment; 2) democracy and good governance; 3) justice and security; and 4) capacity building of public administration. Following elections later in 2007, the priority plan was amended to enable one of the new government's main campaign promises to be fulfilled through the PBF – increased electricity generation in Sierra Leone's three largest urban areas: Freetown, Bo and Kenema. The decision to revise the priority plan was contentious. While not denying the importance of addressing energy shortfalls, questions were raised about whether the purchase of \$US 9 million worth of fuel, lubricants, vehicles, motorbikes, computers and other office equipment with PBF resources constituted the peacebuilding priority that the new government argued it was.

Source: Authors' interviews; *Priority Plan for Peacebuilding Fund (PBF): Sierra Leone*, Revised October 2008, <http://www.unpbf.org/docs/PBF-Sierra-Leone-Priority-Plan.pdf>; Sierra Leone Peacebuilding Fund Project Summary, PBF/SLE/1-1.

OIOS evaluation that analysis to demonstrate non-duplication and the availability of funding from other sources is lacking.²⁷ The process of selecting recipient agencies and implementing partners was initially lacking in strategic focus, as the first PBF countries perceived the PBF to be funding for national governments, which resulted in a worryingly low number of projects implemented through or in cooperation with local NGOs or CSOs. However, over time PBSO has encouraged broader national ownership of PBF activities and the notion of partnership with a wide variety of actors is increasingly accepted in PBF countries. At the same time, it must be recognised that peacebuilding is a highly political activity and as such, fostering collaboration between governments and civil society in post-conflict environments requires constant attention.

46. This all underlines another challenge that is facing the PBF: ***a lack of good communications with key stakeholders to explain these basic functions of the Fund.*** The ability to develop a strategic vision and act strategically has been hampered at headquarters level by insufficient communication with other parts of the UN system and major donors. It is not clear whether the same has occurred at field level, but the initial lack of capacitated in-country Secretariats seems to have hampered communication at this level as well. In Liberia a conscious decision was made not to communicate too widely about the possibility of applying for PBF funding out of concern that the weak Secretariat, which initially relied on part-time staff with other time-consuming jobs, would not be able to meet demand. In Sierra Leone, the PBF Support & Coordination Office had information from PBF-funded projects that was not used to explain to the National Steering Committee and the donors where PBF projects had succeeded and the positive aspects of UNDP's contributions to peacebuilding.²⁸

47. **Conflicting objectives and faulty assumptions.** Like the OIOS evaluation, the review team found that the PBF's effectiveness and efficiency have been hampered by tensions inherent to the Fund.²⁹ The Fund has a mandate for capacity building and a requirement for fast-disbursement. It also has a mandate for engaging early in a peace process while there is an apparent preference on the part of PBF decision-makers (PBC, Secretary-General) for countries in a somewhat later stage of peacebuilding.

48. However, the review team feels it is important to add that the achievements of the Fund are seriously hampered not only by tensions inherent to the Fund, but also by faulty assumptions underlying the Fund. Most importantly, the original assumption that the Fund was to have a "***light footprint***", building on existing agency resources to manage and implement the Fund's activities, should be revised. The importance of adequate capacity at field level cannot be overstated. The experiences of Burundi, Kenya and Liberia demonstrate that the initial assumption that the PBF can be implemented at country-level using existing UN resources without dedicated staff is incorrect if PBF resources are to be used to maximum effect. Liberia in particular demonstrates the value added of a capacitated Secretariat that can provide support to the overall PBF process (that is, support the Steering Committee; support processes of project design and implementation; identify gaps; involve local civil society in the PBF process; facilitate country level evaluation / lessons learning).

49. At the same time, the decision to implement PBF funding through the UN Nepal Peace Fund offers the possibility that a relatively light touch is possible. Since PBF funded projects are only now getting under way in Nepal, it is too early to determine how successful this model is. However, as it has been suggested that the Nepal model might be replicated in Southern Sudan by channelling a PBF contribution to Sudan through the Sudan Recovery Fund, it will be important to understand the strengths and weaknesses of the Nepal model.

²⁷ OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, pp.16-18.

²⁸ Draft Report on Sierra Leone, 22 April 2009, p.11.

²⁹ OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, pp.12-13.

It will be particularly important to determine the impact on some of the features of the PBF that make the Fund somewhat unique, namely its mandate for national capacity building and its emphasis on broad national participation in the process of developing and implementing priority plans.

50. Finally, it is important to recall that the PBF is both a global fund and a series of country-level MDTFs. The success of the PBF depends to a large degree on the ability of a wide range of UN and national actors in conflict-affected countries to achieve results and outcomes. The capacity of these actors varies widely and the PBSO faces substantial challenges in providing the appropriate support to help them develop capacity. Such support was initially not foreseen, as the operation of the PBF was to draw on existing agency resources. The PBF is in the process of developing means of addressing the capacity needs of in-country actors and acknowledges the need for training of all stakeholders to the PBF on wider peacebuilding issues, as well as programming for peacebuilding.

51. **Management challenges.** These strategic challenges all add to the responsibilities of the PBSO. To date, the PBF has had to meet these challenges with *inadequate management capacity*. The OIOS found that the PBF had the lowest ratio of staff to funds under management compared to other UN funds.³⁰ PBSO has counteracted the low capacity by hiring consultants and using staff hired for other core functions while awaiting permission to make fuller use of the overhead. Now that this has been obtained the PBSO is prioritising building sufficient staff capacity. The review team feels that the overall lack of capacity – in the field and in HQ - has seriously hampered the Fund's ability to reach its objectives. The gap has not only been one of numbers but also in terms of strategic guidance at the top of the Financing for Peacebuilding Branch (FPB) and an absent Assistant Secretary-General for Peacebuilding (on leave of absence for some months and now resigned). The Fund's global reach, the fact that it operates in uncertain post-conflict settings, and that it has to rely on numerous entities over which PBSO lacks direct control or authority has contributed in no small manner to the difficulties that PBSO has experienced in managing the Fund to optimal effectiveness, identifying core functional gaps regarding the types of functions needed to manage the Fund (i.e. monitoring and evaluation, best practices and lessons learned, strategic communications, resource mobilisation, conflict analysis and project appraisal).³¹

52. **Stakeholder roles and responsibilities.** In addition, there is *an overall lack of understanding of the roles and responsibilities of key PBF stakeholders*, both at headquarters and at field level. This is partly a matter of communicating these roles and responsibilities more clearly to the stakeholders, partly a real lack of clarity. For instance, while the MoU between the UN and UNDP on the management of the PBF is clear on the distinction between the Fund Manager (PBSO) and the Administrative Agent (UNDP MDTF Office), the current ToR are not, and many PBF stakeholders in the field do not understand the difference between the roles and responsibilities of the Fund Manager and the AA.

53. There is also a *lack of clarity on the roles and responsibilities of the recipient agencies*. At field level, the review team has noticed confusion on what it means to be an RA, specifically what management tasks these agencies should assume. Even though roles and responsibilities are clearly stated in the MoU between the RAs and the MDTF Office, they are often not known to other stakeholders and in many cases also not entirely clear to

³⁰ The OIOS evaluation calculated that the PBF had one staff person for every US\$ 270 million (as opposed to the UN Central Emergency Response Fund (CERF) with a ratio of one to US\$ 18.8 million or the Thematic Trust Fund for Crisis Prevention and Recovery with a ratio of one to US\$ 17.5 million). OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, pp.14-15.

³¹ While in principle PBSO could rely to some extent on existing capacity of system partners to fulfil some of these functions, in practice there has been a lack of capacity at field level to conduct core activities in support of fund management, such as conflict assessments and analyses of funding gaps.

the RA's field offices. For instance, there are many misunderstandings about what is to be covered by the 7 percent management fees claimed by RAs. These fees are to cover indirect support costs incurred by the Agency and are mostly claimed by the Agency's headquarters; UN respondents reported that most of that 7 percent does not reach field level offices.³² All direct costs incurred by the Agency's field office to manage the project are to be covered out of the project budget. Because this is not clear to all stakeholders, many projects have been submitted and approved without sufficient costs being budgeted for project management, resulting in capacity and resource problems down the line.

54. It is not clear to all stakeholders, especially national actors, that RAs also have to be involved in the implementation of the activities; if RAs are not involved in the implementation, they cannot receive PBF funding. This feeds the overall question of whose fund the PBF is: Is it a UN fund, or is it a fund for the recipient countries? National actors are of the opinion that the agencies do not perceive PBF projects as a partnership, but rather as "normal" UN projects. This point was driven home to the review team when one UN respondent referred to national actors as beneficiaries of the projects, rather than as implementing partners.

55. The overall lack of clarity of roles and responsibilities was also noted by the OIOS evaluation. OIOS recommended that PBSO improve the clarity of the roles and responsibilities of the various stakeholders involved in the PBF in the Fund's guiding documents and in its stakeholder communications. Annex 2 provides PBSO with additional input into this process. It draws on the existing guiding documents (ToR and MoUs) that define the roles of eleven sets of actors whose roles and responsibilities require clarification according to the review team. Annex 2 is summarised in Box 7.

Box 7 – Roles and responsibilities of key PBF stakeholders

PBSO as Fund Manager

- Set the framework for peacebuilding financed through the PBF;
- Approve Priority Plans and Emergency project submissions or, if the new ToR are endorsed by the UNGA, approve Immediate Response requests, through a consultative process within the UN;
- Provide guidance and support to in-country actors;
- Assist Steering Committees in generating additional resources;
- Oversee relations with the broader UN system at HQ level;
- Carry out strategic level monitoring, evaluation and lessons learning;
- Incorporate PBF results into the annual SG report and communicate more clearly the results achieved by the PBF to the wider international community.

