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Review of the efficiency of the administrative and financial functioning of the United Nations

Revision of the terms of reference of the Peacebuilding Fund

Report of the Advisory Committee on Administrative and Budgetary Questions

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered an advance version of the report of the Secretary-General on the revision of the terms of reference of the Peacebuilding Fund ([A/79/541](#)). The Committee met with representatives of the Secretary-General, who provided additional information and clarification, concluding with written responses dated 21 November 2024.

Background

2. The Advisory Committee recalls that through General Assembly resolution [60/180](#) and Security Council resolution [1645 \(2005\)](#), the Secretary-General was requested to establish the Peacebuilding Fund, funded by voluntary contributions. In his report on investing in prevention and peacebuilding ([A/76/732](#)), the Secretary-General sought approval for supplementing the funding of the Fund through assessed contributions as a means to respond to the persistent funding challenges under the voluntary contributions. Further background information on the proposal of the Secretary-General, along with the observations and recommendations of the Committee, was contained in the related report of the Committee (see [A/76/821](#), paras. 10–12).

3. The Advisory Committee further recalls that the General Assembly, in its resolution [78/257](#), noted that the amount of voluntary contributions had not been sufficient to meet increasing demands for the support of the Peacebuilding Fund, and affirmed that other sources of funding, including assessed contributions, could be used to finance the Fund through modalities determined by the General Assembly as an extraordinary arrangement, on an exceptional basis, and without setting a precedent. In the same resolution, the Assembly decided to establish a dedicated multi-year special account, entitled Peacebuilding Account, as a modality of



financing the Peacebuilding Fund, and approved \$50 million of assessed contributions per annum, under grants and contributions, to fund the Peacebuilding Account, starting 1 January 2025, subject to the revision of the terms of reference of the Peacebuilding Fund (resolution [78/257](#), paras. 4, 7 and 8).

II. Revision of the terms of reference of the Peacebuilding Fund

A. Review and consultation process

4. The original terms of reference of the Peacebuilding Fund, financed by voluntary contributions, were set out in the report of the Secretary-General on the arrangements for establishing the Peacebuilding Fund ([A/60/984](#), annex) and were reviewed two years later ([A/63/818](#), annex), with the revision taken note of by the General Assembly in its resolution [63/282](#) (see [A/79/541](#), para. 2). In paragraph 13 of its resolution [78/257](#), the Assembly requested the Secretary-General, inter alia, to review the terms of reference of the Peacebuilding Fund in accordance with the provisions of the resolution, including financial, management and oversight arrangements, for the use of assessed funding, through a structured process, in coordination with the Peacebuilding Commission and open to the participation of all Member States.

5. The Secretary-General reports that the Department of Political and Peacebuilding Affairs initiated a process to review the terms of reference, which included discussions with the Peacebuilding Fund Advisory Group and stakeholders, and through a structured consultation process with Member States in coordination with the Peacebuilding Commission. The Chair of the Peacebuilding Commission convened three meetings open to all Member States (two at the expert level and one at the ambassadorial level) during August and September 2024. Over 70 Member States participated in those consultations (*ibid.*, paras. 10 and 11). Upon enquiry, the Advisory Committee was provided with information on the concluding summary by the Chair of the Commission following the consultations. The Committee was informed that all the consultations and meetings held with Member States, the Peacebuilding Fund Advisory Group and the Friends of the Peacebuilding Fund (consisting of all 41 current voluntary donors) had generated suggestions that the Secretary-General considered in the revision of the terms of reference. Concerning the approach to the revision, all meetings had underscored the importance of following the resolution of the General Assembly precisely, given the lengthy negotiations undertaken in the Fifth Committee.

6. **The Advisory Committee acknowledges the efforts made by the Secretariat in consultations with Member States in the review of the terms of reference of the Peacebuilding Fund for the use of assessed contributions from 2025. The Committee recalls that in paragraph 15 of resolution [78/257](#), the General Assembly encouraged the Peacebuilding Fund to work in close coordination with relevant stakeholders to advance efforts to bring greater coherence to peacebuilding efforts, in support of national peacebuilding priorities. The Committee again highlights the importance of coordinating the activities of the Peacebuilding Fund and of the peacekeeping operations in transition phases ([A/79/7](#), para. II.24). The Committee once again emphasizes the importance of the link between peace and development (see [A/76/821](#), para. 4).**

B. Assessed contributions

7. It is indicated that, in response to the consultations and in accordance with General Assembly resolution [78/257](#), the Secretary-General proposes several updates

in the revised terms of reference annexed to his report, for increased oversight and transparency, as well as for enhancing flexibility and agility. The revised terms of reference incorporate the assessed contributions into the overall operations of the Peacebuilding Fund with segregation from the voluntary funding as required in the resolution (A/79/541, paras. 10 and 12). Upon request, the Advisory Committee received the proposed revised terms of reference with tracked changes (see the annex to the present report).

