Financing for Peacebuilding: A Primer

1. Financing for peacebuilding is a broad topic and can include: (i) international financing of national peacebuilding efforts through multilateral or bilateral channels; (ii) international financing of peacebuilding activities of various UN entities, including peacekeeping and special political missions and agencies, funds and programmes; and (iii) domestic financing of peacebuilding efforts by national authorities¹ or other national actors, such as civil society or the private sector; see Figure 1.

Figure 1 International financial flows and international and national financing for peacebuilding

	International financial flows to conflict-affected countries					
International	Remittances (\$127b in 2019)	FDI (\$73b in 2019)	ODA (\$59b in 2019)			
Inte		FDI investing in peacebuilding	Peacebuilding ODA UN peacebuilding	Peacebuilding Government investing in peacebuilding		
National		Private sector investing in peacebuilding	Civil society investing in peacebuilding			

- 2. Although financing for peacebuilding is one among many issues regarding peacebuilding, it has emerged as the area where the least progress has been made and therefore has received significant attention in intergovernmental discussions and is now the focus of a high-level meeting of the General Assembly in 2022 (see below).
- 3. This paper intends to provide the basic elements of various aspects of financing for peacebuilding, including Official Development Assistance, and presents an overview of the proposals put forward by the Secretary-General to improve financing for peacebuilding. It is prepared by the Peacebuilding Strategy and Partnerships Branch of the Peacebuilding Support Office in the Department of Political and Peacebuilding Affairs.

I. Financial flows to and peacebuilding investments in conflict-affected countries

International financial flows to conflict-affected countries

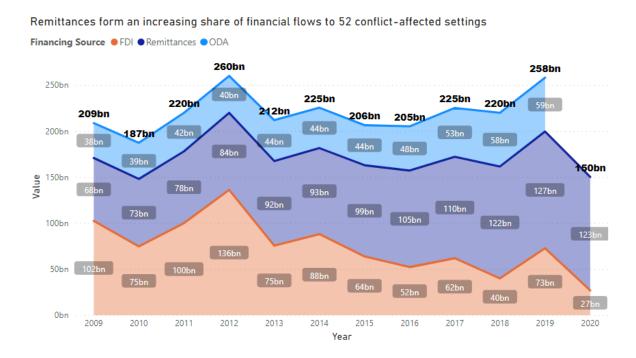
4. Financial flows, which include Official Development Assistance (ODA), Foreign Direct Investment (FDI) and remittances, to conflict-affected countries² fluctuates considerably

¹ See, e.g. Institute for Economics and Peace and PBSO, *Stocktaking of Peacebuilding Expenditures*, 2002-2013, 2017 for an analysis of national budgets.

² See Annex 3 for the definition of conflict-affected countries.

from year to year (see Figure 2). Remittances steadily increased between 2009 and 2020 and have become the largest source of external finance for conflict-affected countries. ODA also increased between 2009 and 2019, but not continuously and not by as much as remittances – by 55 per cent and 87 per cent, respectively. FDI showed large fluctuations and an especially steep decline between 2012 and 2018 by 53 per cent. While there was a substantive increase in FDI in 2019, according to the latest data from UNCTAD, FDI in conflict-affected countries sharply decreased by 63 per cent in 2020, as a result of the COVID-19 pandemic. In short, total financial flows to conflict-affected settings increased considerably between 2009 and 2020, especially because of an increase in remittances, but total flows showed notable variations because of FDI.

Figure 2: Financial flows to 52 conflict-affected settings, 2009-20 (billions of current US\$)³



5. These **trends** are in line with findings of the joint UN-World Bank publication *Pathways* for *Peace*, which states that aid to conflict-affected and fragile countries has been unevenly distributed and volatile – diverting from development and institutional support to humanitarian relief and back again – and has been infrequently directed to peacebuilding and state-building.

³ ODA is net ODA received. Data source for Figures 2 and 3: World Development Indicators, accessed 07/22/2021: https://data.worldbank.org/indicator/DT.ODA.ODAT.CD (ODA data);

https://data.worldbank.org/indicator/BX.TRF.PWKR.CD.DT (remittances data);

https://data.worldbank.org/indicator/BX.KLT.DINV.CD.WD (FDI data from 2009 to 2019);

https://unctad.org/webflyer/world-investment-report-2021 (FDI data for 2020). For the definition of conflict-affected settings are defined as: (1) Agenda items of which the Security Council is currently seized and which have been considered by the Council at a formal meeting during the period from 1 January 2020 to 31 December 2020; (2) Countries with a field-based or country-specific peacekeeping or special political mission in 2020 comprising 10 or more staff members; or (3) Countries that received programmatic funds from the Peacebuilding Fund in 2020.

