



TOWARDS ADEQUATE AND IMPACTFUL FINANCING FOR SUSTAINING PEACE

AN OVERVIEW OF UN COMMITMENTS AND EXISTING UN LANGUAGE

This paper is an aide-mémoire to Member States of the United Nations (UN) that aims to provide a concise reminder of the existing commitments and relevant language that supports a normative and political commitment toward achieving adequate, predictable, sustainable, and inclusive financing for sustaining peace. The recommendations included in this paper derive from past resolutions of the UN General Assembly, Special Committee on Peacekeeping Operations and Security Council as well as relevant reports of the UN Secretary-General.

Towards Adequate and Impactful Financing for Sustaining Peace:

An Overview of UN Commitments and Existing UN Language

This paper is an aide-mémoire to Member States of the United Nations (UN) that aims to provide a concise reminder of the existing commitments and relevant UN language that supports a normative and political commitment toward achieving adequate, predictable, sustainable, and inclusive financing for sustaining peace. The recommendations included in this paper derive from the past resolutions of the UN General Assembly, Special Committee on Peacekeeping Operations and Security Council as well as relevant reports of the UN Secretary-General and the reviews of the UN peacebuilding work.

Overview

Since 2018, the UN Secretary-General continues to stress that 'peacebuilding financing remains a critical challenge' and the need for adequate, predictable and sustained financing for peacebuilding is indispensable to achieving sustaining peace (A/76/668-S/2022/66, para. 2). Despite an increase of Official Development Assistance (ODA) to fragile and conflict-affected states, ODA within that devoted to peacebuilding is decreasing (A/74/976-S/2020/773, paras. 39). This trend is worrying as it puts the people at risk in times of growing number of crises (i.e., Ukraine, Myanmar, Afghanistan, Sri Lanka), while still having to cope with the socio-economic impacts of the COVID-19 pandemic (A/76/668-S/2022/66, para 11).

The 2016 resolutions on peacebuilding and sustaining peace (A/RES/70/262-S/RES/2282) define sustaining peace as 'a goal and a process to build a common vision of a society,' which encompasses activities aimed at preventing the outbreak, escalation, continuation and recurrence of conflict, addressing root causes, assisting parties to conflict to end hostilities, ensuring national reconciliation, and moving towards recovery, reconstruction and development (PP8). This notion extends beyond post-conflict reconstruction and the traditional notion of peacebuilding as something that takes place after a peace agreement has been reached. In 2017, the Secretary-General requested a transformation of the UN peace and security architecture towards one that places sustaining peace at the core of all UN efforts before, during and after conflict (A/72/525, para. 1). Since 2018, the Secretary-General has been consistently underlining the need for adequate and impactful financing to support sustaining peace - and providing concrete options to this regard (A/72/707- S/2018/43, para. 49). The critical importance of sustaining peace and its adequate financing were further raised in the 2021 report, Our Common Agenda.¹

The 2016 resolutions on peacebuilding and sustaining peace (A/RES/70/262-S/RES/2282) emphasise that sustaining peace is 'a shared task and responsibility' of national governments, the UN and other stakeholders', (PP8) including international, regional and sub-regional organisations, international financial institutions, regional and other development banks, civil society organisations, local peacebuilders, women and youth, and where relevant, the private sector, among others (OP1, 18).

The Peacebuilding Commission (PBC) has a particular responsibility in coordinating all relevant stakeholders (<u>A/RES/60/180-S/RES/1645, OP2</u>) and offering a practical platform for stock-taking of progress made in financing for sustaining peace.² The Peacebuilding Support

¹ United Nations UN, Our Common Agenda-Report of the Secretary General (2021). UN Doc. https://www.un.org/en/un75/common-agenda

² Statement by H.E. Mr. Mohamed Edrees Chair of the Peacebuilding Commission (PBC) at the annual joint debate of the General Assembly on: Reports of PBC and PBF, 2021, available at:

Office (PBSO), with its Peacebuilding Commission Support Branch, the Peacebuilding Strategy and Partnerships Branch, and the Financing for Peacebuilding Branch, is mandated to support the Commission in this mission (A/RES/60/180-S/RES/1645, OP23). With this mandate, the Commission and PBSO are well positioned to provide a regular reflection to the Secretary-General of the impact of financing on sustaining peace and explore new avenues to advance adequate, predictable and sustained financing for peacebuilding.

Sustaining peace requires an evolution of **all instruments of financing**. The avenues to support sustaining peace include increased assessed and voluntary contributions, innovative financing mechanisms and strengthened partnerships with key stakeholders, while noting the significance that non-monetary contributions can play in peacebuilding efforts. (A/RES/70/262-S/RES/2282, OP24). The UN has a vital role as its resources significantly contribute towards sustaining peace through its programmatic activities of agencies and programmes, humanitarian channels, peace operations, and humanitarian action, as well as through the work of its funds, including the Peacebuilding Fund (PBF), DPPA's Multi-Year Appeal, Joint SDG Fund, Women's Peace and Humanitarian Fund, UN Democracy Fund, among others. These come together with innovative financial mechanisms, including blended finance, bonds, and guarantees (A/72/707- S/2018/43, para. 49), as well as the work of the World Bank, International Monetary Fund (IMF), country-level pooled funds and other financial instruments (A/76/668-S/2022/66, para 53). The entire scope of the financial instruments that contribute to sustaining peace in its entirety requires an increase in the *quantity* of financial support and substantial improvement of its *quality* to deliver the results to where it matters the most - the national and local levels.