UNDP MDTF Office as Administrative Agent

- Financial management, including receiving donor contributions, disbursing funds in accordance with fund regulations;
- Consolidated narrative and financial reporting;
- Programme management support.

Peacebuilding Commission

- Bring together all relevant actors to marshal resources and to advise on and propose integrated strategies for post-conflict peacebuilding and recovery;
- Focus attention on the reconstruction and institution-building efforts necessary for recovery from conflict and to support the development of integrated strategies in order to lay the foundation for sustainable development;
- Provide recommendations and information to improve the coordination of all relevant actors within and outside the United Nations, to develop best practices, to help to ensure the international community to post-conflict recovery;
- Provide PBF with strategic level advice on peacebuilding and recovery needs of countries on the PBC agenda.

³² The share reaching the field reportedly varies by agency. UNDP informants reported that the Headquarters:Field ratio was about 60:40. Others have reported that the ratio for UNICEF is 100:0.

Box 7 (cont'd)

Steering Committees

- Review and approve project proposals;
- Monitoring and oversight of project implementation;
- Quality control of updates and reports submitted by Recipient Agencies;
- Advocate PBF and ensure catalytic nature of Fund.

In-country Secretariats

- Carry out start-up activities for implementing PBF, i.e. identifying gaps, facilitating dialogue on peacebuilding, training, conflict assessment process, including identifying drivers of conflict;
- Support Steering Committee meetings;
- Review and pre-screen proposals and quarterly progress reports;
- Conduct country level monitoring and evaluation of PBF results;
- Communicate with broad range of stakeholders in country

National Governments

- Engage in developing Priority Plan and/or Immediate Response Facility project proposal;
- Co-chair the National or Joint Steering Committee;
- Coordinate involvement of national government bodies in the implementation of the PBF;
- Advocate PBF and ensure catalytic nature of Fund.

In-Country UN Presence

- Engage in developing Priority Plan and/or Immediate Response Facility project proposal;
- Co-chair the National or Joint Steering Committee;
- Coordinate involvement of UN in the implementation of the PBF;
- Advocate PBF and ensure catalytic nature of Fund.

Donors

- Advocate PBF and ensure catalytic nature of Fund;
- Share information on current and planned peacebuilding activities and status of PBF in respective countries.

Recipient Agencies

- Develop concept note, project proposal and project budget in consultation with implementing partner(s), including provision of necessary technical support for design phase;
- Identify national implementing partners;
- Disburse funds to country office and implementing partners;
- Implement activities and manage implementation according to Agency's rules and regulations including ultimate responsibility for project-level M&E;
- Provide Administrative Agent with annual narrative and financial reporting;
- Provide in-country secretariat with quarterly narrative reporting;
- Advocate PBF and ensure catalytic nature of Fund.

Implementing Partners

- Develop concept note, project proposal and project budget in consultation with recipient agency;
- Implement PBF projects;
- Project monitoring and evaluation (including developing baseline information, providing input to quarterly reports);
- Advocate PBF and ensure catalytic nature of Fund.

PBF Advisory Group

- Provide periodic policy guidance and expert advice to the Secretary-General on the use and impact of the Fund.

56. **Operational challenges.** These issues contribute in part to one of the main challenges facing the PBF: *the slow pace of project implementation*. In line with the OIOS evaluation, the review team found that PBF project implementation has been highly problematic. One of the major challenges is the slow pace after funds have been disbursed

by the MDTF Office. Specifically, the pace of disbursements from the recipient agencies' headquarters to the field offices was found to be less timely. Furthermore, implementation itself was found to be slow, due to a lack of clarity on the roles and responsibilities of the Recipient Agencies; rigidities in some RAs' rules, regulations and procedures rendering them ill-equipped to work in a post-conflict environment; and a lack of country-level absorptive capacity to implement projects, both in terms of technical and management capacity (Box 8). RAs do not seem to be able to fill their own capacity gaps, feeding into the discussion on the use of the 7 percent management fee. In general, these funds appear not to have been used to bring staff on board to undertake the PBF work.³³

Box 8 – Guinea Bissau Military Barracks Rehabilitation Project

The barracks rehabilitation project is part of Guinea-Bissau's Security Sector Reform Programme 2007-2011. PBF is financing US\$1.9 million of the US\$6 million cost of the project. The project was due to start in July 2008 and finish in early 2010. By April 2009, the project was at least 3 months behind schedule. There are multiple reasons for this delay:

- project preparation, including consultation between UNOPS, the RA, and the Ministry of Defence
- staff recruitment (national and international)
- preparation of the Public Contracts bidding manual due to lack of technical capacity within Ministry of Defence to deliver technical inputs
- political and security instability following assassinations in March 2009

Source: "Guinea-Bissau PBF Short-Term Project for Rehabilitation of Military Barracks – Update April 2009."

57. However, the contribution of in-country teams and national actors to meeting the global objectives of the PBF is not merely a matter of the capacity to develop a good priority plan or to design, identify and develop sound projects. It also requires sound conflict analysis, a capacity to think strategically and to prioritise activities to meet strategic objectives. These capacities are harder to teach and take time to acquire. This is one reason why there is a tension between the desire for quick disbursement of PBF funds and capacity building. And that links to the final challenge facing the PBF: the need for speed.

58. The PBF is faced with **significant pressure from donors to act quickly**, both in terms of when in the post-conflict period the Fund should become engaged and in terms of speed of disbursement and project implementation. In terms of when the Fund is to become engaged, questions can be raised about whether it is feasible to engage in serious peacebuilding in the immediate aftermath of conflict. The review team was presented with strong suggestions that national actors are not able to focus on the core objectives of peacebuilding during the first year or two following the cessation of hostilities as the immediate priorities are recovery and reconstruction, rather than peacebuilding.

59. In terms of speed of disbursement and project implementation, it is important to keep in mind that most of these delays are not a result of PBF rules and regulations, but rather are a result of capacity issues within recipient agencies or implementing partners or both, slowness of UN, especially UNDP, procurement processes, and sometimes political delays in the countries involved. As stated before, it is of vital importance for the PBF that PBSO engages in strategic communication with the donors to inform them about the Fund's achievements, problems, possibilities and impossibilities. In order to do so, the PBSO needs to develop an adequate mechanism for measuring its performance, both for accountability purposes and for learning lessons. Such a mechanism is currently lacking, as was also found by the OIOS evaluation.³⁴ Developing the capacity to measure the PBF's impact should be a priority as operating procedures and guidelines are amended if the revised PBF ToR are endorsed by the UNGA.

³³ OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, pp.21-22.

³⁴ OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, p.18.

Box 9 – PBF challenges summarised

- No clear, common and consistent definition of what constitutes “peacebuilding”;
- Lack of clarity on what can be expected from a fund of modest size and on the PBF’s comparative advantage;
- Different interpretations among key PBF stakeholders on what the Fund’s catalytic role entails and inadequate attention to sustainability of PBF-funded initiatives;
- Identification of the most critical peacebuilding priorities in PBF countries;
- Selection of projects and partners to address most critical peacebuilding needs;
- Development of good communications with key stakeholders to explain basic PBF functions;
- Conflicting objectives;
- Assumption Fund could operate effectively with a “light footprint”;
- Inadequate management capacity;
- Overall lack of understanding of the roles and responsibilities of key PBF stakeholders;
- Lack of clarity on the roles and responsibilities of the Recipient Agencies;
- Slow pace of project implementation due primarily to capacity issues within RAs and/or implementing partners, UN, especially UNDP, procurement processes, and political delays in PBF countries;
- Unrealistic expectations among donors / Member States on what can be achieved in post-conflict environments in a limited timeframe.

4. Learning from Experience

60. Many of the achievements and challenges discussed in the preceding section were identified in the OIOS evaluation. While it has acknowledged the challenges confronting the management of the PBF, PBSO experienced difficulty in early 2009 in developing a strategy for tackling them effectively.

4.1 Strengthening senior management

61. One of the key problems confronting the PBF was the absence of a senior official to head the Financing for Peacebuilding Branch of the PBSO between October 2008 and April 2009. Crucial strategic and managerial guidance was absent, and the capacity of the FPB to address the critical issues identified both by the OIOS evaluation and the current staff’s own assessments was severely hampered as a result. The Terms of Reference revision has provided additional impetus to address these challenges, since the ToR provide the political framework within which the PBF operates while it is up to the PBSO to develop operational guidance to implement the ToR in consultation with key stakeholders.

62. The appointment in April 2009 of an Acting Head of the FPB who has considerable experience with the UN system, MDTFs, the PBF itself and strategic and managerial guidance is therefore a welcome decision.³⁵ This appointment provides the basis for improving the performance of the PBF both in New York and in the field.

4.2 Implementing lessons in six key areas

³⁵ A previous decision to recruit a Senior Trust Fund Portfolio Manager, instead of a Fund Manager, has been reversed. The Portfolio Manager position would largely have duplicated the functions being fulfilled by the MDTF Office. While there are some areas where the relationship between the Fund Manager and the Administrative Agent require additional consideration, these do not, in the opinion of the review team, warrant the input of a senior portfolio manager. The much more important gap in the senior PBF management has been that of strategic and managerial guidance.

63. The PBSO has learned a number of important lessons from the PBF's accomplishments to date and the remaining challenges it faces. It currently is implementing or plans to implement these lessons in the following ways: a) revising guidance; b) strengthening human resources; c) helping in-country stakeholders develop well conceptualised, strategic priority plans; d) strengthening its working relationships with other parts of the UN system; e) undertaking focused lessons learning activities; and f) developing a strategic communications strategy.

