Financing for Peacebuilding

Options for ensuring adequate, predictable and sustained financing for peacebuilding and the financial status of the Secretary-General's Peacebuilding Fund

<u>Summary</u>: In 2018, at the request of Member States, the Secretary-General presented options on increasing and better prioritizing funding dedicated to UN peacebuilding activities. By 2020, little progress had been made on these options. The Secretary-General made additional recommendations in his recent report on peacebuilding and sustaining peace, many of which require action by Member States to advance them. At the same time, the Secretary-General's call for a quantum leap in support of the Peacebuilding Fund (PBF) has yet to be achieved. Looking ahead, the PBF faces serious financial constraints without additional commitments.

Financing options

- 1. The 2016 resolutions on the peacebuilding architecture review requested that the Secretary-General provide options for the consideration of Member States on increasing, restructuring and better prioritizing funding dedicated to UN peacebuilding activities, including through assessed and voluntary contributions, with a view to ensuring sustainable financing.¹
- 2. The Secretary-General provided options in his 2018 Report on peacebuilding and sustaining peace, ², some of which would require agreement of the membership and others that could be taken up individually. The options on assessed funding included: (i) the provision of assessed funding representing \$100 million or an approximate and symbolic 1 per cent of the value of the total UN budgets for peace operations to the PBF, and (ii) assessment of 15 per cent of the total year-to-year variance in overall financial requirements for peacekeeping operations to finance the PBF. The Secretary-General also proposed several specific voluntary options: (i) the allocation of the remaining balance of any headquarters-level trust fund inactive for two years or more to the PBF (at the time these remaining balances totalled about \$9.3 million); (ii) voluntary commitment of the equivalent of 15 per cent of the final full-year budget of a closing peacekeeping mission each year for two years following the end of the mission's mandate to existing peacebuilding projects or a country-level pooled fund (for the closure of UNMIL, this would have meant \$17.5 million per year for two years,³ and in the case of UNAMID, using the 2019/20 budget,⁴ this would be \$77.2 million per year for two years); and (iii) voluntary commitment of unspent assessed contributions to the PBF (in the case of UNMIL, if all Member States had voluntarily committed their unspent assessed peacekeeping contributions to the PBF, this would have amounted to \$11.6 million in support for the transition⁵).
- 3. In 2018 the Secretary-General also made other general recommendations related to financing, including encouraging <u>innovative means</u> of financing peacebuilding activities⁶ and reiterating his request that all UN funding mechanisms in support of peacebuilding projects ensure a dedicated minimum of 15 per cent to advance <u>gender equality and the empowerment of women</u> as a principal objective and that Member States contribute in this area.⁷ He also informed of plans to establish a <u>funding dashboard</u> for peacebuilding to track resources and promote greater strategic alignment of funding, ⁸ which was developed in 2020.

¹ General Assembly resolution 70/262 and Security Council resolution 2282 (2016), OP30(e) and (f)

² A/72/707–S/2018/43, paragraph 49.

³ A/73/890–S/2019/448, paragraph 36.

⁴ This will not be the final full-year budget if the mandate is extended beyond the current financial period.

⁵ A/73/890–S/2019/448, paragraph 36.

⁶ A/72/707–S/2018/43, paragraph 49. This was updated on in the 2019 and 2020 Reports.

⁷ A/72/707–S/2018/43, paragraph 48.

⁸ A/72/707–S/2018/43, paragraph 46. This was updated on in A/74/976 S/2020/773, paragraph 42.

- 4. A small number of Member States have responded positively to the call for voluntary contributions of unspent committed peacekeeping budgets. However, in 2019 and 2020, the Secretary-General reported that there had been very limited progress on the financing options for peacebuilding overall. Of the total 42 recommendations from his 2018 Report, four of those related to financing went unheeded. 10
- 5. In his 2020 Report, the Secretary-General described ensuring adequate, predictable and sustained resources for peacebuilding as a critical challenge. He noted that ensuring that multidimensional peacekeeping missions have sufficient programmatic funding to support mandated peacebuilding activities, increasing when a mission approaches drawdown as a means to support national ownership of peacebuilding priorities, will be a priority in peacekeeping budget requests. He also underscored that PBSO can play a role in supporting missions to operationalize programmes that help transition mission responsibilities towards post-mandate capacities. ¹¹ There is work ongoing to identify multi-dimensional peacekeeping missions to advance this approach. In view of the drawdown of UNAMID, the Secretary-General also recalled his proposal for Member States to voluntarily commit the equivalent of 15 per cent of the final full-year budget of a closing peacekeeping mission to peacebuilding activities each year for a period of two years following the end of a mission mandate. ¹²
- 6. In addition, the Secretary-General welcomed the emphasis of the independent eminent persons on "good peacebuilding donorship", noting that more coherent approaches within donor institutions and between donors and international financial institutions will be vital in maintaining focus on strategic, long-term priorities, in particular in times of crisis. ¹³ Interested Member States are already taking forward the development of this concept. He also urged donors to commit to spending at least 20 per cent of ODA on peacebuilding priorities in conflict settings (noting the decline to 11.4 per cent in 2018 from 19.7 per cent in 2009). ¹⁴
- 7. The Secretary-General has consistently called for a "quantum leap" in contributions to the PBF, which should be unearmarked and provided over a longer term to ensure that support is both responsive and predictable. In 2020, he requested that every Member State make a voluntary contribution to the PBF, which would reflect universal recognition of the importance of support for building and sustaining peace as a core mandate of the Organization. In the provided provided that the provided provi

Financial Status of the Secretary-General's Peacebuilding Fund

- 8. In January 2020, PBSO launched the PBF's new five-year strategy to realize the Secretary-General's vision for the PBF as a central instrument to advance reforms, forge more coherent and cross-pillar responses in conflict situations and mobilize resources for conflict prevention and peacebuilding.¹⁷ The plan seeks to raise \$1.5 billion for peacebuilding over five years.
- 9. In 2020, demand for support from the PBF has continued to increase and significantly outpaces available funding. Income is expected to remain stable compared to 2019 at around \$135 million; well under the \$175 million required. Given the global financial context, maintaining this level of funding is recognition of the PBF's importance. As a result, PBSO revised downwards the available envelope for approval in 2020 from \$210 to \$180 million, resulting notably in reduced resources for the Gender and Youth Promotion Initiative as well as support for transition contexts such as Guinea-Bissau and Sudan. Without renewed commitments, the PBF will need to reduce its annual envelope for 2021 onwards to around \$60 million; a third of approvals in 2020.

⁹ Belgium contributed a portion of its unspent peacekeeping budget to the Peacebuilding Fund in 2018.

¹⁰ These four are: assessed 1 per cent of total peace operations; assessed 15 per cent variance; voluntary commitment of 15 per cent equivalent of final full-year budget for 2 years; voluntary commitment of remaining balance of inactive trust funds.

¹¹ A/74/976 S/2020/773, paragraph 46.

¹² Ibid.

¹³ A/74/976 S/2020/773, paragraph 47.

¹⁴ Ibid.

 $^{^{15} \} A/72/707 \ S/2018/43, paragraph \ 47; \ A/73/890 \ S/2019/448, paragraph \ 37; \ A/74/976 \ S/2020/773, paragraph \ 43.$

 $^{^{16}~\}mathrm{A}/74/976~\mathrm{S}/2020/773,$ paragraph 43.

¹⁷ https://www.un.org/peacebuilding/sites/www.un.org.peacebuilding/files/documents/pbf_strategy_2020-2024_final.pdf