1. National ownership and National Joint Steering Committee

8. In Articles 3.6 and 6.2, the word “Joint” is added to “National Steering Committee” to give the title of “National Joint Steering Committee”. The Secretary-General indicates that national ownership remains the core principle for the Peacebuilding Fund. Operationally, as specified in the terms of reference from the beginning, this includes the requirement for a national steering committee at the country level, co-chaired by the United Nations resident coordinator and the government authority concerned. This approach helps to ensure positive synergies across peacebuilding actors and avoids any duplication. The Secretary-General encourages the inclusion of representatives from key peacebuilding stakeholders, including development partners and civil society, to participate in those committees (A/79/541, para. 14). **The Advisory Committee stresses that, as stipulated in article 1.3 of the terms of reference, national ownership is one of the core principles guiding the operations of the Peacebuilding Fund. The Committee trusts that more information on the practical implementation of the proposed changes in article 3.6 will be provided to the General Assembly at the time of its consideration of the present report.**

2. Scope of the Peacebuilding Fund

9. Upon enquiry as to the proposed addition of “or regions” in article 2.1, the Advisory Committee was informed that the addition recognizes that some conflict dynamics require regional and cross-border peacebuilding approaches to be addressed effectively. The support from the Peacebuilding Fund would still only go to countries in those regions recovering from conflict or considered to be at risk of lapsing or relapsing into conflict. Concerning how the Peacebuilding Support Office would ensure coordination across countries and uphold national ownership, the Committee was informed that the Peacebuilding Fund guidelines and the strategy for the period 2020–2024 already encourage cross-border proposals to address regional conflict dynamics. Cross-border programmes are designed and undertaken with the agreement and oversight of the respective Governments participating in such programmes. Coordination is facilitated jointly through the respective resident coordinators and national line ministries and coordination bodies involved. **The Advisory Committee trusts that the Peacebuilding Support Office will continue to ensure the coordination and collaboration of cross-border programmes funded under the Peacebuilding Fund based on the principle of national ownership.**

3. Governance and oversight

General Assembly and Peacebuilding Commission

10. The Secretary-General indicates that the General Assembly and the Peacebuilding Commission both have oversight roles specifically with regard to assessed contributions, especially over decisions concerning the selection of target countries, the amounts allocated per country and priority areas of work (ibid., para. 12). Upon enquiry, the Advisory Committee was informed that the revised terms of reference enhanced the existing oversight arrangements further for the assessed contributions (see new articles 1.4, 3.8, 5.3 and 5.5). The Committee was also informed that

consultations with the Peacebuilding Fund Advisory Group and the Peacebuilding Commission would be held to determine target countries, resource allocations and proposed project areas and that the Secretary-General would submit such proposals to the Assembly in the proposed programme budget (see paras. 15–20 below). The Committee was also informed that the Peacebuilding Fund conducts an annual global partner survey. **The Advisory Committee notes that new article 5.3 stipulates that the Peacebuilding Commission will host an annual informative and interactive strategic dialogue. The Committee stresses the importance of the guidance and oversight by the General Assembly, especially with respect to the assessed contributions to the Peacebuilding Fund.**

11. In its review of the revised terms of reference of the Peacebuilding Fund, the Advisory Committee notes instances where more clarity is desired concerning the roles of the General Assembly relating to the voluntary versus assessed contributions, as the current terms of reference cover voluntary contributions only (see para. 4 above). For example, existing article 5.1 indicates that the General Assembly and the Peacebuilding Commission may offer overall policy guidance on the use of the Fund. Upon enquiry, the Committee was informed that article 5.1 was stipulated in the resolutions that created the Fund with voluntary contributions (General Assembly resolution [60/180](#) and Security Council resolution [1645 \(2005\)](#); see para. 2 above), reinforced by subsequent resolutions, such as General Assembly resolution [70/262](#) and Security Council resolution [2282 \(2016\)](#) on the review of the United Nations peacebuilding architecture. Upon enquiry as to article 3.5 (a), in which it is stated that the Head of the Peacebuilding Support Office will determine the overall country funding envelope, the Committee was informed that, while the General Assembly will approve the amount of funding from assessed sources for a country, this is separate from the overall amount determined by the Head of the Office, as the latter allocation could also draw on voluntary resources. A further example relates to the assessed contributions, for which new article 3.8 and new article 5.5 are proposed. In new article 5.5, under governance arrangements, it is stated that, concerning assessed contributions, the General Assembly will provide guidance through its review and approval of the programme budget, as noted under section 3 of the terms of reference. The Committee notes that current section 3 covers the allocation of voluntary contributions, including existing article 3.2, in which the Secretary-General may determine that a particular country in exceptional circumstances may be considered eligible for Peacebuilding Fund support, while new article 3.8 is proposed for the assessed contributions. **The Advisory Committee trusts that the roles of the General Assembly with respect to the assessed versus voluntary contributions in the terms of reference could be further refined in the future (see para. 20 below).** The Committee will make further observations in the context of future budget submissions.