Following the initial dialogues on financing for peacebuilding,³ Member States should consider **a concrete outcome that spearheads a dedicated multidimensional and coordinated action on financing for sustaining peace**. This will ensure that sustaining peace is adequately integrated in all aspects of the UN work and helps the peoples of the world to attain the benefits of inclusive and sustainable development and peace, anchored in the principles of the UN charter (A/74/976–S/2020/773, para. 59). In the spirit of sustaining peace, it is important that the next steps for dialogue are coordinated with the processes on financing for development, the work of the Special Committee on Peacekeeping Operations (C-34), UN Reforms, Our Common Agenda, and UN Global Compact, among others.

This paper 1) highlights four focus areas where the UN has already developed strong language and commitments in relevant UN resolutions and 2) outlines the main existing recommendations and commitments across the four focus areas on financing for sustaining peace:

- 1. FOCUS AREA 1: Improving Quantity of Financing for Sustaining Peace
 - a. Enhancing Assessed Contributions to Sustaining Peace
 - b. Rethinking Voluntary Contributions to Sustaining Peace
 - c. Expanding Innovative Financing for Sustaining Peace
 - d. Strong and Operational Partnerships for Financing for Peacebuilding
- 2. FOCUS AREA 2: Amplifying the National Action on Peacebuilding and Sustaining Peace
- 3. FOCUS AREA 3: Improving Quality of Financing for Sustaining Peace
 - a. Prioritising Inclusive Financing Practices
 - b. Exploring Participatory Funding Models
 - c. Ensuring Donor Coordination on Sustaining Peace
- 4. FOCUS AREA 4: Improving the Common Understanding of the Financing for Sustaining Peace Landscape

 $[\]label{lem:https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/pbc_chair_statement_during_pbc_pbf_general_debate_-final.pdf$

³ United Nations, High-Level Meeting of the General Assembly on Financing for Peacebuilding, 2022, available at: https://www.un.org/peacebuilding/content/high-level-meeting.

FOCUS AREA 1: Improving Quantity of Financing for Sustaining Peace

The efforts to sustain peace continuously lack enough predictable, sustainable, adequate financing.⁴ Peacebuilding expenditures vary significantly on a yearly basis and are unevenly distributed among countries; further, the share of total ODA dedicated to peacebuilding has declined (A/76/668-S/2022/66, para. 34). To bridge a current financing gap, all financial instruments must be enhanced through a joint commitment by Member States and a broader range of peacebuilding actors to increase the contributions of their respective financial instruments to sustaining peace. This includes assessed and voluntary contributions, as well as enhancing innovative financing mechanisms and respective partnerships.

1. <u>Enhancing Assessed Contributions to Sustaining Peace</u>

Assessed contributions have the capacity to ensure greater predictability and sustainability of financing for sustaining peace (A/76/668-S/2022/66, para. 45). Yet assessed contributions are currently rarely⁵ but not systematically used for sustaining peace initiatives (A/76/668-S/2022/66, para. 10). This creates a gap between the global policy commitments and resourcing of programmatic action, prompting substantial dependability of sustaining peace on voluntary contributions.

Member States should consider avenues to support *the system-wide commitment for conflict-sensitive and peace-positive approaches* that promote coherence within and across pillars (A/72/525, para. 5) and extend beyond 'a symbolic 1 per cent of the total annual cost of peace operations to the Peacebuilding Fund (PBF)' (A/72/707-S/2018/43, para. 49). The use of assessed contributions to support conflict-sensitivity in all aspects of the UN work both at the headquarters and field levels would send a powerful signal of the commitment of all Member States to sustaining peace.

While supporting the PBF is one of the most important mechanisms to support peacebuilding work, it is important to recognise that the PBF is one tool of many that exists within the UN system and is designed to be funded by voluntary contributions (A/RES/60/180-S/RES/1645, OP24). Moreover, the use of assessed contributions for the PBF may result in reduced flexibility and responsiveness of the Fund while also potentially conflicting with the principle of national ownership.⁶

There are a number of steps that could be considered to enhance the role of assessed contributions in sustaining peace:

- → Member States should increase their assessed contributions (A/RES/70/262-S/RES/2282 (2016), OP24) and require a percentage of these contributions to all aspects of the UN work to be spent on prioritising conflict-sensitivity and peacepositive approaches.
- → Member States should ensure that the use of assessed contributions for the PBF, if any, does not divert requirements from other mandated peacebuilding and sustaining peace activities, that they are used in a transparent manner that respects the oversight role of the General Assembly, that the manner in which the funds are provided does not compromise the flexibility and responsiveness of the

⁴ See the reports of the UN Secretary-General on peacebuilding and sustaining peace at: https://www.un.org/peacebuilding/policy-issues-and-partnerships/policy/sg-reports.

⁵ In Darfur, the United Nations country team was able to use the assessed programmatic funding from the African Union-United Nations Hybrid Operation in Darfur (UNAMID) to enhance joint efforts for the eventual transition from peacekeeping to peacebuilding, as mandated. (A/75/202, para. 13).

⁶ NYU Center for International Cooperation, The Secretary-General's Proposal for Assessed Contributions for the Peacebuilding Fund: An Explainer, 14 April 2022, available at:

 $[\]underline{https://cic.nyu.edu/blog/secretary-general\%E2\%80\%99s-proposal-assessed-contributions-peacebuilding-fund-explainer.}$

- Fund and that the provision of assessed contributions to the Fund strengthens programmatic coherence within the UN system and avoids duplication with other sources of funding, including programmatic activities financed through the budgets of peace operations (A/76/732, para. 3).
- → The Security Council should mandate UN peacekeeping operations to have peacebuilding components resourced through assessed contributions, especially during mission transitions and drawdown (A/RES/70/262-S/RES/2282 (2016), OP26). This could include requesting an increase in programmatic assessed funding in peacekeeping budgets two years prior to withdrawal (A/74/976-S/2020/773, para. 46) and the creation of mechanisms to use these funds up to five years after withdrawal (A/76/668-S/2022/66, para. 27).
- → The PBF should complement assessed programmatic funding (<u>A/73/890-S/2019/448</u>, para. 35). Member States could commit unspent peacekeeping budget funds to the PBF (<u>A/76/668-S/2022/66</u>, para. 44) as well as other funds that contribute to sustaining peace.