64. **Guidance.** Many of the challenges discussed in the previous section can be addressed at least in part through clear guidance. Issues that need to be included in this guidance include (but are not limited to): a) eligibility criteria for the PBF, b) the elements of peacebuilding that will be supported through the PBF, c) how to develop the necessary structures in countries receiving PBF funding to support the effective use of PBF resources, d) how PBF funds can be accessed and the roles and responsibilities of recipient agencies, e) proper sequencing of PBF related activities, f) the importance of monitoring and evaluation (at project, country and fund levels), particularly for results, and g) the division of labour among implementing partners, recipient agencies, in-country secretariats, the MDTF Office and the PBSO.

65. In a reversal of recent practice, PBSO now recognises that while the final decision on the strategic direction of the fund rests with PBSO, if the Fund is to operate effectively, it will require the collaboration of all key stakeholders, both within and outside the UN system. They therefore envision a consultative inter-departmental and inter-agency process to review and adapt eligibility criteria and operational guidance.

66. **Human resources.** The PBSO has recognised for some time that the initial assumption that the PBF could draw extensively on existing capacities was faulty and has taken some steps to strengthen the number and quality of both headquarters and in-country staff. It plans to intensify its effort to enhance its human resource capacity in the near term.

67. At headquarters, the PBF requires:

- senior managerial and strategic guidance;
- programme support (to assist with preparatory work with new PBF countries, guide field work in existing PBF countries, provide substantive advice, and monitor ongoing country programmes);
- monitoring and evaluation capacity (to help in-country teams develop monitoring plans, conduct strategic assessments of overall PBF activities and identify good practice);
- surge capacity (short to medium term consultants) to help start up new programmes, provide appropriate guidance, conduct PBF workshops, distil lessons and best practices, troubleshoot and so on;
- communications (provision of information to key stakeholders); and
- budget management capacity (to manage and report on the use of the PBF's overhead budget).

68. Not all of these functions would require full-time staff and not all of the staff would need to be FPB staff. It is anticipated that some staff can be shared with the other two branches within the PBSO. For example, the PBSO has full time country desk officers who work with the PBC. They could be trained to cover the full range of country relations with their countries, including PBF issues. It is anticipated that this would also help improve the PBC-PBF relationship.

69. There is also the intention to bring in various types of short-term assistance for at headquarters and in country, for example to assist in developing operational guidance for the

PBF or to support the establishment of in-country PBF-related mechanisms (Secretariat, Steering Committee) and procedures. Some of this technical assistance could be provided by consultants; some could be provided by other parts of the UN system, in particular the Bureau for Crisis Prevention and Recovery of UNDP (BCPR) and the UN Development Operations Coordination Office.

70. **Well-conceptualised, strategic priority plans.** Because of the dual nature of the PBF, PBSO has limited ability to influence the projects chosen to implement priority plans. It does, however, have the responsibility for approving the priority plans that guide allocation decisions. PBSO therefore intends to place greater emphasis on ensuring the development of well-conceptualised, strategic priority plans in new PBF countries, for example through fielding missions during the preparation of priority plans.

71. **Strengthened working relationships with others in UN system.** While the initial assumption that the PBF could be implemented largely using the existing capacities of the UN system has been proven incorrect, it remains true that other parts of the UN system have an important role to play in making the PBF successful. Good working relations at headquarters and in-country and at senior and working levels are essential. These relationships have not received the attention they require in recent months, but PBSO plans to renew its interaction and collaboration with other key PBF stakeholders in the UN system. This is for instance underlined by the fact that the PBSO has resumed its meetings with the Peacebuilding Contact Group. A meeting with other multi-donor trust funds (Central Emergency Response Fund (CERF), Human Securities Trust Fund, BCPR Crisis Fund, among others) is planned for June/July 2009 as part of the process of developing revised guidelines. PBSO also intends to set up an inter-agency task force to ensure broad buy-in and engagement into the new PBF guidelines.

72. In view of the responsibility that UN agencies have for the execution of PBF activities, the capacity of these agencies, and particularly UNDP which is typically the largest recipient agency in PBF countries, to carry out programme management, procurement and financial oversight activities is key to the effective and efficient implementation of PBF projects. Some of the difficulties experienced by UN agencies in executing PBF activities discussed earlier reflect system-wide conditions that cannot be fully resolved in the context of the PBF. For example, the fact that UNDP does not have an execution modality tailored to countries recovering from conflict places some limits on the ability of UNDP to respond adequately. Therefore, ongoing discussions within UNDP about the possibility of developing fast-track operational procedures that can be applied in the immediate aftermath of conflict are welcome. At the same time, good communications between the UN agencies and PBSO will help resident coordinators better understand the need to ensure that they have adequate programme and financial management and procurement capacity to handle PBF activities

Box 10 – Preparing the UNDP Country Office in Comoros to implement PBF activities

After having been declared eligible for PBF financing, the UNDP Country Office in Comoros began to strengthen its operational, financial management and programme support. The priority has been to develop a robust and transparent financial system, which will enable all stakeholders to monitor disbursements and other transactions in real time. The Country Office has requested the rapid deployment of experienced operations and finance specialists to establish this system. They are also planning to recruit a longer-term operations manager dedicated to the programme. The Country Office is also strengthening its Operations Unit, through the transfer of one resource mobilisation associate.

Meanwhile, on the programme support side, they have recruited an Early Recovery / Peace Building Advisor who is familiar both with the PBF and the Comoros. This individual will have responsibility for accelerating project formulation and other preparatory activities, pending recruitment of the PBF Coordinator and other programme support staff.

(Box 10).

73. Similarly, while the PBSO and MDTF Office have solid working relations, there is always room for improvement. PBSO has indicated that it would like to draw on the MDTF Office's project management experience in order to work together to address bottlenecks at country level. PBSO also wants to identify ways that the PBF and other UN funds, such as Common Humanitarian Funds (CHF), MDTFs and Recovery Funds, can work together in the same country.

74. **Strategic learning.** PBSO has recognised that there are issues where it should proactively learn from the experience of others. For example, there is widespread belief that the CERF is a successful example of rapid disbursement. PBSO intends to determine whether the PBF can learn lessons from the CERF that would enable a streamlining of PBF practices for the development of the Immediate Response Facility envisioned in the revised ToR. PBSO should also work with others in the system to learn and apply lessons as broadly as possible.

75. **Effective strategic communication strategy.** The PBSO realises that it urgently needs to strengthen its capacity to communicate effectively with member states and other parts of the UN system. It is important to explain to stakeholders the environment in which the PBF operates and the impact of this environment on the activities supported by the fund, the fund's ability to deliver rapidly, and the value-added of the PBF in promoting peacebuilding (Box 11). Such a communications strategy will require sound monitoring, evaluation and lessons learning capacity within the PBSO. It will also need to focus on expectation management, particularly instructing donors and Member States on the trade-off between speed and lasting results which require a more appropriate and calibrated approach for successful peacebuilding, notably a focus on capacity-building, national ownership, and process.

Box 11 – The speed – peacebuilding effectiveness trade-off

Burundi was allocated a substantial amount of money and asked to develop within the space of a few weeks a costed 12-month plan to spend it. Not surprisingly, projects were pulled out of Ministry and Agency drawers in order to justify the funding envelope, not because they addressed priority peacebuilding needs. The results in terms of peacebuilding in Burundi after spending US\$35 million are, in many cases, questionable.

In contrast, it took over a year for the PBF to become fully operational in Liberia. During this period, stakeholders were educating themselves about peacebuilding, assessing Liberia's peacebuilding needs, and developing the capacity to manage PBF resources. PBSO officials believe that the outcome of a US\$15 million allocation PBF in Liberia will be much stronger in terms of peacebuilding than in Burundi.

One lesson PBSO has learned from these two experiences is that the PBF should not simply focus on spending money rapidly, or even in the earliest phases of the post-conflict period. More capacity development early on in the process, including a better understanding of peacebuilding, will lead to a clearer set of priorities and a greater capacity to programme against those priorities, increasing the chances that PBF programming will promote peacebuilding outcomes. New country allocations now follow a 'tranche-by-tranche' modality, with a quick release of a modest amount, which provides the opportunity to gauge absorptive capacity and to ensure focus.

Another lesson for PBSO would be to solicit partners' views on the proposed approach to priority setting. Several members of the international community in Burundi had flagged the essentially development nature of many PBF-funded projects but given the way in which the priority plan was developed, this input came only after the plan was approved. In Liberia, the Steering Committee (which has donor members) has had considerable influence over the types of projects approved, issuing calls for specific types of projects when existing proposals failed to address particular peacebuilding needs.

4.3 Action plan April – July 2009

76. The Acting Head of the FPB has developed an action plan for the 2nd quarter of 2009, which focuses on four critical challenges

- **Staffing requirements.** The Acting Head plans to conduct a systematic review of capacity needs, leading to decisions about what additional capacities are required and where these might be found. Existing staff will also be tightly tasked to achieve the other three priorities in the action plan. New staff will be brought on board as quickly as possible.
- **Operational guidance.** In order to make the process of developing operational guidance as participatory as possible, the PBSO is convening an interagency task force to discuss eligibility criteria, criteria for decision-making and other guidance issues. It is hoped that this process will increase both ownership within the UN system and the quality of the product.
- **Field support.** Because the most serious capacity problems exist at the outset of the PBF funding process, the PBSO will develop a package of support for UN and local actors involved in start up. Drawing on a range of sources, including existing rosters and capacities within the UN system, this will include identifying individuals who will be available to work for 3-6 months to help set up Secretariat and develop in-country PBF practices as well as the use of experienced PBF secretariat staff in the field (surge capacity). It will also include the operational guidance and training packages. A training specialist will be brought on staff for 2-3 months to assist in developing the necessary training materials.
- **Reporting.** During the second quarter of 2009, the PBSO needs to: a) engage with the MDTF Office to produce the consolidated annual progress report on activities implemented under the PBF and b) draft the Secretary-General's report to the General Assembly on the PBF. In 2008 the PBSO did not engage with the MDTF Office in the preparation of the annual progress report and the hope is that by engaging PBSO will be able to enhance the analytic quality of the report.