⁴ UN and World Bank. 2018. *Pathways for Peace: Inclusive Approaches to Preventing Violent Conflict*. Washington, D.C.

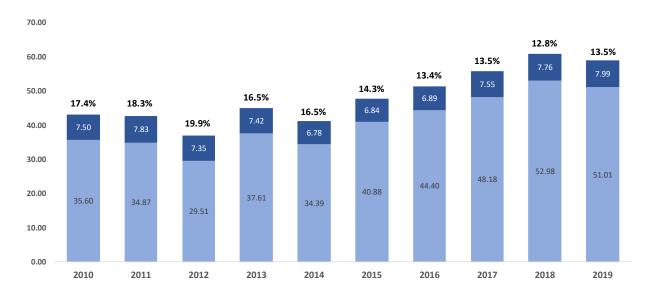
- 6. Overall financial flows are very unequally distributed among countries. From 2015 to 2019, overall **ODA steadily increased, but only for a small subset of conflict-affected settings**. The top six aid recipients (Syria, Yemen, Afghanistan, Democratic Republic of Congo and Iraq) comprised 52 per cent of the total ODA received for conflict-affected settings in 2019, with Syria being the largest recipient (increasing from US\$4.9 billion in 2015 to US\$10.2 billion in 2019). For several of the 52 conflict-affected settings, ODA declined, with Dominican Republic, Liberia, Colombia and Haiti seeing the sharpest decreases between 2015 and 2019.
- 7. For **low-income countries, ODA remains the main source of inflows, while lower middle and upper middle-income countries rely more on remittances**. Furthermore, FDI in low-income conflict-affected countries is typically concentrated in the extractive industries, which is capital intensive and provides generally only limited job opportunities.
- 8. Comparing conflict with non-conflict-affected settings, remittances as a share of Gross National Income (GNI) in conflict settings is larger than its share in non-conflict settings in all income groups. For FDI, the pattern is reversed: In all income groups, FDI as a share of GNI in conflict settings is smaller than its share in non-conflict settings. In middle-income countries, the shares of FDI and remittances are more equally distributed and FDI plays a greater role, due to the lower perceived risk in investing in emerging markets vs. in "high risk" conflict settings.
- 9. **FDI** inflows can be supported by **ODA** if it is used to improve the business infrastructure, strengthen the rule of law or de-risking investments in conflict-affected settings by offering currency and investment guarantees. The private sector often overestimates the risks of investing in conflict-affected countries because of the lack of information and complex diligence processes, but also due to lower structural ability to adapt to local context and identify investment opportunities without in-country presence. Closer collaboration between the private sector, development partners and the International Financial Institutions (IFIs) can provide more transparency about conflict dynamics and peacebuilding investments, which could reduce perceived risks and address misalignment in incentives. However, linking ODA to private sector development can result in overemphasis on countries with more effective governments and functioning markets where private sector investments are more likely to yield returns while overlooking countries most in need of support. Certain key peacebuilding priorities, such as strengthening democratic processes, human rights and inclusion do not directly translate into business opportunities in the short term.

Official Development Assistance focused on peacebuilding in conflict-affected countries

10. Peacebuilding includes a wide set of activities, which are arranged in 6 broad categories: Annex 2 for the categories included in peacebuilding, which cover (1) Political processes; (2) Safety and security; (3) Rule of law and human rights; (4) Core government functions; (5) Basic services, such as education and health care; and (6) Economic revitalization, which includes jobs and livelihoods (see Annex 2). Only the first 4 categories are assumed to be designed to yield peacebuilding outcomes and therefore are always included in total peacebuilding investments. The last two categories (5) and (6) *can* contribute to peacebuilding outcomes, but only if designed with that purpose in mind. (Peacebuilding ODA in Figures 3 and 4 is, hence, only including the first four categories.)