2. Rethinking Voluntary Contributions to Sustaining Peace

The first dual resolutions on peacebuilding and sustaining peace ($\underline{A/RES/70/262\text{-}S/RES/2282}$) outline the responsibility of Member States and national authorities to 'ensure predictable financing to peacebuilding' (OP4(d)), including through increased contributions (OP25). Currently, voluntary contributions are the main source of funding for peacebuilding and sustaining peace⁷. For example, the costs for peacebuilding between 2017 and 2021 only in the Central African Republic were estimated at \$3.2 billion, and \$2.2 billion for this purpose were gathered from pledged donors ($\underline{A/72/707\text{-} S/2018/43}$, para. 42). While the financing of sustaining peace activities generally depends on a small number of donors,⁸ there is a steady increase in the number of non-traditional donors and associated financial flows.⁹ To ensure that sustaining peace remains to be a global priority, all Member States, through their selected means, can invest in sustaining peace, 'reflecting regional diversity and ensuring regional balance in the work of the UN peacebuilding architecture' ($\underline{A/74/935\text{-}S/2020/645}$, p. 11).

There are a number of steps that could be considered to transform the role of voluntary contributions in sustaining peace:

- → Member States should voluntarily commit the equivalent of 15 percent of the final full-year budget of a closing peacekeeping mission to be contributed to peacebuilding activities through existing projects or the country-level pooled fund managed by the resident coordinator office, each year for a period of two years following the end of the mission's mandate (A/76/668-S/2022/66, para. 43).
- → Donor countries should consider spending a dedicated share of their development assistance on peacebuilding priorities. (A/74/944-S/2020/678, p. 11). The Secretary-General proposed that donors commit to spending at least 20 percent of ODA on peacebuilding priorities in conflict-affected settings.¹¹0

⁷ Kramer Jerry, UN Funding Arrangements for Peacebuilding, Paper from the Canadian Mission, April 2022.

⁸ United Nations Peacebuilding, The United Nations Secretary-General's Peacebuilding Fund, 01 July 2022, Available at: https://www.un.org/peacebuilding/fund.

⁹ United Nations Development Group (UNDG), The Role of UN Pooled Financing Mechanisms to deliver the 2030 Sustainable Development Agenda, Available at: https://unsdg.un.org/sites/default/files/UNDG-Paper-on-Pooled-Financing-for-Agenda-2030.pdf (p.5).

¹⁰ Peacebuilding Commission Annual Session "Financing for Peacebuilding" Chair's Summary, available at: https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/201023 - summary of aupsc-pbc_mtg - clean 0.pdf (p.1).

→ The UN Secretary-General should submit for the consideration of Member States 'the contextual and policy pathways towards reduced military spending' (S/2021/827, para. 12).

3. Expanding Innovative Financing for Sustaining Peace:

An internationally agreed definition of innovative financing is currently missing (A/66/334, para. 3). But its scope includes public-private partnerships, social impact or peace bonds, micro-levies, tax-based revenue generation, corporate partnership and blended finance (A/76/668-S/2022/66, para. 48).

Innovative financing allows for a narrative shift from 'charity' to 'profitability' that could enhance broader support for sustaining peace and allows for flexible and participatory grantmaking. 11 The partners of the UN, including the World Bank, are the prominent partners in advancing innovative financing as they can crowd in additional resources from equity funds, institutional investors, and blended finance. 12 Such diversified assistance by various partners has a potential to further 'mitigate the risk for otherwise reluctant commercial investors in conflict-affected contexts to mobilise new financing sources' (A/74/935-S/2020/645, p.9).

There are a number of steps that could be considered to expand innovative financing for sustaining peace:

- → The Peacebuilding Commission, together with development partners, should provide a platform to 'promote innovative financing opportunities and mechanisms to unlock new capital for sustainable investment and upscale sustainable business models' (A/RES/75/207(2020), PP14; A/72/707-S/2018/43, para. 52) and 'alternative resources for the financing of peacebuilding, including private sector capital' (S/2016/115, para. 9).
- → Member States should 'leverage national development plans, domestic investors and domestic finance with public resources [to support sustaining peace] in support of national ownership and [in partnership with] local actors, including women and youth'. (A/76/668-S/2022/66, para. 48).
- → Senior leadership in missions and country teams should 'encourage relevant partners, including regional and subregional organisations, private sector, international financial institutions (IFIs), including the World Bank, and regional development banks, to collaboratively explore innovative funding modalities in efforts to narrow the funding gap of local civil society actors as well as to scale up their initiatives and impact.'¹³

4. Strong and Operational Partnerships for Financing for Peacebuilding:

Sustaining peace requires comprehensive 'strong and operational' partnerships with a range of actors, including regional organisations, international financial institutions, multilateral development banks, development finance institutions, civil society and the private sector (A/76/668-S/2022/66, para. 45). The partnership between the UN and the World Bank, for instance, has managed to mobilise significant financial flows towards peacebuilding efforts

¹¹ Kantowitz, Riva, Beijnum, Mariska van and Poiré, Marie-Laure, Shifting the power balance: Effective Options for Financing Local Peacebuilding, March 2022, Available at: https://gppac.net/files/2022-04/GPPAC%20Report%20...Financing%20Local%20Peacebuilding V2-1.pdf.

¹² The Peacebuilding Commission Annual Session, Financing for peacebuilding, 29 November 2021, Available at: https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/211203 chairs summary pbc annual session financing for peacebuilding.pdf (p. 5).