Peacebuilding Fund Advisory Group

12. It is stipulated in proposed new article 3.8 that, inter alia, the Peacebuilding Support Office will provide the Advisory Group with a list of proposed projects, beneficiary countries, budget per country and objectives for its review, and will seek strategic and practical guidance and actionable recommendations on these projects and report thereon to the Peacebuilding Commission. Upon enquiry, the Advisory Committee was informed that, while the Advisory Group focused on the overall strategic direction and impact of the voluntary contributions to the Peacebuilding Fund, with the approval of the assessed contributions to the Fund, its role had changed in that the Group is to advise on the recipient countries and initiatives proposed by the Peacebuilding Support Office under the assessed contributions on an annual basis. It was indicated to the Committee that, prior to the inclusion of the proposals in the proposed programme budget for the approval of the General Assembly, the advice of

the Advisory Group on the use of assessed contributions fell during two key stages, at least: first, on the selection of possible countries to receive allocations from among those eligible for funding from the Peacebuilding and Recovery Facility; and second, on the identification of project areas within the proposed countries. The Committee was informed that the Advisory Group already performed its new function in respect of the proposals under the assessed contributions in the context of the proposed programme budget for 2025 (A/79/6 (Sect. 3)).

13. The Advisory Committee was also informed that, in general, the Advisory Group reported orally to the Peacebuilding Commission. In the past, the Chair of the Group had briefed the Commission once per year and the full Group would meet the Chair and Vice-Chairs of the Peacebuilding Commission at each of the two annual in-person meetings. In November 2023, the Advisory Group and the Peacebuilding Commission held, for the first time, a full joint session as part of the Group's second annual in-person meeting. The Group and the Commission intend to continue this practice henceforth on an annual basis. It is expected that the Chair of the Advisory Group will utilize one of these occasions to inform the Peacebuilding Commission of its advice on the use of assessed contributions.

14. The Secretary-General has decided to increase the membership of the Peacebuilding Fund Advisory Group from 10 to 12 members to allow for greater geographic representation (A/79/541, para. 13). Upon enquiry, the Advisory Committee was informed that the seventh Advisory Group held its final meeting in May 2024 and that the Secretary-General invited all Member States to nominate candidates for the eighth Advisory Group in August 2024. Of the 12 members of the eighth Group, 5 were members of the seventh Group serving their second term, while 7 new members were appointed by the Secretary-General in November 2024. The Committee was informed that the Group had two in-person meetings per year, each for two working days. The Peacebuilding Support Office provided support to the meetings of the Group, including documentation and travel arrangements for the members. In 2024, the average cost for travel and daily subsistence allowance per member amounted to \$7,522 per meeting, and the estimated additional cost arising from two additional members is estimated at \$30,088 per year, which can be borne by the Office (within its existing direct implementation resources).

4. Financial management and reporting

15. In terms of project submission and approval, new article 3.8 states, *inter alia*, that “in particular, the Secretary-General will report to the Assembly, on an annual basis, on the proposed programme budget for the Peacebuilding Account with an annex listing the proposed projects, beneficiary countries, budget per country and objectives”. Upon enquiry, the Advisory Committee was informed that, in line with resolution 78/257, the Secretary-General will report to the General Assembly on the Peacebuilding Account in a format similar to the presentation under section 35, Development Account, of the proposed programme budget. The format of the presentation of annex III to section 3, Political affairs, of the proposed programme budget for 2025 (A/79/6 (Sect. 3)) is based on the format used in annex I to section 35, Development Account (A/79/6 (Sect. 35)); however, pursuant to the intent that the Peacebuilding Account provide a core (predictable) contribution to the Peacebuilding Fund, the principal difference in the format of annex III to section 3 is that the information provided is at the level of the country, without project-level budgets or entities, as details are to be determined at the country level by national-level actors in line with Peacebuilding Fund practice and processes. **The Advisory Committee recalls that the General Assembly, in paragraph 17 of its resolution 78/257, requested the Secretary-General to report to the Assembly on the proposed programme budget for the Peacebuilding Account, in a format similar to the**

budget presentation under section 35, Development Account, of the proposed programme budget, with an annex listing the proposed projects, beneficiary countries and budget per country. The observations and recommendations of the Committee are contained in its first report on the proposed programme budget for 2025 (A/79/7, paras. II.23 and II.24), which is before the Assembly.