Figure 3: Peacebuilding investments as a percentage of total ODA in 51 conflict-affected countries, 2010-2019 (in billions of constant US\$)⁵

Peacebuilding and other ODA in 51 Conflict-Affected Settings In Billions US\$, 2019 Constant Prices ODA Peacebuilding ODA



Although prevention works, saves lives and resources and is a cost-effective way to secure development gains, adequate, predictable and sustained financing remains a critical challenge. As Figure 2 already showed, total ODA to conflict-affected settings has increased in recent years. However, of all ODA to conflict-affected countries between 2010 and 2019, only 15.3 per cent was directed towards peacebuilding? (see Figure 3). But the share is declining. While ODA to conflict-affected countries has increased, reaching more than 31 per cent in 2018 and 2019, the share within that ODA to conflict affected countries that focuses on peacebuilding has declined, from 19.9 per cent in 2012 to 13.5 per cent in 2019 (see Figure 4). The proportion of aid going to gender equality programmes is similarly stagnating under five per cent. Peacebuilding expenditures vary significantly on a year-to-year basis and are highly unevenly distributed among countries, with Afghanistan, Colombia and Iraq receiving the bulk of the ODA-funded peacebuilding expenditures.

12. As the Secretary-General states in his 2020 report on peacebuilding and sustaining peace, "ensuring adequate, predictable and sustained resources for peacebuilding remains our greatest challenge, perhaps now more than ever in the context of a global economic downturn. ... I fear that growing demands to address the pandemic could weaken our ability to build and sustain peace and put at risk gains. Local peacebuilders have similar fears."

⁵ The data represents gross disbursements of ODA – and reflects actual spending rather than commitments to spend money; while excluding debt repayments. Source: DPPA-DPO ODA Dashboard, itself based on the OECD Stat Credit Reporting System Database No data available on ODA Dashboard for Cyprus and Western Sahara.

⁶ ODA and percentages in Figures 1 and 4 are slightly different because Figure is data in current US\$ and Figure 4 in constant US\$.

⁷ See Annex 2 for the categories included in peacebuilding, which cover 1. Political processes; 2. Safety and security; 3. Rule of law and human rights; and 4. Core government functions.

⁸ Report of the Secretary-General on peacebuilding and sustaining peace (A/74/976-S/2020/773).

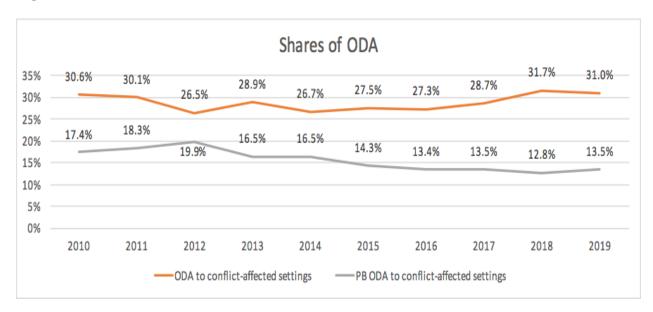


Figure 4: ODA for conflict-affected countries, 2010-2019

Source: DPPA/PBSO based on OECD data

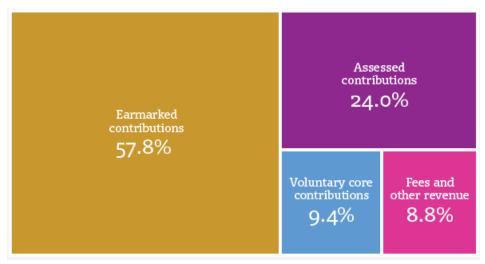
Different funding modalities of UN system

- 13. Total revenues of the entire UN system (excluding the IMF and World Bank) were US\$ 56.9 billion in 2019. Entities of the UN system use different funding modalities. The most common are: (a) assessed contributions; (b) negotiated pledges and replenishments; (c) voluntary core contributions; (d) earmarked voluntary contributions; and (e) fees.
- 14. **Assessed contributions** are pre-determined cost-sharing formula for each country, which are legally enforceable membership dues. They accounted for 24 per cent of all revenues for the entire UN system in 2019 (see Figure 5). They are, however, the main source of funding for the **UN Secretariat and UN peacekeeping operations, using different assessment scales**. Assessed contributions are also an important source of resources for core budgets of agencies, funds and programmes of the UN Development System (UNDS).
- 15. **Negotiated pledges and replenishments** are mutual commitments, with varying degrees of legal enforceability. The negotiations typically take place on the basis of a strategic plan and results framework with a total budget envelope, looking forward typically for 3 years, and an assessment of performance and results achieved over a similar period looking backward. Such processes are used by IFAD, WHO and the International Development Association (IDA) of the World Bank. In some cases, assessment scales are used. For example, UNEP uses UN regular budget assessment scales.