¹³ United Nations, Peacebuilding, UN Community Engagement Guidelines on Peacebuilding and Sustaining Peace, 2020, available at: https://www.un.org/peacebuilding/content/un-community-engagement-guidelines-peacebuilding-and-sustaining-peace (Recommendation 5).

(<u>A/72/707-S/2018/43</u>, para. 58). Other partnerships, based on comparative advantages of respective partners, can further generate more sustainable and predictable financing for sustaining peace.

There are a number of steps that could be considered to further expand partnerships in financing for sustaining peace:

- → The Peacebuilding Commission should regularly 'invite the representatives from the World Bank, the International Monetary Fund, the African Development Bank and other institutional donors to participate in all meetings of the Commission in a manner suitable to their governing arrangements' (A/RES/60/180-S/RES/1645 (2005), PP14-9; A/RES/70/262-S/RES/2282 (2016), PP22-20).
- → The Secretary-General should 'explore options for strengthening the UN-World Bank collaboration in conflict-affected countries in order to support the creation of enlarged funding platforms bringing together the World Bank Group, multilateral and bilateral donors and regional actors to pool resources, share and mitigate risk, and maximise the impact of sustaining peace' (A/RES/70/262-S/RES/2282 (2016) OP 20). The PBF should work with the Bank's funding instruments on strategies that would enable synergetic interventions and the sequencing of activities. (A/74/944–S/2020/678, p. 10). At the field level, United Nations resident coordinators and the World Bank country managers should 'invest in joint risk analysis and data to build an evidence base for shared goals and complementary action'. (A/74/944–S/2020/678, p. 10).
- → The UN funds should regularly monitor and evaluate 'sustainable funding avenues that can more effectively support local civil society actors' and financially support the implementation of the UN System-Wide Community Engagement Guidelines on Peacebuilding and Sustaining Peace.
- → The UN senior leadership should support South-South and triangular cooperation in peacebuilding (A/72/707-S/2018/43, para. 44). The UN Fund for South-South Cooperation (UNFSSC) should further mobilise resources for the joint implementation of innovative and transformative South-South cooperation activities connected to sustaining peace. The Commission should offer its platform for the promotion of South-South and triangular cooperation in support of peacebuilding and sustaining peace, including by identifying creative peacebuilding financing, and non-financial contributions, such as capacity building and technical cooperation. 16
- → The Secretariat should continue regular 'engagements with regional and subregional and relevant international organisations to strengthen partnership, with emphasis on coherent planning and operational complementarity at the field level.' (A/75/19 (2020), para. 52)
- → The Secretary-General should work with relevant UN peacebuilding and development partners to explore 'the potential risks and opportunities' of partnerships with the private sector (A/76/668-S/2022/66, para. 48) and develop conflict-sensitive investment guidelines to support private sector engagement in peacebuilding activities. (A/72/707-S/2018/43, para. 50). Partnerships with the private sector should be based on the Guiding Principles on Business and Human Rights (A/76/668-S/2022/66, para. 49).

 15 United Nations, Office for South-South Cooperation, Thematic Paper Supporting South-South and Triangular Cooperation on Peace and Development, available at:

https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/thematic paper unossc.pdf.

¹⁴ Ibid.

¹⁶ United Nations General Assembly (UNGA), Statement by H.E. Rabab Fatima, Chair of the Peacebuilding Commission, at the high-level meeting of the General Assembly on Peacebuilding Financing, 27 April 2022, available at: https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/25.05.22_pbc_chairs_statement_at_hlm_-27 april 2022.pdf.

→ The existing UN-World Bank Partnership for Crisis-Affected Situations should establish modalities for regular engagement with the International Monetary Fund on fragile states, including on information-sharing and joint data and analysis, considering the importance of macroeconomics and debt issues for peace. (A/74/944–S/2020/678, p. 10).

FOCUS AREA 2: Amplifying the National Action on Peacebuilding and Sustaining Peace

It is the responsibility of national governments to identify, drive and direct priorities, strategies and activities for sustaining peace (A/RES/70/262-S/RES/2282, PP8,22). It demands a strong national action on peacebuilding that needs to be supported by the UN partners and relevant stakeholders. An emerging good practice is the establishment of pooled funds at the country level in support of the UN Development Assistance Framework, linked to a national peacebuilding plan, accompanied by the Peacebuilding Commission and supported by the PBF (A/72/707-S/2018/43, para. 43) with a gradual transition towards strong national budgetary mechanisms rooted in values of sustaining peace.

Member States have also recognised that 'inclusivity is key to advancing national peacebuilding processes and objectives in order to ensure that the needs of all segments of society are taken into account' (<u>A/RES/75/201-S/RES/2558, PP4</u>). Practically, sustaining peace is most effective when most of the resources are spent 'closer to the ground',¹⁷ where the expertise of diverse stakeholders who are directly impacted by conflict patterns can be used to its fullest potential.

Every Member State can support financing for sustaining peace in the following ways:

- ◆ The Peacebuilding Commission, and other parts of the UN peacebuilding architecture, should work in cooperation with national or transitional authorities, where possible, to ensure national ownership of the peacebuilding process (A/RES/60/180-S/RES/1645 (2005), PP10-14).
- ◆ Donors should support small grant facilities as they have proven to be particularly helpful to build trust between citizens and government representatives as they work on co-creating concrete and tangible initiatives.¹8
- ◆ Followed the example of the Central African Republic, Member States should improve their respective public financial management and accountability in a manner that allows it to implement early recovery plans and revitalise the economy (S/RES/2605, PP19). Integrated national financing frameworks could be a powerful solution to 'accelerate and support efforts to mobilise and align financial and non-financial resources with national peacebuilding strategies' (A/74/559, II10).
- ◆ The international community and donors should support the scaling up of the peacebuilding activities and programming of the UNCT and other United Nations entities (S/RES/2612 (2021), OP 49). In particular, the UN senior leadership should map peacebuilding resource needs and total financial resources available, including national resources, on the basis of a joined-up risk analysis, and to establish a country-specific pooled fund in support of the [respective UN Cooperation] Frameworks'. (A/72/707-S/2018/43, para. 44).