16. Upon enquiry as to the lack of details about the financial management of assessed contributions in the revised terms of reference, the Advisory Committee was informed that General Assembly resolution 78/257 was quite precise in terms of how the use of assessed resources should be managed differently from voluntary contributions and that the terms of reference was an internal document that defined the purpose and structure of the Peacebuilding Fund and served as a guideline on how the Fund would be managed, including reporting requirements and oversight mechanisms. According to the Secretariat, particular details were not considered appropriate or necessary for a high-level terms of reference. The Committee was also informed that, as a proven instrument, the same procedures of the Peacebuilding Fund for the programming of voluntary contributions would be used for assessed funding (see revisions in article 4.2). **The Advisory Committee notes that the assessed contributions would be managed under the same procedures of the Peacebuilding Fund for the programming of voluntary contributions.**

17. With regard to project reporting, it is stated in new article 6.3 that “the Secretary-General will also report annually on the implementation, performance, progress and expenditure of projects funded by assessed contributions, and on the implementation of the recommendations of the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions”. Noting that the Peacebuilding Account is a multi-year special account with a modality of financing under grants and contributions (see para. 3 above), the Advisory Committee was informed, upon enquiry, that the multi-year special account implied the intent to have the funds used over multiple years to support projects with a time frame of up to three years, based on current experience. The Secretariat would disburse the full amount of assessed funding at the beginning of a year to the Peacebuilding Account and subsequently from the Account to the Multi-Partner Trust Fund Office of the United Nations Development Programme (UNDP) as an earmarked pool of resources for disbursement to implementing partners. The related actual expenditures would be captured at a more granular level (by budget class) as part of year-end financial reporting in the annual performance report, pursuant to paragraph 18 of resolution 78/257. The Secretariat would also report on any posts and positions to be established under the assessed funding in a similar manner to the reporting on the programme budget.

18. With respect to flexibility in the use of assessed contributions over multiple years and projects, the Advisory Committee was informed that peacebuilding work was often subject to stops and starts according to contexts on the ground and that the initial time frame for project implementation often did not hold. Accordingly, the flexibility currently in place for voluntary contributions, where projects were implemented across financial periods and where resources (unspent balances) could be utilized flexibly across a pool of projects, was crucial. The Secretary-General, through the annual financial report, would provide a status of project implementation, project time frame and unspent balances. Any unspent balances from assessed contributions would be used within the Peacebuilding Fund earmarked to the Peacebuilding and Recovery Facility, and would be duly reported on in detail in the annual financial period.

19. Concerning how the revised terms of reference would ensure accountability for the use of the assessed contributions, the Advisory Committee was informed, upon enquiry, that the revised terms of reference made a clear segregation of the assessed

funding from the voluntary funding and provided for specific earmarking for the Peacebuilding and Recovery Facility. They incorporated and applied resolution 78/257 and referred to specific elements from the resolution that were pertinent to the management and reporting of the assessed funding, namely, approval and oversight by the General Assembly and by the oversight bodies.

20. **The Advisory Committee considers that more information should have been provided on the financial management and reporting of the assessed contributions in an annual amount of \$50 million in the revised terms of reference of the Peacebuilding Fund and the related report of the Secretary-General, taking into account that the Peacebuilding Account is a multi-year special account with a modality of financing under grants and contributions (see para. 18 above). The Committee recommends that the General Assembly request the Secretary-General to include detailed project information, with clear time frames for each project and changes incurred, in the budget submission and financial performance report. The Committee trusts that the Secretary-General will increase transparency, accountability and oversight, and avoid duplications and overlaps, of the activities related to peacebuilding (see resolution 78/257, para. 16).**

5. Application of the Financial Regulations and Rules and audit

21. It is indicated that the UNDP Multi-Partner Trust Fund Office will continue to serve as the Peacebuilding Fund's administrative agent, with primary responsibility for maintaining the Fund's accounts (A/79/541, para. 16). Upon clarification on the application of various regulations and rules of the Secretariat, UNDP and fund recipient organizations (see articles 4.1, 4.4 and 7.4), the Advisory Committee was informed that the regulations and rules of UNDP, as administrative agent of the Peacebuilding Fund, would be applied to its administration of the Fund by means of a memorandum of understanding, and that recipient United Nations organizations would administer the funds in line with their respective regulations and rules, while the regulations and rules of the Secretariat would be applied to the management of the assessed contributions from the Peacebuilding Account to the UNDP Multi-Partner Trust Fund Office. The Committee requested a list of differences in the audit and financial reporting between the Secretariat and UNDP, but was informed that there were differences in the Financial Regulations and Rules of the United Nations and the Financial Regulations and Rules of UNDP, which were reflective of their mandates and governing bodies. However, both organizations followed the same accounting standards (the International Public Sector Accounting Standards) and audit standards and both were audited by the Board of Auditors. It was indicated to the Committee that the Multi-Partner Trust Fund Office would, at the end of the budget period, provide the Secretariat with expenditures incurred by project, which would be captured in the Peacebuilding Account, which would be subject to audit by the Board of Auditors and the Office of Internal Oversight Services in line with paragraphs 21 and 22 of General Assembly resolution 78/257. Article 6.3 of the revised terms of reference provides for the implementation of the recommendations of the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions, which reflects the requirement of the Assembly in paragraph 18 of its resolution.