77. PBSO's response to key challenges can be summarized as follows:

Table 2 – PBSO response to key challenges	
Challenge	PBSO Response
1. Staffing	Acting Head FPB appointed April 2009; review staffing requirements, take steps as soon as possible to fill gaps, bearing in mind slowness of UN personnel system
2. Areas of peacebuilding to be prioritised by Fund	Early support missions to the field to advise on priority plan development; criteria development, guideline revision
3. Guidance and training	Inter-agency task force to assist PBSO in developing appropriate criteria, updating existing guidelines; developing new two-facility concept; developing training package and training of trainers; annual global PBF management workshop; more hands-on guidance by PBF HQ staff (once capacity is increased)
4. Improved field support	Increased and earlier field presence of PBSO-trained staff, in particular during the development of the priority plans and the start-up of new programmes; initial 3-6 month surge capacity to help jump start programmes and train staff, develop robust in-country Secretariats and enhance national

Table 2 – PBSO response to key challenges	
Challenge	PBSO Response
	capacity development
5. Management systems	Management consultant to support the development of standard operating procedures, clarification of roles and responsibilities, field office management; definition of optimum HQ support needs
6. Perceptions/expectations management	Develop global and country-level communications strategy; outreach to donors and Member States; regular briefings

5. Next Steps: Strengthening the Management of the PBF

78. This review confirms that the Peacebuilding Fund has learned important lessons from its first two and one-half years of operation and is taking steps to implement these lessons at both the strategic and operational levels of fund management.

79. This review has also identified seven areas that would benefit from additional attention in order to maximise the use of PBF resources in line with the Fund's guiding principles. A number of these were highlighted in the OIOS evaluation. Many have already been identified as high priority by PBSO / FPB and, as this review has demonstrated, progress has been recorded in strengthening PBF practices. The following recommendations are intended to further strengthen PBF practices in these areas:

- Strengthening the strategic focus of PBF funding;
- Clarifying roles and responsibilities of key stakeholders;
- Engaging in critical start-up activities;
- Strengthening PBF operational guidance;
- Identifying and tackling the main sources of delays in project development, approval and implementation;
- Strengthening the PBF communications strategy; and
- Accepting political realities.

5.1 Strengthening the strategic focus of the PBF

80. The PBF is a modest sized fund. The peacebuilding and recovery needs of the countries eligible to receive its funding are substantial. It is therefore important that PBF resources be allocated in as strategic a manner possible. This will require attention to: a) the comparative advantage of the Fund; b) better prioritisation of priorities; c) early planning for sustainability; and d) strategic lessons learning.

Comparative advantage of the PBF

81. This review found that to date there has not been adequate clarity on what can be expected from a fund the size of the PBF or on the comparative advantage of the PBF.

Recommendation 1: The review team recommends that in order to make strategic choices about the use of PBF resources, project proposals be assessed using a well-defined list of criteria. This list should include, *inter alia*,

- Does funding reflect unmet or new needs that cannot be met rapidly from other sources of funding?

- Does the activity provide tangible early peace dividends to the population or contribute to the rebuilding of national capacities in areas relevant for peacebuilding?
- Would not funding the activity increase the risk of instability and relapse?
- Would the activity lead to immediate results and, if not, is there a realistic plan for follow-up funding/continuation?
- Do the proposed recipient agency and its partner(s) have a proven track record and capacity to successfully implement the activity within the envisaged timeframe?

The review team further recommends that project proposals approved under an eventual PRF should be clearly in line with the approved priority plan and support national capacity-building, while project proposals under an eventual IRF should be supported by an initial action plan developed by national and/or international partners or, should these be absent, fill a critical initial and time-sensitive funding need.

Recommendation 2: The review team recommends that more attention be given to agreeing the linkages between different funding mechanisms in post-conflict environments in order to clarify the role of humanitarian funding in the immediate aftermath of conflict and the opportunities for early development funding. The review team further recommends that Priority Plans articulate to the extent possible the linkages between the PBF and other funding mechanisms in specific countries, using maximum synergies. To achieve these synergies, the PBF should focus on supporting those activities that do not duplicate what is being funded through humanitarian or development channels, but rather on supporting activities that complement and strengthen what is being funded through these channels. This would require that projects submitted to the PBF pay special attention to processes of reconciliation, conflict management / reduction and the drivers of conflict. The revised PBF guidelines should reflect this orientation.

Better prioritisation of priorities

82. To date, the PBF has tended to fund numerous discrete projects rather than peacebuilding programmes aimed at a smaller number of objectives that can be implemented by linked projects and activities.

Recommendation 3: The review team recommends that the PBSO promotes the prioritisation of peacebuilding priorities. In order to do so, PBSO should provide technical assistance for the development of priority plans to ensure that they focus on a limited number of high-priority peacebuilding objectives implemented through peacebuilding programmes. Funding allocations should then be made on the basis of projects that address the highest priority objectives. This process will be facilitated to the extent that the integrated peacebuilding strategy is similarly focused to the extent possible on high priority objectives for those countries before the PBC.

Early planning for sustainability

83. This review has found that thus far PBF stakeholders have given inadequate attention to two important components of sustainability: how PBF-funded activities can link with ongoing or planned activities of a similar nature and how follow-on funding can be identified early in the project cycle. Because many of the activities supported by the PBF require more than 18-months funding, this affects the sustainability of PBF investments.

Recommendation 4: The review team recommends that PBF guidelines clearly stipulate that project proposals a) demonstrate that thought is being given to how a project links to other activities (ongoing and planned) in the same area and b) sketch out a preliminary plan for follow-on fundraising or institutionalisation as required.

Strategic lessons learning

84. There are numerous lessons that have been learned to date from the operation of the PBF during its first two and one-half years as discussed throughout this report. These are being incorporated into the process of revising the PBF guidelines, revamping procedures and developing new tools. It does not appear, however, that this process is based on a systematic fund-level assessment of lessons learned.

Recommendation 5: The review team recommends that the PBSO requests the initial six PBF recipient countries to document lessons learned since the Fund's inception – drawing to the extent possible on lessons that have already been documented – so these can inform a systematic assessment of lessons learned to date. This assessment would then inform the revision of PBF guidance and tools and the development of a communication strategy (see also recommendation 15).

5.2 Clarifying roles and responsibilities of PBF stakeholders

85. The OIOS evaluation identified a critical need for greater clarity on the roles and responsibilities of key PBF stakeholders. This review has confirmed that need and mapped the roles and responsibilities for eleven key stakeholders. The review team finds that the PBSO is increasingly clear on its role as fund manager and on the roles and responsibilities of other key stakeholders and that both the PBSO and the MDTF Office have sought to clarify roles and responsibilities for other stakeholders. The review team believes that additional attention is warranted in the area of accountability, the role of the Steering Committee, and the location of the in-country Secretariat.

Accountability

86. There are several unresolved issues between PBSO and the MDTF Office concerning reporting on in-country activities. These relate to quarterly updates and the PBSO's role more generally in analysing information on PBF-funded activities.

Recommendation 6: The review team recommends that in-country Secretariats and the MDTF Office should share responsibility for monitoring and analysing quarterly updates provided by RAs. The MDTF Office requires this information to fulfil its financial monitoring responsibilities. The in-country Steering Committees and their Secretariats require this information in order to fulfil their oversight responsibilities and carry out their function of monitoring and evaluating country-level PBF results. Based on Steering Committee decisions, the MDTF Office facilitates the submission of standardised quarterly updates. The results of Secretariat analyses provided to the MDTF Office should simultaneously be transmitted to the PBSO in New York in order to ensure that PBSO can fulfil its function of reporting to donors, member governments, its Advisory Group and other key New York based stakeholders on PBF results and in conducting lessons learned work. Additionally, it will be essential that PBSO and MDTF Office agree on reporting requirements.

With regard to annual reporting, the team recommends that the MDTF Office and PBSO continue working closely together on the reports and analysis on a country-by-country basis as the annual report is drafted.

Role of the Steering Committee

87. Experience in Liberia underscores the benefit of a well-capacitated, pro-active Steering Committee. It also suggests that the Steering Committee has an important role to play throughout the PBF process in a country. In the past, Steering Committees were not constituted until after the priority plan was written. If the development and implementation of

PBF activities is viewed as part of the peacebuilding process, there is merit in an inclusive process to develop priorities plans.

Recommendation 7: The review team recommends that Steering Committees be constituted before priority plans are developed and that the Committees be engaged in developing those plans. In order to minimise delays that this more inclusive approach might engender in the process of identifying PBF priorities, the team further recommends that in countries receiving funding from an eventual IRF that is likely to continue under an eventual PRF, the PBF provides the platform for preparatory activities such as working with UN and government officials to identify tentative membership and develop preliminary ToRs and Rules of Procedure for the Steering Committee. This work could be led by the Secretariats overseeing IRF funding located within the UNCT and supported by a portion of the IRF allocation.

Location of the in-country Secretariat

88. The PBSO has indicated a commitment to further developing the capacity of in-country Secretariats, which is a welcome development. This review has found that not only are in-country Secretariats essential to the effective functioning of Steering Committees. When located in national bodies, they can play an important role in institutionalising support for peacebuilding in national governments. Even though it may take time to achieve, the PBF should aim to build sustainable nationally-owned capacity on peacebuilding issues for countries receiving PRF allocations.

Recommendation 8: The review team recommends that for countries receiving funding from an eventual PRF, in-country Secretariats should ideally be developed within national government entities. Where in-country Secretariats are established within the UN Country Team, for example because the country begins by receiving resources from an eventual IRF, efforts should be made as soon as feasible to find a governmental home for the Secretariat. The team further recommends that where feasible, IRF funds should be used for preparatory activities such as sensitising PBF stakeholders on peacebuilding needs, conflict resolution, conflict-sensitive project design, and analysis of conflict drivers.