-

⁹ See, e.g. Romesh Muttukumaru, "The Funding and related practices of the UN Development system," May 2015; and Dag Hammarskjöld Foundation-UN Multi-Partner Trust Fund Office, *Financing the UN Development System: Time to Meet the Moment*, September 2021.

Figure 5: UN system total revenues by financing instrument in 2019 (US\$56.9 billion)



Source: Dag Hammarskjöld Foundation-UN Multi-Partner Trust Fund Office, Financing the UN Development System: Time to Meet the Moment, September 2021.

- 16. The most common funding modalities for the UN system are voluntary contributions, especially for the development pillar, accounting for about two thirds of all revenues (see Figure 5). Generally, most agencies, funds and programmes of the UN system receive a small amount of voluntary core contributions, through annual or multi-year pledges, that are not earmarked and not tied to specific projects, programmes, themes or geographical locations. They only account for 9.4 per cent of the total for the UN system (see Figure 5), but cover a significant share of total operations for such UN entities as IFAD, UNAIDS and UNRWA. These contributions are a mix of annual and multi-year pledges. Earmarked voluntary contributions, or non-core, are donations tied in some way to specific projects, programmes, themes or geographical locations, funding the bulk of activities of UN entities, such as IOM, UNHCR, UNDP, UNICEF, WFP and WHO, including humanitarian assistance. Fees account for the smallest share of income for most UN entities (8.8 per cent; see Figure 5) the exceptions are PAHO, UNOPS and particularly WIPO, which covers almost its entire budget with income from fees.
- 17. The total revenues of the UN system (US\$56.9 billion) can be disaggregated by broad sectors: development, humanitarian assistance, peace operations and global agenda (norms, standards, policies and advocacy). The category peace operations, including special political missions, cannot be disaggregated into peacebuilding expenditures. Figure 6 shows that the **share of the peace pillar has declined since 2016**, as has the global agenda. Humanitarian assistance is the only area where the share has increased during the period 2016-2019.
- 18. Peacebuilding is a responsibility of the entire UN system, according to the resolutions on the 2015 and 2020 peacebuilding architecture review (see also Annex 2). Financing of UN peacebuilding activities takes place through various channels, including trust funds, budgets of peacekeeping and special political missions and core budgets of Agencies, Funds and Programmes.

6

¹⁰ Voluntary earmarked contributions amount to US\$23.9 billion (57.8%) and voluntary core to US\$5.3 billion (9.4%). Together they account for 67.1 per cent.

At the global level, trust funds include the Human Security Trust Fund, the Peacebuilding Fund, the UNDP Global Programme on strengthening Rule of Law and the Women's Peace and Humanitarian Fund (UN Women). At the national level, there are several country-specific trust funds that finance peacebuilding activities. There are cases where the UN system implements programmes financed by the World Bank, which has been the case in Yemen.

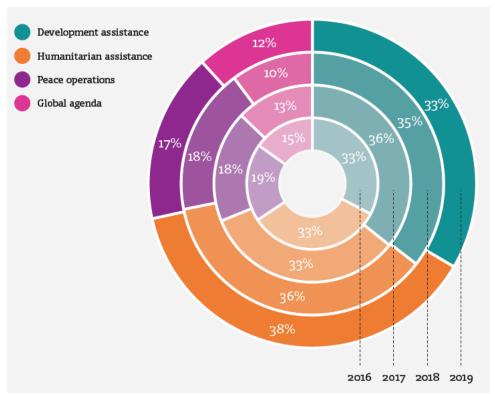


Figure 6: UN system expenditures across sectors, 2016-2019

Source: Dag Hammarskjöld Foundation-UN Multi-Partner Trust Fund Office, Financing the UN Development System: Time to Meet the Moment, September 2021.