22. The Advisory Committee recalls that the General Assembly, in paragraph 11 of its resolution 78/257, decided that the Peacebuilding Account shall be managed by the Peacebuilding Support Office in accordance with the relevant Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, and that these resources shall be administered by the Multi-Partner Trust Fund Office (of UNDP) as an earmarked pool of resources

separate from any voluntary funding. **The Advisory Committee trusts that more information and clarification on the application of the relevant financial regulations and rules to the management of the Peacebuilding Account will be provided in the context of the next programme budget submission.**

6. Project management and administration, and programme support costs

Project management and administration

23. The Secretary-General indicates that the UNDP Multi-Partner Trust Fund Office will continue to serve as the Peacebuilding Fund's administrative agent, with primary responsibility for maintaining the Fund's accounts ([A/79/541](#), para. 16; see para. 21 above). Upon enquiry, the Advisory Committee was informed that the use of an existing instrument to facilitate the management and administration of assessed contributions minimized the need to establish parallel mechanisms that would require additional resources to support. The Multi-Partner Trust Fund Office, a system-wide asset hosted by UNDP, is the United Nations centre of expertise on pooled financing mechanisms and provides fund design, administration and other professional services to partners. The Committee was also provided with information on the respective roles of the Peacebuilding Support Office and the Multi-Partner Trust Fund Office.

Programme support costs

24. The General Assembly, in paragraph 10 of its resolution [78/257](#), decided that the annual grant of \$50 million shall be allocated as an earmarked contribution to fund the Peacebuilding and Recovery Facility of the Peacebuilding Fund, and to include programme support costs for Fund management, in accordance with the terms of reference of the Fund. The Advisory Committee notes that the relevant article for the Fund management fees is contained in existing article 4.3, with no changes (see annex). According to article 4.3, the Fund resources may be used by the Peacebuilding Support Office to support Fund operations at global and country levels, and the overall management fees for both programme implementation and Fund management will not exceed 11 per cent of funds received.

25. Upon enquiry, the Advisory Committee was informed of the Fund management fees, as follows: (a) a 1 per cent charge as the standard fee by the administrative agent, which is established for all the United Nations pooled funds using the pass-through funding modality as agreed by the United Nations Sustainable Development Group following consultations with agencies and donors; (b) a direct cost fee of 3 per cent for managing the Peacebuilding Fund by the Peacebuilding Support Office before the funds are transferred to projects, which covers staff costs for the management of the Fund and support to the Peacebuilding Fund Advisory Group, as the Office serves as the Fund's secretariat; and (c) an indirect cost fee of 7 per cent for recipient organizations to cover core funding for staff and offices, as a standardized rate agreed by the United Nations Sustainable Development Group and established as part of the harmonized cost recovery policy by the Executive Boards of United Nations entities. It was indicated to the Committee that, accumulatively, the above-mentioned charges were in line with article 4.3 of the terms of reference that overall management fees for both programme implementation and Fund management will not exceed 11 per cent.

26. Concerning staffing currently funded under the Peacebuilding Fund, the Advisory Committee was informed that the direct cost fee of 3 per cent covered a total of 14 positions: 7 in the Peacebuilding Support Office for the management of the Peacebuilding Fund (1 D-1, 1 P-5, 1 P-4, 2 P-3 and 2 General Service (Other level)) and 7 for projects (1 P-5, 1 P-4, 3 P-3 and 2 P-2). The 3 per cent direct cost fee from the assessed contributions would be managed as a pool of resources, which would cover any end-of-service liabilities for positions funded. In addition, the

Peacebuilding Support Office has 17 posts established under the regular budget (1 Assistant Secretary-General, 1 D-2, 2 D-1, 4 P-5, 4 P-4, 1 P-3 and 4 General Service (Other level)).

C. Voluntary contributions

1. New article 7.2 on voluntary contributions

27. A new article 7.2 on voluntary contributions is included in the revised terms of reference, indicating that: “Voluntary contributions to the Fund, to be received at the global level, will be accepted from States Members of the United Nations, intergovernmental organizations and other sources, including the private sector. Voluntary contributions are expected to remain the primary source of financing for the Fund.” Upon enquiry, the Advisory Committee was informed that there were currently no voluntary contributions from the private sector or non-governmental donors.

28. The Advisory Committee notes that, in paragraph 4 of its resolution [78/257](#), the General Assembly noted that voluntary contributions should remain the primary source of funding, and stressed that assessed funding was not meant to be a substitute for voluntary contributions and innovative funding, while new article 7.2 indicates that “voluntary contributions are expected to remain the primary source of financing for the Fund”. Upon enquiry as to the use of different wording in the revised terms of reference from that in the resolution, the Committee was informed that the intent of the wording “are expected to remain” was the same as that of “should remain” in the resolution. **The Advisory Committee trusts that further clarification on the use of different wording relating to the voluntary contributions will be provided to the General Assembly during its consideration of the present report.**

2. Voluntary contributions

29. Upon enquiry, the Advisory Committee was informed that, since the establishment of the Peacebuilding Fund, a total of 33 countries had made formal requests by letter directly to the Secretary-General to be eligible for the Peacebuilding and Recovery Facility of the Peacebuilding Fund and had been approved, while 24 countries were currently eligible for the Facility. While there is no formal ceiling for financing through the Facility per country, an “Immediate Response Facility-only” country may have a maximum of \$5 million of ongoing active projects at any one time. The Committee was also provided with information on the percentages of peacebuilding funding received by regional groups and by countries of the small island developing States, least developed countries and landlocked developing countries groups (see tables below). The Committee also received information on a comparative chart showing the percentages that each country received from the Fund, as well as information on a list of implementing partners of the Fund.