5.3 Engaging in critical start-up activities

89. In order to inform decisions on what to fund through the PBF, how to shape the priority plan and how to develop programmes and activities that address top priority needs, it is essential to collect information on ongoing and planned peacebuilding activities as early in the process as feasible. At present the PBSO in New York conducts mapping exercises of donor financing in PBC countries, and the main lesson learned is that obtaining the full picture is time-consuming, due in part to slow and *ad hoc* donor response to requests for information. The current mapping exercises would therefore not be useful in informing priority plans and project development. There is a need for a quicker and more pragmatic mapping process. Specifically with the advent of the IRF, an early quick scan of recovery and peacebuilding activities would be essential.

Recommendation 9: The review team recommends that the UN Country Team jointly with the government and the donors conducts a rapid assessment of ongoing and planned peacebuilding activities, capacities, country planning and coordination structures as soon as the country is declared eligible for PBF funding. In addition to informing project development under an eventual IRF, and the priority plan under an eventual PRF, this information should be shared among all stakeholders in the country, including the government, as well as with stakeholders at the headquarters level, specifically the PBSO in New York. PBSO should not be involved in the actual mapping exercise, other than providing guidance where needed.

90. Additionally there is a need to conduct conflict assessments and SWOT (Strengths-Weaknesses-Opportunities-Threats) analyses early on to underpin planning and programming, including building a baseline against which progress and the contribution of activities to peacebuilding can be measured.

Recommendation 10: The review team recommends that attention be given early in the process to conducting conflict assessments and SWOT analyses, or reviewing the findings of existing analyses, to help identify critical peacebuilding gaps and, in countries receiving support from an eventual PRF, to provide input into developing the priority plan. These analyses should be conducted by or at least in collaboration with national actors. Information should be shared among national stakeholders like the Steering Committee (for the PRF), the in-country Secretariat, RAs and implementing agencies, as well as with the PBSO.

91. The review found that there is a benefit to having a small window to address unforeseen events, currently Window III. If the revised ToR are endorsed and the Immediate Response Facility is created, this benefit may be lost, as the tendency would be to use the IRF for somewhat larger recovery needs in the immediate post-conflict period.

Recommendation 11: The review team therefore recommends that the PBSO explore the possibility of creating a small facility within the IRF if that facility is created for the types of activities that Window III has typically financed to date, namely smaller activities supporting dialogue and reconciliation activities in uncertain situations.

5.4 Strengthening PBF operational guidance

92. PBSO is in the process of revising its operational guidance. This review found that there are several areas where this guidance should be strengthened:

- How to set up in-country PBF structures – Steering Committee and the Secretariat – and develop priority plans;
- How to apply for PBF funding (aimed primarily at RAs and implementing partners from concept note through approval by Steering Committee);
- How to manage PBF project implementation in terms of approval, monitoring and evaluation (describing primarily the roles of the Steering Committee, the in-country Secretariat, and the Technical Committees where existing);
- How to monitor and evaluate PBF projects, and more specifically how to measure the Fund's impact at field level (developing a standardised M&E process by identifying key indicators of impact and developing a set of M&E instruments, and describing the roles of the in-country actors in this M&E process);
- How to ensure that the PBF's rules of procedure are sufficiently flexible to enable priorities and plans to be changed as circumstances change over the lifetime of PBF engagement in a country.

Recommendation 12: The review team recommends that operational guidance begin with a brief overview of the entire PBF process and contain subsections aimed at major portions of that process. This guidance should be as concise and user-friendly as possible – almost like a checklist – bearing in mind the different audiences at which it will be aimed.

5.5 Addressing the main sources of delays in project development, approval and implementation

93. Both the OIOS evaluation and this review underscored the importance of according high priority to addressing the main sources of delay that exist in the project development-

approval-implementation process. PBSO is mindful of the need to prioritise finding solutions to them.

94. This review found that some of the bottlenecks can be addressed by PBSO itself, or PBSO in collaboration with the MDTF Office. Such steps would include simplifying procedures by changing the application form to focus on a smaller number of key results / outcomes rather than numerous activities. Another helpful step would be to reduce the time-consuming back and forth that frequently occurs during the development of proposals by providing greater clarity on the process, for example by developing user-friendly guidance, more training (including on how to develop a results oriented approach), and more sustained support from the in-country PBF Secretariat as well as from surge capacity from PBSO, the MDTF Office and UNDP/BCPR. PBSO has indicated its intention to prioritise these activities.

95. However one of main sources of delay in project implementation is not within the control of either the Fund Manager or the Administrative Agent. Rather it rests squarely on recipient agencies' rules and regulations for project management that are not at all suited to the conditions prevalent in conflict-affected countries. This is evidenced by the current conversation within UNDP on fast-track operational procedures that can be applied in the immediate aftermath of conflict³⁶ Development of such a new modality would have to work itself through undg processes and would require the MDTF Office, PBSO and donors to support these efforts to the greatest degree possible. However, there are also a number of steps that could be implemented by RAs immediately that would make an important contribution to reducing delays in the project cycle.

Recommendation 13: The review team recommends that Country Directors / Resident Representatives be required to assess the capacity of their teams prior to applying for PBF funding. Steering Committees should require UN agencies applying for PBF funding to show that project management capacity is adequately budgeted for and demonstrate the capacity of their offices to manage PBF projects in a timely and effective manner. This is particularly urgent in the case of UNDP which has in the past executed three quarters or more of PBF projects and is likely to continue to be the dominant RA.

Where additional capacity is required, RAs could think of: a) upgrading capacity through their country budget; b) establishing a separate project management unit to manage PBF projects where there is critical mass; or c) requesting support from their headquarters to provide them with surge capacity to address the bottlenecks. PBSO and the MDTF Office could also work with that agency's headquarters and DOCO to identify ways of providing the necessary surge capacity.

5.6 Strengthening the PBF communication strategy

96. This review found that PBSO communications concerning the PBF have been weak, both at headquarters level and in the field. Strengthening this capacity is on the PBSO's agenda. For example, PBSO intends to make use of individuals from the field to inform the PBC and its donors of the complexity of the environment in which the PBF operates. It will also be important to continue to upgrade the PBF website in order to provide the maximum information possible, including links to other UN websites as relevant.

Recommendation 14: The review team recommends that as soon as feasible PBSO / FPB systematically incorporates the lessons it has learned since the PBF's inception into a

³⁶ It is also evidenced by the MDTF Office's comment about the fact that many of the problems facing the PBF are similar to those faced by other projects and activities that are being implemented in post-conflict environments. See also OIOS Evaluation Report, Assignment No. IED-08-06, 30 December 2008, p. 22, paragraph 49.

communications strategy for disseminating those lessons at headquarters and in the field to PBF stakeholders. In particular it is important to explain the challenges of peacebuilding to UN Member States (including countries receiving PBF funding), in New York and in capitals in order for them to gain a deeper understanding of the time-frame for implementing peacebuilding activities and the need for sustained support beyond the duration of most PBF projects.

5.7 Accepting political realities

97. Since its inception the PBF has faced considerable political pressure to disburse funds. While this is a problem that confronts all forms of financial assistance, it is particularly problematic with highly political undertakings such as peacebuilding. A process that allows time for stakeholders to conduct a meaningful dialogue on peacebuilding priorities is itself an important part of the peacebuilding process. Attempting to curtail that process runs the danger of reducing the value of the PBF's contribution to peacebuilding. Thus, it is important for PBF stakeholders, including the PBC, to understand that the appropriate response to engaging in highly politicised environments is not to simply press for the rapid disbursement of funds – for example through a proliferation of quick-impact projects. Rather it requires patience and a high tolerance for the often slow process of dialogue. Additionally it is important to understand that the original 12-month timeframe, and even the more extended 18-month timeframe, of PBF projects has been proven to be inadequate. Experience indicates that projects require at least 24 months to be implemented given the necessary start-up activities and the likelihood of slow implementation in post-conflict environments.

98. Furthermore, some bottlenecks are simply not within the ability of any international actor to remove. For example the PBF is supporting the creation of the Liberia Land Commission. For this project to go forward, the Liberian legislature has to pass a bill creating the Land Commission. The amount of time it has taken the legislature to consider this bill has had nothing to do with the rules, regulations, procedures or structure of the PBF or any of the recipient agencies. It has had everything to do with Liberian politics and will be resolved when those political issues are resolved.

Recommendation 15: The review team recommends that PBSO develop ways of educating its donors, as well as the PBC, on the limits of fast disbursement in conflict-affected environments.

The team further recommends that PBF's donors should take the necessary steps to recognise the challenges of disbursing funds in post-conflict situations and provide flexibility while further supporting the PBF.

6. Benchmarks for Strengthening PBF Capacity

99. Drawing on the recommendations above, the review team believes that there are three areas on which attention should be focused in order to strengthen the capacity of the PBF to fulfil its main objectives. These are: a) improving PBF management systems; b) strengthening delivery of PBF resources, and c) strengthening communications and outreach. In Table 3, a number of high priority steps to achieve each of these goals are identified and benchmarks to measure progress are proposed. It is important to view these benchmarks as a dynamic list of high priority tasks that evolve over time as conditions change – for example if the Fund's new ToR are endorsed by the UNGA or when the UN Secretary-General's report is released and decisions are made on how to implement it. Achieving these three goals will require action both by PBSO and by other members of the UN system. It will also require the support of UN Member States, especially the members of the PBC and the PBF's major donors.