19. Traditionally, peacekeeping missions have primarily relied on mission staff and assets to implement civilian programmes in support of political and peacebuilding mandates. Missions have had for many years a modest budget for Quick Impact Projects (QIPs) to establish and build confidence in a mission, its mandate, and the peace process. For the fiscal year 2021/22, US\$13 million was allocated to QIPs across 8 missions. The need to strengthen mandate delivery in some thematic areas has resulted in the increased use of **assessed budgets for programmatic activities**. In recent years, peacekeeping budgets have included a more substantial amount of programmatic funding for activities implemented by the peacekeeping mission itself or by the UN Country Team (UNCT). These funds can facilitate whole-of-system approaches to implementation of Security Council mandates through close coordination and collaboration and have proven particularly valuable during recent peacekeeping transition processes in Côte d'Ivoire, Haiti, Liberia and Sudan. Mine action takes the biggest chunk (89 per cent in 2021/22), but still leaving about US\$50 to US\$70 million per budget year globally for mandated activities in support of peacebuilding objectives, including security sector reform, strengthening of judicial institutions, Demobilization,

Disarmament and Reintegration (DDR), community violence reduction, and inclusive dialogues at the national or local level.

20. In Darfur (Sudan), for example, assessed programmatic funding in the UNAMID budget expanded the geographical reach and presence of the UNCT through State Liaison Functions in areas from which UNAMID withdrew. In 2019, US\$32 million in UNAMID's assessed budget for programmatic work, accompanied by US\$20 million for UNCT partners from the PBF, laid the foundations for sustaining peace beyond the lifetime of the peacekeeping mission. The PBF will continue its work in support of the new United Nations Integrated Transition Assistance Mission in Sudan (UNITAMS).

II. Proposals in Financing for Peacebuilding

- 21. The 2016 twin resolutions on the 2015 review of the peacebuilding architecture adopted by the General Assembly and Security Council (A/RES/70/262 and S/RES/2282 (2016), respectively), covered a wide set of peacebuilding issues. Importantly, they requested the Secretary-General to provide options on increasing, restructuring and better prioritizing funding dedicated to UN peacebuilding activities of peacekeeping operations (PKOs) and special political missions (SPMs) and UN Country Teams (UNCTs), including through assessed and voluntary contributions, for the consideration of Member States.
- 22. In response, the Secretary-General presented a number of options in his 2018 report on peacebuilding and sustaining peace (A/72/707-S/2018/43, paras. 39-52). Additional proposals were included in his 2019 report (A/73/890-S/2019/448, para. 30) and 2020 report (A/74/976-S/2020/773, paras. 45-47).
- 23. All proposed options are listed in the Annex 1 with an assessment of the progress made in the implementation. They are categorized under three headings: (1) voluntary contributions; (2) assessed funding; and (3) other recommendations, including innovative financing. Many of the proposals can be implemented by individual Member States because they pertain to voluntary contributions or to unspent peacekeeping budgets of closed operations, which are to be returned to Member States and individual Member States can decide to reallocate these unencumbered amounts.
- 24. Much of the focus has been on a proposal to use assessed funding for the Peacebuilding Fund (PBF). The original proposal came from the report of the Advisory Group of Experts (AGE), prepared for the 2015 Review of the United Nations Peacebuilding Architecture. It recommended that the General Assembly consider steps to ensure that core funding representing US\$100 million or an approximate and symbolic 1 per cent of the value (whichever is higher; at the time, 1% amounted to about US\$91 million) of the total United Nations budgets for peace operations (peacekeeping and special political missions together) be provided to the Fund annually from assessed contributions.
- 25. The Secretary-General adopted this proposal in his 2018 report on peacebuilding and sustaining peace (A/72/707–S/2018/43, para. 49) and repeated it in his 2019 report (A/73/890-S/2019/448, para. 46). He asked for the allocation of US\$100 million or a symbolic 1 per cent of

the total annual cost of peace operations to the PBF, to be funded through assessed contributions. He stated:

"In its report, the Advisory Group of Experts on the Review of the United Nations Peacebuilding Architecture recommended that the General Assembly consider steps to ensure that core funding representing US\$100 million or an approximate and symbolic 1 per cent of the value (whichever is higher) of the total United Nations budgets for peace operations (peacekeeping and special political missions together) be provided to the Fund annually from assessed contributions under the United Nations budget. The assessed contributions should be provided in a way that ensures necessary oversight without undermining the Fund's comparative advantage as a fast, unearmarked, flexible and prepositioned pooled fund working under terms of reference approved by the General Assembly. I call upon Member States to consider the allocation of assessed contributions to the value of US\$100 million or a symbolic 1 per cent of the total annual cost of peace operations to the Fund" (A/72/707-S/2018/43, para. 49 (e)).