¹⁷ United Nations, Peacebuilding, Informal PBSO outcome summaries of the Round Tables in connection with the High-Level Meeting of the General Assembly, April 2022, available at:

 $[\]underline{https://www.un.org/peacebuilding/content/informal-pbso-outcome-summaries-round-tables-connection-high-level-meeting-general-assembly.}$

¹⁸ UN Volunteers, Executive Summary Thematic Review On Local Peacebuilding, 2022, available at: https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/local_peacebuilding_thematic_review_executive_summary_eng.pdf.

FOCUS AREA 3: Improving Quality of Financing for Sustaining Peace

Increasing resources for sustaining peace is not enough if these resources are unreasonably spent. Fragmentation among Member States and across the UN continues to be reinforced by divergences in donor approaches to funding (<u>A/74/944-S/2020/678, p.8</u>). Eligibility, application and reporting requirements make it impossible for local peacebuilders to apply to funds.¹⁹ Further, current funding modalities are restricted to short-term interventions, with unrealistic donor expectations on impact.²⁰ These trends prevent 'adequate, predictable and sustained financing for peacebuilding' (<u>A/RES/75/201-S/RES/2558, OP4</u>).

Advancing *quality* financing means shifting the current financing practices toward increased inclusivity, participatory character, flexibility, continuity and coordination of resources to sustain peace. A financial mechanism that shares quality values will support 'adequate, predictable and sustained financing in order to effectively assist countries to sustain peace and prevent the outbreak, escalation, continuation and recurrence of conflict' (A/RES/70/262-S/RES/2282, PP15).

Financing mechanisms for sustaining peace should incorporate the following criteria:

1. Prioritising Inclusive Financing Practices:

Inclusivity is key to advancing sustaining peace ($\underline{A/RES/75/201\text{-}S/RES/2558}$, PP4), and peace is more sustainable when peacebuilding efforts are locally owned, led and implemented. ($\underline{A/74/976\text{-}S/2020/773}$, para. 28). Inclusive action on sustaining peace requires increasing financial support for civil society, including women and youth peacebuilders ($\underline{A/76/668\text{-}S/2022/66}$, para. 16). The PBF's strategy for 2020–2024 has committed to expand partnerships with civil society organisations and explore new avenues to make funding available for community-based organisations ($\underline{A/76/668\text{-}S/2022/66}$, para. 38).

Local peacebuilders' contributions to conflict prevention, resolution and peacebuilding processes, fostering more inclusive governance and strengthening the legitimacy of national institutions, have been widely recognised as highly cost-effective but are hampered by persistent underinvestment.²¹ During the Peacebuilding Commission's Annual Session on Financing for Peacebuilding in November 2020, Member States underscored that predictable resources are necessary to empower women and youth peacebuilders.²²

There are a number of steps that could be considered to prioritise inclusivity in financing for sustaining peace:

²¹ United Nations, Peacebuilding, Financing for Young People in Peacebuilding, 2022, available at: <a href="https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/financing for young people in peacebuilding/sites/www.un.org.peacebuilding/files/documents/financing for young people in peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org.peacebuilding/sites/www.un.org

ng.220217.final .web .pdf; United Nations, Peacebuilding, Thematic Review on Gender-Responsive Peacebuilding, 2021, available at: https://www.un.org/peacebuilding/content/gender-responsive-peacebuilding-2021; United Nations, Peacebuilding, Thematic

Review on Local Peacebuilding 2022, available at: https://www.un.org/peacebuilding/content/local-peacebuilding-2022.

22 United Nations, Peacebuilding, Implementation of the PBC's Gender Strategy And Action Plan, 2021, available at: https://www.un.org.peacebuilding/sites/www.un.org.peacebuilding/files/documents/2021_pbc_gender_strategy_and_action_plan_written_update_0.pdf.

¹⁹ United Nations, Informal PBSO outcome summaries of the High-Level roundtable discussions on peacebuilding and sustaining peace, available at:

https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/hlm.roundtable1234.summary.outcome.fin al .clean .pdf.

²⁰ Ibid.

- → Donors should prioritise 'direct specific allocations for [the UN actors at the field level] for community engagement',²³ including dedicated funding for the implementation of the UN System-Wide Community Engagement Guidelines.
- → The Secretary-General should propose intersectional strategies and approaches, including between WPS and YPS, that can help reduce competition for scarce resources and support more inclusive peacebuilding approaches.²⁴
- → The Youth Strategy of the Peacebuilding Commission should be updated to include specific goals to explore varied modes of financing which meet the needs of young peacebuilders and is diversified, flexible and tailored to young people's priorities.²⁵
- → Donors should increase the level and quality of funding for youth organisations's participation in peace efforts (A/76/668-S/2022/66, para. 39; S/RES/2250, OP14). This could be done by 'supporting funds that are incentivising greater engagement and collaboration around youth-focused and youth-inclusive approaches to sustaining peace', 'prioritising multi-year commitments to young people in peacebuilding as part of broader ODA and domestic agendas', and 'institutionalising financing commitments as part of YPS frameworks, policies and strategies'.²6
- → The Peacebuilding Commission should 'advocate with the UN, Member States, donors and international financial institutions for subsequent allocations to gender-responsive peacebuilding needs'.²⁷ Donors should allocate sustainable resources to ensure that support the continued action on sustaining peace incorporates substantive gender elements²⁸ and initiatives that address the particular needs of women in peacebuilding contexts, advance gender equality, and empower women (A/RES/70/262-S/RES/2282, OP27). This includes maintaining a target of minimum 15 per cent of all United Nationsmanaged peacebuilding funding to be allocated towards advancing gender equality and the empowerment of women (S/2018/900, para. 95) and the remaining 85 per cent to integrating gender considerations, including multiplying by five direct assistance to women's organisations (S/2020/946, para. 113(d)).
- → Member States should consider avenues to 'allocate part of their voluntary contributions and national budgets to directly funding local peacebuilders, including by simplifying and/or developing innovative grant application templates and selection/reporting criteria for local civil society actors, especially women and youth'.²⁹ The UN funds, including the PBF, must ensure that local peacebuilding organisations enjoy direct access to the Fund (A/74/944-S/2020/678, p.9) and foster stronger and more meaningful partnerships between its fund recipients and local peacebuilders, enhancing system-wide