Table 3 – Benchmarks for strengthened PBF management		
Goal	Steps to achieve goal	Benchmarks
Improve PBF management systems	Strengthen HQ staff	<p><i>By 30 August 2009:</i></p> <ul style="list-style-type: none"> • PBSO management approves a new staffing plan for the PBF management, based on a thorough capacity and skills assessment and including job descriptions (where these do not already exist) • PBF staff/funding ratio reaches 4:250 million <p><i>By 31 December 2009:</i></p> <ul style="list-style-type: none"> • PBF staff/funding ratio increases to 6:300 million
	Review division of labour / respective roles with MDTF Office	<p><i>By 30 August 2009:</i></p> <ul style="list-style-type: none"> • PBSO and MDTF Office conduct dialogue that results in agreed division of labour between Administrative Agent and Fund Manager with special attention to areas of overlap
Strengthen delivery of PBF resources	Revise procedures for accessing PBF mechanisms, country eligibility and project selection / approval criteria, and operational guidelines	<p><i>By 30 September 2009:</i></p> <ul style="list-style-type: none"> • PBSO convenes inter-agency task force to develop procedures, criteria and guidelines • Standard Operating Procedures for eligibility declaration, priority plan preparation and so on are developed in collaboration with major stakeholders • Revised guidelines are developed to be practical and user-friendly and provide guidance on accessing eventual IRF / PRF; conducting peacebuilding / conflict / SWOT assessments as well as rapid assessments of peacebuilding capacities / ongoing-planned activities; establishing Steering Committees / Secretariats; producing priority plans, and so on <p><i>By early 2010:</i></p> <ul style="list-style-type: none"> • Task force develops and implements strategy for disseminating revised procedures, criteria and guidelines in order to ensure that these are available to all key stakeholders of the Fund • Mechanisms for 2 new facilities are endorsed by key stakeholders
	Strengthen support for PBF stakeholders	<p><i>By 30 July 2009:</i></p> <ul style="list-style-type: none"> • PBSO conducts monitoring missions to 80 percent of PBF countries, assessed capacity needs and planned follow-up action <p><i>By 31 December 2009:</i></p> <ul style="list-style-type: none"> • All PBF recipient countries have been able to participate in a global PBF training and experience sharing workshop • PBF start up training is conducted in 100% of new PBF countries • PBF training modules are available online <p><i>By mid- 2010</i></p> <ul style="list-style-type: none"> • PBSO revises / develops / adapts training packages on peacebuilding, conflict / SWOT assessments, establishment of Steering Committees / Secretariats, rapid assessments of peacebuilding capacities / ongoing-planned activities and so on • PBF training modules incorporated into existing UN

Table 3 – Benchmarks for strengthened PBF management		
		<p>training programmes</p> <p><i>Ongoing</i></p> <ul style="list-style-type: none"> • PBSO and other members of UN system continue to provide surge capacity for start-up • PBSO conducts periodic monitoring visits
	Clarity on roles and responsibilities of PBF stakeholders	<p><i>By 31 December 2009:</i></p> <ul style="list-style-type: none"> • Key PBF stakeholders conduct dialogue to reconfirm / agree and document their respective roles and responsibilities • Key PBF stakeholders develop and implement strategy for communicating these agreed roles and responsibilities to staff at HQ and in field
	Clarity on comparative advantage of different sources of funding based on field realities	<p><i>By early 2010:</i></p> <ul style="list-style-type: none"> • PBSO conducts an analysis of the linkages between different funding mechanisms in post-conflict environments in order to clarify the role of each funding mechanism and to identify the comparative advantage of the PBF. • The outcome of this analysis is discussed within UN system and used as input into the system-wide discussion on financing activities in the immediate aftermath of conflict which is expected to take place after the publication of the UNSG report
	Improve capacity of RAs to design, implement, monitor and evaluate PBF projects	<p><i>By 31 December 2009:</i></p> <ul style="list-style-type: none"> • Country directors / RCs identify what capacity is needed in terms of numbers of staff, to design, monitor and evaluate PBF projects. Where it is lacking, country directors / RCs ensure that their agencies / country teams take steps to acquire necessary capacity. • Country directors / RCs ensure that their agencies / country teams have the capacity to design, implement, monitor and evaluate PBF projects. Relevant agency staff in all initial 6 PBF countries will have participated in at least one training session relevant for PBF project design and implementation. <p><i>By mid-2010:</i></p> <ul style="list-style-type: none"> • UNDP develops fast-track operational procedures suited to immediate post-conflict / crisis situations
	Strengthen Steering Committees and their in-country Secretariats	<p><i>By 31 December:</i></p> <ul style="list-style-type: none"> • National PBF secretariats are set up in all 11 initial PBF countries. • Initial surge capacity provided to 100% of new PBF countries. <p><i>Ongoing:</i></p> <ul style="list-style-type: none"> • PBSO and others in UN system continue to provide technical assistance for start up (surge capacity) • PBSO conducts periodical monitoring visits
	Learn lessons at country level to feed into fund-level evaluation / lessons learning exercises	<p><i>By 30 July 2009:</i></p> <ul style="list-style-type: none"> • PBSO fields two pilot results-based PBF M&E trainings in West and Central Africa; results of these trainings are incorporated into a generic PBF M&E training module

Table 3 – Benchmarks for strengthened PBF management		
		<p><i>By 30 October 2009:</i></p> <ul style="list-style-type: none"> • PBSO supports in-country Secretariats in carrying out country-level evaluations / lessons learning studies as relevant while continuing to support M&E processes in all countries.
<i>Strengthen communications and outreach</i>	Improve capacity to communicate key messages	<p><i>By 30 October:</i></p> <ul style="list-style-type: none"> • PBSO conducts systematic assessment of lessons learned since PBF inception based on input from initial 6 recipient countries • PBSO develops a PBF advocacy strategy and communicates results and lessons learned with PBC and PBF in-country actors, among others convening quarterly PBC and donor briefings <p><i>By 31 December:</i></p> <ul style="list-style-type: none"> • PBF communications materials available in French and English. • PBSO will participate in at least 2 global and/regional UN meetings to present reconfigured PBF.
	Facilitate critical dialogues	<p><i>By 31 December 2009:</i></p> <ul style="list-style-type: none"> • All PBF recipient countries have been able to participate in a global PBF training and experience sharing workshop <p><i>By early 2010:</i></p> <ul style="list-style-type: none"> • PBSO has in place a mechanism for facilitating regular dialogue / communication between PBF recipients to assist timely transmission of lessons learned among countries • PBSO facilitates communication between PBC / other relevant donor countries and PBF recipient in-country actors

ANNEX 1 – TERMS OF REFERENCE (ToR)

Objectives:

1. The objective of the review is three-fold:
 - i. To review operations and activities supported by the PBF against the objectives set out when the Fund was established and country-level strategies.
 - ii. To analyse the PBF's mode of operations and consider changes needed to make the Fund a more effective recovery and peacebuilding tool.
 - iii. To make recommendations for how PBF's mode of operations can be improved, including proposing "SMART" benchmarks for measuring progress in implementation of these recommendations.

Background:

2. The Peacebuilding Fund (PBF) was set up in October 2006 to "support efforts to address immediate needs in countries emerging from conflict at a time when sufficient resources are not available from other funding mechanisms." It was also envisaged that it could "extend support to countries at a more advanced stage of their peacebuilding process" when no multi-donor trust fund has been established and/or where critical peacebuilding interventions remain under funded.

3. It was therefore expected that the Fund would help to address the two main gaps in international funding for peacebuilding:

- i. the time lag before donor financing arrives in the early post-conflict phase;
- ii. the lack of funding for activities essential for early stability;

4. The PBF has been well supported. Against a target of US\$250m, donors have contributed \$319 million to the PBF to date (after two years of operations). Major donors include Sweden (US\$55m), Netherlands (US\$46m), the United Kingdom (US\$43m), Norway (US\$32m), Japan (US\$20m), and Canada (US\$19m). The use of PBF resources is meant to catalyse and encourage longer term engagement by development agencies and bilateral donors.

5. Thus far, PBF money has largely supported later stage peacebuilding rather than to provide fast flexible support to address immediate needs. Some stakeholders have raised questions about the speed, flexibility, effectiveness and transparency of the Fund, and about the activities it has funded.

6. An ongoing review of the PBF's terms of reference presents an opportunity to clarify the Fund's scope and structure and increase transparency of Fund management. At the same time PBSO is in the process of drafting a UN Secretary-General's report on peacebuilding and early recovery, expected for release in May 2009. This report provides an opportunity to set out an ambitious roadmap for the reform and strengthening of UN support to countries emerging from conflict. The S-G's report will need to set out ways of addressing the three key gaps identified by the London and Copenhagen Conferences on Early Recovery: Strategy & Leadership, Capacity and Financing. The PBF has the potential to fill this financing gap if it can be reformed to provide timely, flexible and predictable funding in the immediate post-conflict period. The interim findings of this review will be fed into the S-G's report process.

7. This review will contribute directly to donor assessments on the use of their resources by the PBF - for DFID this will also be the Annual Report for the £30,000,000 committed to the Peacebuilding Fund. It will therefore help to guide decisions on future commitments to the

PBF. Beyond this, the review process will provide an opportunity for dialogue with the PBSO, UNDP/MDTF and other stakeholders and produce recommendations on how Fund management and impact can be further improved.

Scope:

8. The review will assess how the PBF has supported peacebuilding in accordance with section 2 of the Fund's Terms of Reference.