- 26. In his 2019 and 2020 Reports, the Secretary-General noted that there has been limited progress in financing for peacebuilding.¹¹ In the case of the proposal to provide assessed funding for peacebuilding, the recommendations in the 2018 report were not translated into proposals for consideration by the Fifth Committee.
- 27. In his 2021 report on "Our Common Agenda" the Secretary-General recalled once more that there has been too little progress on adequate, predictable and sustained financing for peacebuilding, while stressing that "demand for support from the Peacebuilding Fund significantly outpacing available resources."

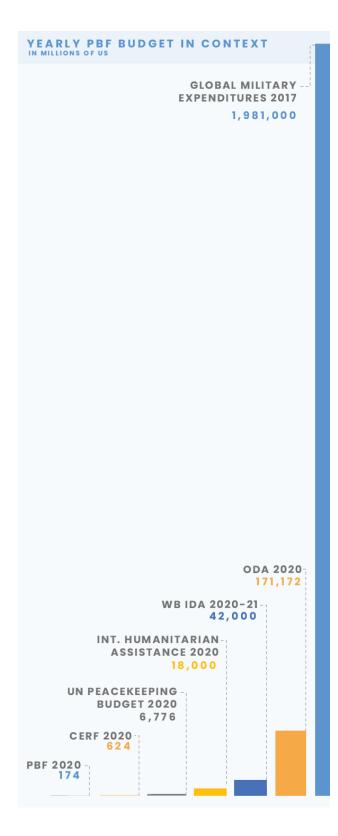
The Peacebuilding Fund

- 28. The Secretary-General's Peacebuilding Fund (PBF), established in 2006, is the United Nations' instrument of first resort to respond and prevent violent conflict. It has relied almost entirely on voluntary contributions and in particular of a small group of large donors. Member States have recognized that there is a "peacebuilding financing gap." The Advisory Group of Experts on the 2015 Review of the Peacebuilding Architecture found that peacebuilding is "critically underrecognized, underprioritized and underresourced globally and within the United Nations system" (A/69/869-S/2015/490, para. 8) and recommended the use of assessed contributions to fill the gap between mandates and programme resources, increase the predictability of funding of the PBF and maximize the PBF's potential (A/69/869-S/2015/490, para. 171).
- 29. Relying only on voluntary contributions has been insufficient especially since the Secretary-General's call for a "quantum leap" towards US\$500 million annually in contributions to the Fund based on financial forecasting of country-driven needs across several windows, including support for transitions, cross-border initiatives and gender and youth empowerment (A/72/707-S/2018/43, para. 47). See Figure left to see PBF resources in perspective.

_

¹¹ A/73/890–S/2019/448, A/74/976–S/2020/773.

¹² Addis Ababa Action Agenda of the Third International Conference on Financing for Development, General Assembly resolution 69/313, 27 July 2015, para. 8.



III. Conclusion

30. In resolutions A/RES/75/201 and S/RES/2558 (2020), the General Assembly and the Security Council noted, at the conclusion of the 2020 review of the peacebuilding architecture "that peacebuilding financing remains a critical challenge" and decided to "convene a highlevel meeting of the General Assembly at the seventy-sixth session to advance, explore and consider options for ensuring adequate, predictable and sustained financing for peacebuilding," inviting "the relevant United Nations bodies and organs, including the Peacebuilding Commission, in accordance with respective mandates, to present inputs in advance for Member States' consideration and discussion at this meeting, and affirms a commitment to pursuing action-oriented outcomes."

31. The evidence presented in this note demonstrates that only a rather small slice of global security and development resources is invested in peacebuilding. Both Member States and the UN system have registered this gap. Actions are now needed across a range of options to increase the proven, valuable investments in peacebuilding, including through increased voluntary contributions by Member States and through legislated use of assessed contributions via the budgets of the UN.