²³ United Nations, Peacebuilding, UN Community Engagement Guidelines on Peacebuilding and Sustaining Peace, available at: https://www.un.org/peacebuilding/content/un-community-engagement-guidelines-peacebuilding-and-sustaining-peace (Recommendation 5).

²⁴ United Nations Children's Fund, Financing for Young People in Peacebuilding An Overview, 2022, Available at: https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/financing for young people in peacebuilding.220217.final.web.pdf.

²⁵ United Nations, Peacebuilding, High-Level Global Conference on Youth-Inclusive Peace Processes Session on Financing the YPS Agenda: Towards more Equitable and Sustainable Peace, 20 January 2022, available at

https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/chairs remarks to hinclusive peace processes - approved.pdf.

²⁶ United Nations Children's Fund, Financing for Young People in Peacebuilding An Overview, 2022, Available at: https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/financing for young people in peacebuilding.220217.final .web .pdf.

²⁷ United Nations, Peacebuilding Commission, Gender Strategy, 2016, available at:

https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/07092016_pbc_gender_strategy_final_1.pdf.

²⁸United Nations, Peacebuilding, Implementation of the PBC's Gender Strategy And Action Plan, available at: https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/2021 pbc gender strategy and action plan written undate 0 pdf

²⁹ United Nations, Peacebuilding, UN Community Engagement Guidelines on Peacebuilding and Sustaining Peace, available at: https://www.un.org/peacebuilding/content/un-community-engagement-guidelines-peacebuilding-and-sustaining-peace (Recommendation 5).

accountability to conflict-affected populations.³⁰ Following the example of the Great Bargain agreement, donors should adapt a global, aggregated target of at least 25 per cent of peacebuilding funding to local peacebuilding actors as directly as possible to improve outcomes for affected people and reduce transactional costs.³¹

2. Exploring Participatory Funding Models:

Participatory funding mechanisms address the unequal power dynamics between the donors and grant recipients.³² Given that voluntary contributions by the donors significantly shape the way sustaining peace programming is carried out,³³ sharing power in grantmaking decisions between the donors to the grant recipients could support more impactful results of action on sustaining peace.³⁴ Some donors dedicate efforts to learn from their grant recipients and adjust their practices accordingly. The PBF's Peacebuilding and Recovery Facility provides 36-to-48-month grants in recognition of the need to allow enough time for peacebuilders to develop high-quality and meaningful interventions.³⁵ The Women Peace and Humanitarian Fund (WPHF) is a good example of a participatory funding model, where four civil society organisations are included in the board,³⁶ enabling the Fund to continuously innovate their approaches in funding women peacebuilders.

There are a number of steps that could be considered to explore participatory financing for sustaining peace:

- → Member States should increase their financial support to increase inclusive representation of youth in decision-making at all levels in local, national, regional and international institutions and mechanisms for the prevention and resolution of conflict (S/RES/2250, OP1; S/RES/2493, PP4), including in the financial mechanisms that support sustaining peace.
- → All UN actors should go beyond a consultation and advocacy role, and rather for all parts of the United Nations system directly to include civil society in their work across all the pillars of our activities.³⁷ In this, the UN should conduct 'perception surveys to gather information about experiences and specific needs of local civil society actors that apply for UN funds' to build 'more understanding around the funding needs at the local level.'³⁸
- → The donors should prioritise funding arrangements based on joint analysis and effective strategic planning in its long-term engagement in conflict-affected countries (A/RES/75/201-S/RES/2558, OP3). As an option, the UN Country Teams should conduct

³⁰ UN Volunteers, Executive Summary Thematic Review On Local Peacebuilding, 2022, available at: https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/local peacebuilding thematic review executive summary eng.pdf (p.1).

³¹ Inter-Agency Standing Committee, Great Bargain Agreement, https://interagencystandingcommittee.org/grand-bargain.

³² Global Partnership for the Prevention of Armed Conflict, For Youth and By Youth: Re-Imagining Financing for Peacebuilding, (2021). Available at: https://gppac.net/files/2021-12/For%20Youth%20and%20By%20Youth%20Re-Imagining%20Financing%20For%20Peacebuilding.pdf.

³³ Kramer Jerry, UN Funding Arrangements for Peacebuilding, Paper from the Canadian Mission, April 2022.

³⁴ Gibson, Cynthia, Deciding together: Shifting power and resources through participatory grantmaking. Grantcraft, (2018) Foundation Centre, Available at: <u>DecidingTogether Final 20181002.pdf (candid.org)</u>

³⁵ Dag Hammarskjöld Foundation, Global Partnership for the Prevention of Armed Conflict, and the Life and Peace Institute, Principles for Quality Financing for Peacebuilding and Conflict Prevention. Available at:

https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/principles for quality financing for peacebuilding and conflict prevention -.pdf (p.5).