Funding per region

(Percentage)

<i>Region</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>
African States	79	75	68
Latin American and Caribbean States	14	17	18
Asia-Pacific States	7	3	6
Eastern European States	0	5	9
Western European and other States	0	0	0

Funding per group

(Percentage)

<i>Group</i>	<i>2021</i>	<i>2022</i>	<i>2023</i>
Least developed countries	62	71	76
Landlocked developing countries	29	30	40
Small island developing States	7	12	9

30. The Advisory Committee recalls that, in 2020, the Peacebuilding Fund launched a strategic plan for the period 2020–2024 aimed at investing \$1.5 billion in peacebuilding efforts in response to increased global demand ([A/76/732](#), para. 14). **Considering that the strategic plan for the period 2020–2024 is concluding, the Advisory Committee trusts that the Secretary-General will provide updated information on the prevention activities envisaged and implemented under the strategy for the period to the General Assembly at the time of its consideration of the present report ([A/76/821](#), para. 5). The Committee reiterates its view that greater fundraising efforts should be pursued, including with respect to securing contributions from official development assistance, new donors and the private sector (see also [A/76/821](#), para. 24).**

3. Non-monetary contributions

31. The General Assembly, in paragraph 23 of its resolution [78/257](#), requested the Secretary-General to conduct a comprehensive study of innovative and other means of resource mobilization and options of attaining more non-monetary contributions and their further use in activities carried out by the Peacebuilding Fund, and to report on the conclusions and results of the study to the Assembly at its eighty-third session. Upon enquiry, the Advisory Committee was informed that, while the study has yet to be carried out, it is to be noted that, as a pooled fund, the Peacebuilding Fund itself cannot receive non-monetary contributions; however, projects that are financed by the Fund may benefit from non-monetary contributions. Such contributions are not tracked globally, as they are locally organized and not easily aggregated. The Peacebuilding Support Office, as the manager of the Fund, benefits from the support of Junior Professional Officers from some countries.

D. Review and amendment of the terms of reference

32. With respect to the future review and amendment of the terms of reference, the Advisory Committee notes the addition to article 8.1, that “any amendment to these terms of reference will involve consultations in collaboration with the Peacebuilding Commission and open to all Member States and will be subsequently presented by the Secretary-General to the General Assembly”.

III. Conclusion

33. The Secretary-General requests the General Assembly to take note of the information provided in his report ([A/79/541](#), para. 19). Considering that the revised terms of reference of the Peacebuilding Fund were requested by the Assembly in the context of the approval of \$50 million of assessed contributions per annum, the Advisory Committee was informed, upon enquiry, that the Assembly had taken note of the previous revisions to the terms of reference (see also para. 4 above) and that, as the current revisions were limited to the requests contained in Assembly resolution [78/257](#),

the Secretary-General had requested the Assembly to take note of the information provided in his report.

34. Subject to its comments and recommendations in the present report, the Advisory Committee recalls that the General Assembly, in paragraph 13 of its resolution [78/257](#), requested the Secretary-General to present the revised terms of reference to the Assembly during the main part of the seventy-ninth session at the latest (see also para. 32 above).

Annex

Terms of reference for the Peacebuilding Fund

1. General considerations and principles

1.1. The General Assembly and the Security Council requested the Secretary-General to establish a multi-year standing Peacebuilding Fund (hereinafter referred to as the **Peacebuilding Fund or the Fund**) for post-conflict peacebuilding.¹ The Peacebuilding Fund, together with the Peacebuilding Commission and the Peacebuilding Support Office **in the Department of Political and Peacebuilding Affairs**, is part of a broader United Nations peacebuilding architecture which works with international- and country-level partners in support of post-conflict peacebuilding. The Fund provides for a more sustained engagement in support of countries emerging from conflict and will support peacebuilding activities that directly contribute to post-conflict stabilization and strengthen the capacity of Governments, national/local institutions and transitional or other relevant authorities. **The Peacebuilding Fund will follow the guidance concerning sustaining peace provided by the twin resolutions of 2016 of the General Assembly (resolution [70/262](#)) and the Security Council (resolution [2282 \(2016\)](#)).**

1.2. The Peacebuilding Fund is a global fund designed to support several country situations simultaneously and therefore combines the scope of a global fund with the country-specific focus of a multi-donor trust fund. The Fund's basic architecture encompasses a two-tier decision-making process, involving a central allocation of funding to countries eligible for Fund support and, at the country level, a joint review by the Government and the senior United Nations representative of the Secretary-General in the country (hereinafter referred to as the senior United Nations representative) concerning the disbursement of funds against agreed-upon programme and project activities.