9. The review will analyse the effectiveness and efficiency of PBF mechanisms and the appropriateness of its operating modalities in addressing its stated aims. In particular it will explore the issues around the following three areas:

- **Strategic role of the Peacebuilding Fund.** Have PBF resources been used successfully to provide strategic and additional support to peacebuilding efforts? Has the Fund been able to play a catalytic role? What challenges have been faced in this regard? Have the strategies for use of PBF resources and the process of their development been appropriate? Have projects contributed to strategic outcomes? Has the use of PBF resources contributed to fostering national ownership amongst peace partners?
- **Delivery, management and accountability of PBF.** Have PBF resources been appropriately, effectively and efficiently delivered to support peacebuilding outcomes? Are management and accountability processes, including roles and responsibilities, clear and appropriate? Is the PBSO response matrix to the OIOS review sufficiently appropriate and prioritised?
- **Knowledge and information.** How is impact measured? Is there a focus on results? Is monitoring and evaluation and lesson learning sufficiently strong? Is PBF management communicating in a transparent and effective way with key stakeholders?

10. The review will make recommendations to PBSO, UNDP/MDTF and country-level management structures on changes to further improve the effectiveness of PBF management.

11. The review will propose concrete and measurable benchmarks to measure progress in implementation of these recommendations.

Method:

12. The review will build on a desk review of relevant documents, in particular the OIOS PBF Evaluation, but also the UNDP Annual Report on the PBF, the SG's Annual Report on the PBF, National Priority Plans, PBSO and National Steering Group documentation, NGO reports, and the Danish-funded IPI-CIC study "Taking Stock, Looking Forward: A Strategic Review of the Peacebuilding Commission". The consultants will also liaise closely with PBSO on the PBF programme review in Sierra Leone.

13. Preliminary conclusions developed during the desk review will be supplemented by interviews with key stakeholders (including the UN, donors and civil society and national governments and beneficiaries) in the field, in capitals and in New York and by field visits to one or two PBF recipient countries.

14. The review will be carried out by a team of one or two consultant(s) with expert understanding of peacebuilding methodologies and donor funding mechanisms. The lead consultant will be responsible for preparing a final report.

15. The review will be supported by a Steering Group, made up of donors, PBSO and UNDP/MDTF Office. The Steering Group will be invited to comment on the various drafts of the report. ToR for the Steering Group attached at [Annex A](#).

Timeline:

16. The review timeline is tight:

- By 18 February – ToR agreed by Steering Group and consultants identified. Contract arrangements underway.
- W/b 23 February – visit to New York
- 27 February – First draft of the desk review (incorporating research interviews) received. Steering Group comments on structure and developing judgements to consultants by 6 March.
- 20 March – DFID receives final draft of DFID Annual Review. Comments to consultants.
- 2nd half of March – Field visit to Burundi and Liberia and Kenya.
- W/b 13 April – 2nd visit to New York.
- 20 April - Steering Group receives 2nd draft of PBF report. Comments to Consultants by 24 April.
- 4 May – Deadline for 3rd draft of the report (to be shared with the Steering Group and a wider group of stakeholders). Comments due by 8 May.
- 9-22 May – Outreach and finalisation of the report.
- 22 May – Deadline for Review Team to submit final report.

Outputs:

17. There will be three outputs:

- (i) **A 25 page review of the management and operations of the PBF.** This will include:
 - Executive summary (2 pages)
 - Summary of the history and main achievements of the Fund (3 pages)
 - Assessment of the appropriateness of the fund and the extent to which it has achieved the strategic aims identified in the country strategies and the Fund's ToR– considering scope and focus of funding, strategy and priorities, and additionality and catalytic impact (6 pages).
 - Assessment of PBF delivery and Fund management processes and procedures, including accountability and risk appetite and management (6 pages).
 - Assessment of PBF impact measurement, lesson learning, knowledge management and communication functions (6 pages)
 - Conclusions (2 pages)
 - Such annexes as deemed useful – for example with country case study data.
- (ii) **Recommendations and Benchmarks (6 pages):**
 - Recommendations, on management reforms needed in order to strengthen implementation of the fund. (3 pages)
 - A set of benchmarks, based on the recommendations, to measure progress in implementation (3 pages).
- (iii) A draft DFID Annual Review to be received by 20 March (template attached at [Annex B](#)).

ANNEX 2 – Roles and Responsibilities of Key PBF Stakeholders

There are eleven sets of actors whose roles and responsibilities require clarification (see also Box 2). The discussion below is intended to provide PBSO with additional input into the process of clarifying roles and responsibilities. It draws on the existing guiding documents for the PBF (ToR and MoUs) which define the roles of these stakeholders and several others not discussed below (including the inter-departmental Senior Policy Group and the working level Contact group, and the General Assembly).

PBSO as Fund Manager

The following seven functions are essential for fund management:

- Set the framework for peacebuilding financed through the PBF, including establishing priorities for peacebuilding financed through the PBF and identifying and communicating the added-value of the PBF compared to other funds available for peacebuilding and recovery activities.
- Determine funding envelope in line with overall funding levels and planning of allocations.
- Approve Priority Plans and, once the new ToR are endorsed by the UNGA, approve Immediate Response requests.
- Provide guidance and support to in-country actors, including helping in-country actors acquire the capacity to assess the drivers of conflict and think strategically about how to progressively neutralise these actors; supporting the establishment of Steering Committees and in-country Secretariats, development of a priority plan, and putting in place other components for an effective programming cycle including country-level monitoring and evaluation and ensuring that adequate project-level M&E occurs;³⁷ and providing clarity on PBF as a fund to promote national visions of peacebuilding, not UN agency priorities.
- Oversee relations with the broader UN system at HQ level, including consultations to refine the PBF guidance, agreeing on divisions of labour among different funding instruments, working with the MDTF Office to clarify the division of labour between the Fund Manager and the Administrative Agent, work with recipient agencies to agree on methods of enhancing in-country financial-administrative support for PBF projects and methods of funding such support.
- Carry out strategic level monitoring, evaluation and lessons learning and feed that back into strategic planning and operations, including supporting in-country Secretariats in conducting country-level monitoring and evaluation (M&E) that can feed into strategic M&E and lessons learning.
- Conduct results based reporting, for example through the Secretary-General's annual report on the PBF, donor briefings and the PBF website, but also by providing feedback and input to the MDTF Office's annual report on the PBF.

UNDP MDTF Office as Administrative Agent

The current PBF ToR are unclear on the MDTF Office's role. They state that "the United Nations Development Programme has been appointed to serve as the fund manager

³⁷ PBSO should build on existing M&E systems where these exist and function adequately. Ultimately, however, the Fund Manager should be responsible for ensuring that there is feedback on what happens at field level and that field experience in one country informs Fund practice more broadly.

(administrative agent) [...].”³⁸ Fund management and administration are two separate activities though and it is important to determine which functions the PBSO as Fund Manager is responsible for and which are the responsibility of the MDTF Office as Administrative Agent. This distinction is more clearly made in the MoU between the UN and UNDP on the management of the PBF, although the title of the MoU itself is again confusing.³⁹ The review team found that there is need to communicate and explain the difference between the Fund Manager and the Administrative Agent more clearly amongst the PBF stakeholders, specifically at field level where reference is made to “New York” without understanding which of the two actors is being dealt with.

The following three functions are essential for the Administrative Agent:

- Financial management, including receiving donor contributions and disbursing funds in accordance with fund regulations;
- Reporting, that is synthesising and consolidating reports submitted by the recipient agencies into consolidated narrative and financial reports;
- Programme management support, including ensuring that Recipient Agencies understand their roles and responsibilities as specified in the MoUs signed between the MDTF Office and the recipient agencies; participating in start-up missions in new PBF countries and in periodic follow-up support missions.

Peacebuilding Commission

The resolutions establishing the Peacebuilding Commission identified the following three activities as the main purposes of the Commission:

- (a) To bring together all relevant actors to marshal resources and to advise on and propose integrated strategies for post-conflict peacebuilding and recovery;
- (b) To focus attention on the reconstruction and institution-building efforts necessary for recovery from conflict and to support the development of integrated strategies in order to lay the foundation for sustainable development;
- (c) To provide recommendations and information to improve the coordination of all relevant actors within and outside the United Nations, to develop best practices, to help to ensure predictable financing for early recovery activities and to extend the period of attention given by the international community to post-conflict recovery (A/RES/60/180 and S/RES/1645 (2005), 30 December 2005).

Although the PBF is clearly designated a fund of the Secretary-General, the PBC has felt that it has not been adequately consulted in decisions relating to the use of PBF funds – both in terms of designating countries not on the PBC agenda eligible for PBF funding and in terms of funding priorities in individual countries. In consequence, one of the two objectives of PBF ToR review was to ‘enhance and maximise synergy between the Peacebuilding Commission and the Fund through provision for enhanced consultation and dialogue’ (para 6, A/63/818).

The revised PBF ToR, if endorsed, will call for enhanced consultation and dialogue with the PBC and foresee the PBC providing strategic level advice on peacebuilding and recovery needs for countries on the PBC agenda. For countries on the PBC agenda, priority plans would ‘be informed by the priority-setting exercise and/or the integrated peacebuilding strategy agreed between the Commission and the national authorities of the country

³⁸ A/60/984, *Peacebuilding Fund Terms of Reference*, 22 August 2006.

³⁹ *Memorandum of Understanding between the United Nations and the United Nations Development Programme relating to the management of the Peacebuilding Fund*, November 2006.

concerned' (A/63/818, para 3.3) Additionally, the revised ToR would commit the Secretary-General to inform the PBC when it is decided to allocate PBF resources to any country.

The review team commends the proposed changes to the PBF ToR to enhance consultation and dialogue between the PBF and the PBC, as it makes good sense to keep the members of the PBC well informed of PBF activities and to solicit their advice on a strategic level. However, it is important to underline that it also makes good sense that Fund decision-making not be made subject to PBC deliberations. In other words, it will be important to make sure that the PBC does not get involved in PBF micro-management, as this would overload the existing Fund management structures which would not enhance the Fund's efficiency and effectiveness,

Steering Committees

The current ToR do not foresee the creation of Steering Committees. The Steering Committee has evolved over the lifetime of the PBF and several lessons have been learned about its size and composition. The review team's observations from field visits to Liberia and Burundi suggest that smaller Steering Committees, composed of actors that are neither recipient agencies nor implementing partners, are likely to be more effective. The main categories of Steering Group members are the national government, the UN in-country presence, donors and civil society representatives. In some cases donors and members of civil society are observers; in others they are full members of the Committee. In all cases, they have the right to provide input into the debate. In addition, Steering Committee members should have the responsibility of informing other members of their 'group' of the activities of the PBF. For donors and civil society representatives, this works best when the Steering Committee members are also members of coordination groups.