³⁶ Global Network of Women Peacebuilders (GNWP), Global Partnership for the Prevention of Armed Conflict (GPPAC), International Civil Society Action Network (ICAN), Kvinna till Kvinna, MADRE, and Women's International League for Peace and Freedom (WILPF), Fund us Like you Want us to Win: Feminist Solutions for more Impactful Financing for Peacebuilding,(2021), Available at: https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/fund us like you want us to win.gnwp.gp pac .ican .wilpf .kvinna.madre .211122.pdf.

³⁷ United Nations UN, Our Common Agenda-Report of the Secretary General (2021). UN Doc. https://www.un.org/en/un75/common-agenda.

³⁸ United Nations, Peacebuilding, UN Community Engagement Guidelines on Peacebuilding and Sustaining Peace, available at: https://www.un.org/peacebuilding/content/un-community-engagement-guidelines-peacebuilding-and-sustaining-peace (Recommendation 5).

joined-up risk analysis, in partnership with all national stakeholders, to ensure that mission transition funding reflects the peacebuilding needs (A/73/890-S/2019/448, para. 36).

3. Ensuring Donor Coordination on Sustaining Peace:

Effective action on sustaining peace means optimising resources across the UN system and ensuring coherence and overcoming silos, including among donors. Synergy between donors is essential to effectively utilise their financial and expertise capacities; however coordination between the international community has become a growing challenge that holds at the core different interests. As such, the Good Peacebuilding Financing initiative emphasises the need to improve communication and develop coalitions, making the case to those outside of the peacebuilding financing sphere that investment in peacebuilding or conflict-sensitive approaches can deliver results for them too (A/76/668-S/2022/66, para. 51). Such an initiative could set up a broader precedent for the coordination among all Member States as the leading actors in resourcing sustaining peace through means available to them.

There are a number of steps that could be considered to ensure donor coordination on sustaining peace:

- → The Secretary-General should work with the Peacebuilding Commission to strengthen coordination and coherence between host governments, UN peacekeeping operations, UN country teams, donor countries, relevant regional and sub-regional organisations and other relevant actors, including International Financial Institutions, in order to improve the planning and delivery of peacebuilding support in line with the host state's identified priorities and needs (A/75/19 (2021), para. 87).
- → The UN system's coordination mechanisms should be strengthened to ensure that innovation, quality assurance and communication around UN pooled financing mechanisms and financing-for-purpose is not a once-off, but an on-going process.⁴⁰
- → The PBF should develop bridging pooled funds to overcome the silos between humanitarian, peace and security and development assistance.⁴¹ Further, the Secretary-General should encourage the consolidation of small pooled funds into fewer and larger UN funds at the global, regional and country levels to increase the likelihood of capitalisation and further reduce transaction costs.⁴²

FOCUS AREA 4: Improving the Common Understanding of the Financing for Sustaining Peace Landscape

The transparency, accountability and appropriate monitoring of funds is a critical priority for Member States (A/RES/70/262-S/RES/2282, PP17). The funding dashboard catalogs some of existing UN headquarters-based financing instruments focused on peacebuilding or related activities. There are also efforts to improve existing data systems (A/72/707-S/2018/43). The

42 Ibid.

³⁹ United Nations, Peacebuilding, The Peacebuilding Commission Annual Session "Financing for peacebuilding" 29 November 2021, available at:

https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/211203 chairs summary pbc annual sessi on financing for peacebuilding.pdf (p.4).

⁴⁰ Ibid, p.8.

⁴¹ United Nations Development Group (UNDG), The Role of UN Pooled Financing Mechanisms to deliver the 2030 Sustainable Development Agenda, Available at: https://unsdg.un.org/sites/default/files/UNDG-Paper-on-Pooled-Financing-for-Agenda-2030.pdf, p.6.

EOSG, for example, has launched a Complex Risk Analytics Fund,⁴³ a new flagship multilateral financing instrument, to allow more coherent financing for data in fragile and crises settings.

However, the data gaps persist. For instance, the Secretary-General's reports on peacebuilding and sustaining peace focus primarily on the PBF funding.⁴⁴ The funding dashboard also does not provide the full picture on financing for peacebuilding as it is based on selected headquarters trust funds only.⁴⁵ Data gaps represent a major concern to achieve sustainable finance, specially when it comes to fund youth, women, and vulnerable groups. For example, a lack of systematic data collection makes it difficult to assess 'how much financing is supporting youth-focused or youth-led peacebuilding programming' (A/76/668- S/2022/66, para.39).

There are a number of steps that could be considered to improve the common understanding of the landscape of financing for sustaining peace:

- → The UN Secretary-General should examine the funding dashboard for peacebuilding against its initial purpose of helping "to address issues of fragmentation and competition among funding instruments and to enhance transparency, accountability and effectiveness' and 'catalogue [all] existing instruments' (A/72/707-S/2018/43). The dashboard should enhance the knowledge to design and manage a consolidated portfolio of pooled funds both within the UN system at the global, regional, and national levels and with member states and other stakeholders.⁴⁶
- → Donors should require the use of 'high-quality disaggregated data to be included in conflict prevention work and efforts by the United Nations, other international organisations, national actors and civil society.' (S/2017/861, para. 31).
- → Donors should adapt a youth marker to track progress and ensure that programming contributes to the empowerment of young people and intergenerational equity. (S/2020/167, para. 67).
- → Donors should ensure that 'efforts to track funding allocations quantitatively are associated with qualitative assessments of programmes that identify investments in the positive contributions of young people to peace' (S/2020/167 para. 67). Same can be applicable to the donor practices more broadly.
- → Donors should support community-led processes of measuring peacebuilding change at the local level, including through conducting community-led perception surveys, and amplifying the voices of beneficiary communities by meaningfully engaging them in peacebuilding community-based monitoring and evaluation processes.⁴⁷

⁴⁶ United Nations Inter-Agency Pooled Funds, Explanatory Note #6, February 2018, Available at:

⁴³ Craf'd - The Complex Risk Analytics Fund. CRAF'd - The Complex Risk Analytics Fund. (n.d.). Retrieved July 20, 2022, from https://crafd.io/.