1.3. In fulfilling its mandate to provide immediate and direct support to post-conflict countries, the operations of the Peacebuilding Fund will be guided by the following principles:

- **National ownership**
- Transparency
- Flexibility
- Operational speed
- Accountability
- Catalytic effect
- Effectiveness
- Needs-based allocations
- ~~National ownership~~

1.4. **Assessed contributions to the dedicated multi-year special account, referred to as the Peacebuilding Account, will be earmarked to fund the Peacebuilding and Recovery Facility of the Peacebuilding Fund and will be managed in accordance with these terms of reference and in line with General Assembly resolution [78/257](#).**

¹ See General Assembly resolution [60/180](#) and Security Council resolution [1645 \(2005\)](#).

1.5. The Secretary-General has entrusted the Head of the Peacebuilding Support Office with responsibility for managing the Peacebuilding Fund and coordinating all aspects of the work and programmes to be financed from the Fund, while recognizing the specific roles, responsibilities and accountability of other stakeholders.

2. Scope of the Peacebuilding Fund

2.1. The Peacebuilding Fund will support interventions of direct and immediate relevance to the peacebuilding process and contribute towards addressing critical gaps in that process, in particular in areas for which no other funding mechanism is available. Use of Fund resources is intended to have a catalytic effect in helping to create other, more sustained support mechanisms, such as longer-term engagements by development organizations and bilateral donors, and the mobilization of national stakeholders in support of peacebuilding. Support extended through the Peacebuilding Fund must have a direct and positive impact on the sustainability of the peacebuilding process. The Fund supports countries included in the agenda of the Peacebuilding Commission, as well as countries **or regions** recovering from conflict or considered to be at risk of lapsing or relapsing into conflict that are not included in the agenda of the Commission.

The activities with a specific scope to be funded by the Peacebuilding Fund will include:

- (a) Responses designed to respond to imminent threats to the peace process; and support for the implementation of peace agreements and political dialogue, in particular in relation to strengthening of national institutions and processes set up under those agreements;
- (b) Activities undertaken to build and/or strengthen national capacities to promote coexistence and peaceful resolution of conflict and to carry out peacebuilding activities;
- (c) Activities undertaken in support of efforts to revitalize the economy and generate immediate peace dividends for the population at large;
- (d) Establishment or re-establishment of essential administrative services and related human and technical capacities which may include, in exceptional circumstances and over a limited period of time, the payment of civil service salaries and other recurrent costs.

2.2. Consultative processes with key stakeholders at both the country level and at United Nations Headquarters will be required to ensure that there is no duplication or overlap between the Peacebuilding Fund and other funding mechanisms. This ongoing coordination effort will also need to be extended to include the transition from peacebuilding support to sustainable development.

2.3. The Peacebuilding Fund will support efforts to address immediate needs in countries emerging from conflict at a time when sufficient resources are not available from other funding mechanisms that could extend support to peacebuilding activities. The Peacebuilding Fund would thus focus on delivering the greatest value added during the very early and critical stages of a peacebuilding process, before donor conferences are organized and before such funding mechanisms as country-specific multi-donor trust funds have been set up.

2.4. There may, however, be specific instances in which the Peacebuilding Fund could meaningfully extend support to countries at a more advanced stage of their peacebuilding process, in particular:

- (a) Countries for which no multi-donor trust fund has been established;

(b) Countries with an operational multi-donor trust fund but in which critical peacebuilding interventions remain underfunded or in which the need for such interventions arises unexpectedly.

3. Allocation and disbursement process

3.1. In principle, any country before the Peacebuilding Commission should be considered a possible recipient of Peacebuilding Fund support. The Commission would advise the Secretary-General that the country under consideration should be considered eligible for funding, which will then formally trigger the allocation and disbursement process. The Commission is expected to make this determination early on in its deliberations to ensure that support through the Fund can be provided in a timely manner. The Commission will be provided with regular updates and have the opportunity to provide, at the initial stage of priority plan formulation, strategic advice on overall funding priorities on the basis of the Commission's strategic engagement in the country concerned.

3.2. The Secretary-General may determine that a particular country in exceptional circumstances and on the verge of lapsing or relapsing into conflict may be considered eligible for Peacebuilding Fund support, even if the country is not yet under consideration by the Peacebuilding Commission. The Secretary-General will inform the Commission of such a decision.

3.3. The Peacebuilding Fund will provide immediate response, recovery needs and peacebuilding assistance to countries included in the agenda of the Peacebuilding Commission and those not included in the agenda of the Commission. In all cases, the Secretary-General will inform the Commission regarding the activation of funding facilities and will provide justification for the selection of countries and/or the allocations made.