The draft PBF Guidelines foresee the following activities for Steering Committees: review and approve projects; ensure coherence with the priority framework; request MDTF Office to transfer funding to Recipient Agencies; review quarterly project progress updates and annual reports submitted by Recipient Agencies (oversight); link up projects with other relevant activities and donors; highlight lessons learned and best practices; and advocate for additional funding for successful projects.⁴⁰

These activities are all relevant. In addition, the review team feels that Steering Committees should, in the future, participate in developing the Priority Plan. In order to minimise delays that this more inclusive approach might engender in the process of identifying PBF priorities, the team further feels that where feasible, funds from an eventual Immediate Response Facility should be used for preparatory activities such as working with UN and government officials to identify tentative membership and develop preliminary ToRs and Rules of Procedure for the Steering Committee. Furthermore, Steering Committees should assess whether recipient agencies proposing projects have the requisite capacity to execute these projects, and scrutinise budget submissions to ensure that budget requests are in line with anticipated results and include sufficient resources to enable effective project management. In addition, members of the Steering Committee should provide information on PBF activities and progress in broader donor / NGO fora. They should also help identify catalytic funding opportunities.

The activities above are only relevant in a non-emergency situation, that is, the current Windows I and II, or an eventual Peacebuilding and Recovery Facility. In emergency situations, or in an eventual Immediate Response Facility, a Steering Committee is not required.

⁴⁰ *United Nations Peacebuilding Fund Guidelines, Final Version, September 19, 2008.* The words "final version" are confusing here, as the PBSO is currently still working on revising the Guidelines.

In-country Secretariats

In common with in-country Steering Committees, the current PBF ToR do not foresee the creation of in-country Secretariats. Experience has shown, however, that in order to effectively promote peacebuilding through the PBF an in-country secretariat is essential. Such a Secretariat can act not only in support of the PBF Steering Committee in country. It can also form the nucleus of country-wide discussions on peacebuilding and peacebuilding priorities. There are five sets of activities that in-country PBF secretariats should fulfil:

- Carry out start-up activities for implementation of PBF, i.e. gap identification, facilitation of dialogue on peacebuilding, training, conflict assessment process, including identification of drivers of conflict;
- Support Steering Committee meetings;
- Review and comment on annual reports submitted by RAs;
- Document lessons and achievements;
- Disseminate information on the Fund to a broader audience;
- Identify prospects for continued funding – if and when needed;
- Review and pre-screen proposals and quarterly progress updates;
- Conduct country level monitoring and evaluation of PBF results;
- Communicate with broad range of stakeholders in country.

Ideally in-country Secretariats would be located in a national body, and preferably a body that has broad policy and / or coordinating responsibilities such as the Office of the President, Cabinet Office, and Ministry of Planning. It may not always be possible to find a suitable national home for the Secretariat, however. In those cases, the Secretariat should be placed under the direction of the UN official in-country responsible for overseeing PBF funding.

National Governments

The National Government should co-chair the National or Joint Steering Committee; engage in developing the priority plan; ensure that existing government strategies for development, peacebuilding, and conflict management are incorporated into the Priority Plan; and ensure that the entities representing the government on the Steering Committee are not ministries that will be an implementing partner. Additionally, individual government ministries may engage as implementing partners. The government should also provide information on PBF activities and progress in broader donor fora. Lastly, the national government should be involved in raising follow-on funding, either through their own budget or from donors.

If the UNGA endorses the revised PBF ToR, the above activities would be relevant for allocations under the Peacebuilding and Recovery Facility. For allocations under the Immediate Response Facility, the national government would be responsible for determining priority activities together with the UN in-country representative.

In-country UN presence

PBF resources are typically allocated to countries through the office of the highest ranking UN official. This could be the SRSG, the ERSG, or the Humanitarian Co-ordinator / Resident Co-ordinator. SRSGs and ERSGs often delegate responsibility for overseeing PBF activities to DSRSGs / DERSGs. That individual acts as co-chair of the Steering Committee. In that capacity, that individual and his / her team should engage in developing the Priority Plan; ensure that government strategies for development, peacebuilding, and conflict management are incorporated into the Priority plan and that there are synergies with UN plans; and ensure that the UN representation on the Steering Committee is not an agency or

UN office that will be a Recipient Agency or an Implementing Partner. They should also ensure that in-country progress is accurately reflected in discussions at headquarters and that information on PBF activities and progress are made available to broader donor fora in-country.

Donors

As members of the Steering Committee, donors have a responsibility to communicate with the rest of donor community on the activities and achievements of the PBF. In general, donors to the PBF have a responsibility to share information on their current and planned peacebuilding activities and to inform their counterparts at headquarters and in New York on the status of the PBF in their respective countries. Donor representatives on PBF bodies also should communicate to their counterparts at headquarters and in New York the challenges that PBF faces that are largely outside the control of the PBF – especially challenges that derive from the difficult and complex politically charged environment that the fund operates in. They should underscore the need to be realistic in their expectations of what a modest-sized fund such as the PBF can achieve and the timeframe necessary for achieving that.

Recipient Agencies

The PBF ToR does not specify roles and responsibilities of the Recipient Agencies, other than that RAs will assume full programmatic and financial accountability for the funds disbursed to them.⁴¹ The MoU between the recipient UN Organisations and UNDP regarding the operational aspects of the PBF refers to the following primary functions of RAs: a) carry out activities contemplated in the approved projects in accordance with the regulations, rules, directives and procedures applicable to it; b) provide the Administrative Agent with narrative progress reports and financial reports on an annual basis, as well as a final narrative and financial report upon completion of the project and a final certified financial statement; c) monitoring and evaluation in accordance with the provisions contained in the approved project proposals; d) joint communication in promoting the PBF as well as donor visibility where possible.⁴²

The draft PBF Guidelines extend the tasks of the RAs to include: a) partner with national actors (government agencies, NGOs, CSOs); b) ensure that appropriate capacities are fostered at local level, including capacity for results based M&E and reporting; c) retain programmatic and financial responsible for funds disbursed; and d) provide quarterly progress reporting or status reports and end of project reports to the Steering Committee through the in-country Secretariat.

The review team feels that additionally, it should be stated that the RAs are responsible for ensuring the timely transfer of PBF resources from their headquarters to their field offices and from the field offices to implementing partners. Furthermore, there needs to be clarity on what is to be covered by the 7% management fee that RAs claim. For instance, the current draft PBF Guidelines specify:

Recipient agencies receive a management fee up to 7 percent. This fee should enable the UN agency to appropriately manage the project, including an increasing staff capacity if necessary. In case more than one UN agency participates in the implementation of a PBF-funded project, the management fee should be shared in

⁴¹ A/60/984, *Peacebuilding Fund Terms of Reference*, 22 August 2006.

⁴² *Memorandum of Understanding between the Recipient UN Organisations and the United Nations Development Programme regarding the Operational Aspects of the Peacebuilding Fund*, January 2007.

line with expenditures incurred by the involved agencies. (*United Nations Peacebuilding Fund Guidelines*, p. 15)

However, this interpretation of what should be covered by the management fee is not correct. These fees are to cover indirect support costs encountered by the Agency; all direct costs encountered by the Agency's field office to manage the project are to be covered out of the project budget. In order to do so, RAs need to be clear what they need to manage projects in a proper manner and how they will obtain any additional support required. If needed, RAs should enter into a discussion with the MDTF Office to clarify what they can and cannot cover out of the 7 percent management fee. RAs' field offices should enter into a discussion with their respective headquarters on how enhancements to in-country capacity for programme management and procurement needed to execute PBF-funded activities is to be financed.

In addition to these functions, RAs have a responsibility to assist in helping the PBF fulfil its function as a catalytic funder of peacebuilding by helping to identify follow-up funding for activities inaugurated by PBF funding that require more than 18-months funding.

Implementing Partners

Implementing partners should work closely with Recipient Agencies to develop the initial concept note, the project proposal, and the project budget. Of course, their key role is to implement projects, including developing baseline information, conducting regular monitoring, providing input to quarterly reports, and ensuring that evaluation is carried out. Implementing partners should also assist in identifying follow up funding for activities that will require more than 18 months to implement.

PBF Advisory Group

The PBF Advisory Group has its own ToR. The ToR state that the PBF Advisory Group will provide periodic policy guidance and expert advice to the Secretary-General on the use and impact of the Fund. In providing strategic guidance and advice, the PBF Advisory Group will:

- Review the timeliness and appropriateness of Fund allocations;
- Assess the overall impact of the Fund against stated objectives in the national priority plan;
- Review the performance and management of the Fund, including reporting and evaluation of results achieved;
- Assess Fund levels and recommend Fund replenishment;
- Provide input to the review of the Terms of Reference of the PBF no later than 2 years after their adoption;
- Consider the effectiveness of, and provide recommendations on, the PBF website (*Terms of Reference for the Peacebuilding Fund Advisory Group*, para. 5).

The challenge is to ensure the active and productive engagement of this group of individuals in relevant PBF activities. To date this engagement has not been optimal. Member states, which nominate members of the Advisory Group, have a responsibility to ensure that the appropriate individuals are put forward for membership. PBSO has the responsibility of providing these individuals with opportunities to engage according to their expertise.