⁴⁴ Kramer Jerry, UN Funding Arrangements for Peacebuilding, Paper from the Canadian Mission, April 2022, p. 2.

⁴⁵ Ibid, p.3

https://www.un.org/ecosoc/sites/www.un.org.ecosoc/files/files/en/qcpr/6_%20UN%20Inter-agency%20pooled%20funds.pdf. 47 UN Volunteers, Executive Summary Thematic Review on Local Peacebuilding, 2022, available at:

 $[\]underline{https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/local_peacebuilding_thematic_review_executive_summary_eng.pdf.}$

ANNEX: Matrix of UN resources:

Security Council resolutions:	Secretary-General's reports:	General Assembly resolutions:
- A/RES/60/180- S/RES/1645 - S/RES/2250 - A/RES/70/262- S/RES/2282 - S/RES/2493 - A/RES/75/201- S/RES/2558 - S/RES/2605	- A/66/334 - A/72/525 - A/72/707- S/2018/43 - S/2017/861 - A/73/890-S/2019/448 - A/74/976-S/2020/773 - S/2021/827 - A/75/202 - S/2020/167 - A/76/668- S/2022/66 - A/76/732	- <u>A/RES/75/207</u>

Documents of the Peacebuilding Commission:

- Report of the Peacebuilding Commission on its ninth session (4 February 2016), https://undocs.org/Home/Mobile?FinalSymbol=A%2F70%2F714&Language=E&DeviceType=Desktop&LangRequested=False.
- Summary by the President of the General Assembly of the High-level Dialogue on Financing for Development (26 September 2019), https://documents-dds-ny.un.org/doc/UNDOC/GEN/N19/378/53/PDF/N1937853.pdf?OpenElement.
- Peacebuilding Commission Annual Session "Financing for Peacebuilding" Chair's Summary (October, 2020),
 - https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/20102 3 summary of aupsc-pbc mtg clean 0.pdf.
- Statement by H.E. Mr. Mohamed Edrees Chair of the Peacebuilding Commission (PBC) At the annual joint debate of the General Assembly on: Reports of PBC and PBF (29 July 2021), available at:
 - https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/pbc c hair statement during pbc pbf general debate final.pdf.
- Implementation of the PBC's Gender Strategy And Action Plan (October 2021), https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/2021 pbc gender strategy and action plan written update 0.pdf.
- The Peacebuilding Commission Annual Session, Financing for peacebuilding (29 November 2021), Available at:
 - https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/21120 3 chairs summary pbc annual session financing for peacebuilding.pdf.
- Statement by H.E. Rabab Fatima, Chair of the Peacebuilding Commission, at the high-level meeting of the General Assembly on Peacebuilding Financing, (27 April 2022), https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/25.05.22 pbc chairs statement at hlm 27 april 2022.pdf.

Other UN documents:

- Thematic Paper Supporting South-South and Triangular Cooperation on Peace and Development,
 - https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/thematic paper u nossc.pdf.
- The Role of UN Pooled Financing Mechanisms to deliver the 2030 Sustainable Development Agenda (2016), https://unsdg.un.org/sites/default/files/UNDG-Paper-on-Pooled-Financing-for-Agenda-2030.pdf.
- Peacebuilding, UN Community Engagement Guidelines on Peacebuilding and Sustaining Peace (2020): https://www.un.org/peacebuilding/content/un-community-engagement-guidelines-peacebuilding-and-sustaining-peace.

- Letter dated 2 July 2020 from the Chair of the Peacebuilding Commission addressed to the President of the General Assembly and the President of the Security Council, A/74/935–S/2020/645 (7 July 2020), https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/a 74 935-2009035e 1.pdf.
- Identical letters dated 6 July 2020 from the Secretary-General addressed to the President of the General Assembly and the President of the Security Council, A/74/944–S/2020/678 (13 July 2020), https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/2009354e-2 1.pdf.
- United Nations, Peacebuilding, Thematic Review on Gender-Responsive Peacebuilding (2021), available at: https://www.un.org/peacebuilding/content/gender-responsive-peacebuilding-2021.
- Report of the Special Committee on Peacekeeping Operations 2021 substantive session (15 February–12 March 2021), https://reliefweb.int/report/world/report-special-committee-peacekeeping-operations-2021-substantive-session-new-york-15.
- Our Common Agenda-Report of the Secretary General (2021), https://www.un.org/en/un75/common-agenda.
- Nations, Peacebuilding, Thematic Review on Local Peacebuilding 2022, available at: https://www.un.org/peacebuilding/content/local-peacebuilding-2022.
- Financing for Young People in Peacebuilding (February 2022), https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/financing for young people in peacebuilding.220217.final .web .pdf.
- Executive Summary Thematic Review On Local Peacebuilding (2022), https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/local-peacebuilding thematic review executive summary eng.pdf.
- High-Level Meeting of the General Assembly on Financing for Peacebuilding (April 2022), available at: https://www.un.org/peacebuilding/content/high-level-meeting.
- Informal PBSO outcome summaries of the Round Tables in connection with the High-Level Meeting of the General Assembly, April 2022, https://www.un.org/peacebuilding/content/informal-pbso-outcome-summaries-round-tables-connection-high-level-meeting-general-assembly.

Towards Adequate and Impactful Financing for Sustaining Peace: An Overview of UN Commitments and Existing UN Language

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Author: Marina Kumskova, Viviana Gonzalez, Johanna Hilbert

Design: Johanna Hilbert