[UN/DPPA/PBSO/PSPB, 3 xi 2021]

Annex 1: Options on funding UN peacebuilding activities presented by the Secretary-General in his reports on peacebuilding and sustaining peace

Financing options					
I.					
1.	Call for a "quantum leap" in contributions to the [Peacebuilding] Fund, which should be unearmarked and provided for a longer term to ensure that support is both responsive and predictable. [US\$500 million annually]. (A/72/707-S/2018/43, paragraph 47)	Limited progress			
	I call again for a <u>quantum leap in support for the [Peacebuilding] Fund</u> and request that <u>every Member State</u> make a voluntary contribution to the Fund, which would reflect <u>universal recognition</u> of the importance of support for building and sustaining peace as a core mandate of the Organization. (A/74/976-S/2020/773, paragraph 46)				
2.	I call upon donors to agree to allocate the <u>remaining balance of any</u> <u>Headquarters-level trust fund inactive</u> for two years or more to the [Peacebuilding] Fund. (A/72/707-S/2018/43, paragraph 49)	No progress			
3.	I call upon the principal contributors to peacekeeping budgets to <u>voluntarily</u> commit the equivalent of <u>15 per cent of the final full-year budget of a closing peacekeeping mission</u> , 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/72/707-S/2018/43, paragraph 49) In light of the ongoing UNAMID drawdown, I also wish to recall my previous proposal for Member States to <u>voluntarily</u> commit the equivalent of 15 per cent of the final full-year budget of a closing peacekeeping mission to be contributed to peacebuilding activities each year for a period of two years following the end of a mission mandate. (A/74/976-S/2020/773, paragraph 46)	No progress			
4.	I call upon Member States to voluntarily commit <u>unspent peacekeeping</u> <u>budget funds</u> [of closed peacekeeping operations] ¹³ to the Peacebuilding Fund.	Limited progress			

¹³ It has come to our attention that this option is only possible for closed peacekeeping operations as unspent funds of current peacekeeping operations are applied to the following year's budgets. However, still implies savings for

	(A/72/707-S/2018/43, paragraph 49)	
II.	Assessed contributions	
5.	I call upon Member States to consider the allocation of assessed contributions to the value of <u>US\$100 million or a symbolic 1 per cent</u> of the total annual cost of peace operations to the [Peacebuilding] Fund. (A/72/707-S/2018/43, paragraph 49)	No progress
	In my 2018 report, as requested by Member States, I provided options on increasing, restructuring and better prioritizing funding dedicated to United Nations peacebuilding activities, including through assessed and voluntary contributions. My options included the provision of assessed funding representing <u>US\$100 million or an approximate and symbolic 1 per cent</u> of the value of the total United Nations budgets for peace operations to the Peacebuilding Fund. (A/73/890–S/2019/448, paragraph 30)	
6.	I call upon Member States to agree to be assessed the equivalent of <u>15 per</u> <u>cent of the total variance</u> in the approved [peacekeeping] resources to finance the PBF. (A/72/707-S/2018/43, paragraph 49)	No progress
7.	Ensuring that missions have sufficient programmatic funding to support mandated peacebuilding activities will be a priority in my peacekeeping budget requests for 2021/22 to facilitate a transition towards a greater emphasis on peacebuilding efforts. The PBSO can play a valuable role in supporting missions in operationalizing programmes to advance a goal of transitioning mission responsibilities and modalities towards post-mandate capacities. The Fund, with its strategic focus on support for transitions, would ensure that these programmes administered on behalf of missions, with assessed contributions, support nationally owned and led initiatives that address root causes and conflict drivers to sustain peace over time. The requirement for programmatic funding increases when a multidimensional peacekeeping mission approaches drawdown, in line with the requirement to support national peacebuilding strategies in an integrated way to promote national ownership and donor coordination in the five years following closure. (A/74/976-S/2020/773, paragraph 46)	New
Ш	Other recommendations	
111.	Other recommendations	
8.		

 $\label{lem:member_states} \begin{tabular}{ll} Member States, which could be donated to the PBF-involving now a transfer from Member States rather than an internal UN transfer with Member States' permission. \\ \end{tabular}$

	I am exploring the possibility of <u>innovative financing</u> solutions for peacebuilding, including contributions by individuals, foundations and faith-based organizations, bonds, levy and tax-based revenue generation, corporate partnership and blended finance. [para. 49] I also encourage Member States to explore innovative means of financing peacebuilding activities, including through the issuance of social impact bonds in peacebuilding, the voluntary implementation of a tax on the trade in (specific) arms, or the donation of fines imposed on defence industry corporations to United Nations peacebuilding activities." [para. 52] (A/72/707-S/2018/43, paragraph 52)	Limited progress
9.	I welcome the emphasis of the independent eminent persons on good peacebuilding donorship. More coherent approaches within donor institutions and between donors and IFIs have a vital role in maintaining the focus on strategic, long-term priorities, especially in times of crisis. Contributions to existing pooled funding mechanisms, preferably through multi-year and unearmarked funding, will foster greater synergies across funding instruments. (A/74/976-S/2020/773, paragraph 47)	New
10.	I further urge donors to commit to spending at least 20 per cent of ODA on peacebuilding priorities in conflict settings. (A/74/976-S/2020/773, paragraph 47)	New
11.	I request that all United Nations funding mechanisms in support of peacebuilding projects meet and exceed this 15 per cent target [Ensuring a dedicated minimum of 15 per cent of all United Nations-managed funding in support of peacebuilding projects to advance gender equality and women's empowerment as a principal objective] and that Member States contribute specifically in this area, where resources are scarce but the impact great. (A/72/707-S/2018/43, paragraph 48)	Progress

Annex 2: Peacebuilding categories

Sustaining peace Recurring peacebuilding priorities* (adapted from SG report on peacebuilding (A/63/881-S/2009/304)) 6 Main Rule of Law and Human **Core Government** Economic **Political Processes** peacebuilding Safety and Security **Basic Services** Rights **Functions** Revitalization categories 1.1 1.2 1.3 1.4 1.5 1.6 1.7 1.8 1.9 1.10 2.1 2.2 2.3 2.4 2.5 2.6 2.7 3.1 3.2 3.3 3.4 3.5 3.6 3.7 4.1 4.2 4.3 4.4 4.5 4.6 4.7 5.1 5.2 5.3 5.4 5.5 6.1 6.2 6.3 6.4 $\label{thm:management} \begin{tabular}{ll} Management of natural resources (including land and extractives) and climate change \end{tabular}$ outh empowerment and participation imall arms and light weapons rotection of civilians ilitating and pro affict management capacities, mediation and dialogue astructures for peace at national and subnational leve ess to justice (including informal or traditional mechanisms) unities and civic engagement ment and gender Peacebuilding subcategories 310/ 32210/32220 15130/15220 120/130 15160 15220 15153 15180 15261 15240 15210 15130 15130 15154 15110 74020 15113 15110 15111 15220 15150 15150 15170 15240 15132 15130 15137 73010 140 110 OECD DAC CRS codes Not all activities in these areas are fully, only and always focused on and aimed at sustaining peace, but Activities in these areas usually are fully focused on and aimed at sustaining peace. could contribute to sustaining peace depending on the theory of change. Humanitarian

[UN/DPPA/PBSO, 14 i 2021]

Notes: * Human rights is cross cutting and is relavant for all categories

^{*} The green/red designation is not absolute and depending on contexts, mandates and capacities, sectoral actors could be involved in the implementation of some areas indicated as red.

^{***} All peacebuilding priorities can be part of mediation efforts in principle. Some are red because they are implemented by others.

^{****} This is a non-exhausitve list

Annex 3: Conflict-affected countries

UN/DPPA/PBSO uses an internal list of countries/situations that are affected by conflict, which is the same as UN Women uses for reporting of indicator data for the Secretary-General's report on women and peace and security.¹⁴

Countries/situations include:

- 1. Agenda items of which the Security Council is currently seized and which have been considered by the Council at a formal meeting during the period from 1 January 2020 to 31 December 2020;
- 2. Countries with a field-based or country-specific peacekeeping or special political mission in 2020 comprising 10 or more staff members; or
- 3. Countries that received programmatic funds from the Peacebuilding Fund in 2020.

¹⁴ Countries/situations include: Agenda items of which the Security Council is currently seized (see S/2021/10*); countries with a field based or country-specific special political mission in 2020 comprising 10 or more staff members; and countries that received programmatic funds from the Peacebuilding Fund in 2020.