(a) *Immediate Response Facility*: Taking maximum advantage of the ability of the Peacebuilding Fund to act rapidly and flexibly, this Facility will provide emergency funding for immediate peacebuilding and recovery needs. Countries included in the agenda of the Peacebuilding Commission as well as those not included in the agenda of the Commission are eligible. A request should be made by the national authorities and the senior United Nations representative in the country. The Secretary-General can immediately decide to allocate funds based on a case-by-case assessment. Where emergency and/or recovery requests exceed amounts identified in the operational policies and guidelines of the Fund, the Secretary-General will subsequently initiate further detailed assessment of such requests.

(i) For countries included in the agenda of the Peacebuilding Commission that are applying for support from the Immediate Response Facility, the Commission may offer strategic guidance on immediate and/or critical peacebuilding and recovery needs in the country concerned.

(ii) For countries not included in the agenda of the Peacebuilding Commission, once a request has been submitted, the Head of the Peacebuilding Support Office will undertake a rapid and thorough review of the funding request with an accompanying risk assessment.

(b) *Peacebuilding and Recovery Facility*: In all cases, allocations and disbursements will be made based on a priority plan jointly developed by national authorities and the United Nations presence in the country concerned. For countries included in the agenda of the Peacebuilding Commission, the priority plan will be informed by the priority-setting exercise and/or the integrated peacebuilding strategy agreed between the Commission and the national authorities of the country concerned.

3.4. The priority plan is developed by national authorities and the United Nations in a country based on a joint analysis of critical gaps and peacebuilding needs. It contains an indicative number of critical interventions required to strengthen and sustain the peacebuilding process. In countries where a post-conflict needs assessment is ongoing or has been completed and/or a national peace consolidation or recovery framework is in place, attention will be focused on ensuring that these elements inform the development of the priority plan, or feed into the priority-setting exercise in countries included in the agenda of the Commission. The priority plan will propose interventions and provide corresponding indicative budget estimates. It may also indicate, where available, tentative funding requirements beyond the immediate scope of the Peacebuilding Fund. For countries included in the agenda of the Peacebuilding Commission, the Peacebuilding Support Office will present such requirements to the Commission with a view to securing early consideration for additional financial support from non-Fund funding sources. The priority plan is submitted to the Head of the Peacebuilding Support Office for approval.

3.5. Under the authority of the Secretary-General, the Head of the Peacebuilding Support Office will conduct an expeditious review of the priority plan through a consultative process involving senior officials from the Department of Peacekeeping Operations, the Department of Political and Peacebuilding Affairs and the Office for the Coordination of Humanitarian Affairs of the United Nations Secretariat and the United Nations Development Operations Coordination Office,² UNDP,^e and the Office of the United Nations High Commissioner for Human Rights, in an effort to avoid any duplication with respect to ongoing or planned interventions. Other departments, funds, agencies and programmes, as well as international financial institutions, can also be consulted when appropriate.

(a) For priority plan-based programme applications, the Head of the Peacebuilding Support Office will determine the overall country funding envelope based on a review of the priorities set, with due regard for funding needs, the available balance in the Peacebuilding Fund and projected requirements for new countries likely to be considered by the Fund.

(b) For emergency peacebuilding and recovery funding requests submitted by a country through the ranking senior United Nations representative, the Head of the Peacebuilding Support Office will ensure that consideration includes appropriate review procedures and risk assessments, which will be conducted in a manner that does not compromise speed or efficacy of response.

3.6. The review and approval of project activities will be conducted at the country level utilizing existing coordination and consultation mechanisms where feasible, and co-managed by the respective senior United Nations representative and the concerned Government authorities, and with representatives of other key stakeholders (hereinafter referred to as the National **Joint** Steering Committee). In formally approving project submissions, the ranking senior United Nations representative and the Government will be required to ensure that any activities to be funded under the Peacebuilding Fund country allocation will:

(a) Support the priorities and needs reflected in the priority plan **eligibility request** and, for countries included in the agenda of the Peacebuilding Commission, the priorities established by the Commission;

(b) Adhere to the established principles of the Fund referred to in paragraph 1.3 above;

² Supporting the chair of the United Nations Sustainable Development Group.

^e ~~As chair of the Inter-Agency Standing Committee working group on early recovery.~~

- (c) Address any gap that cannot be, or has not been, funded through any other mechanism;
- (d) Not duplicate other ongoing interventions;
- (e) Be undertaken by competent recipient organizations with the requisite expertise and capacity.

3.7. In addition to central Government authorities, the organizations and bodies of the United Nations system, including its funds, programmes and specialized agencies, and other international organizations and non-governmental organizations (all of which will be hereinafter referred to as recipient organizations), can receive Peacebuilding Fund support through project agreements as implementing partners.

3.8. **Assessed contributions that are provided to the Peacebuilding Fund through the multi-year special account will be earmarked to the Peacebuilding and Recovery Facility of the Peacebuilding Fund and will be managed in accordance with General Assembly resolution 78/257. In particular, the Secretary-General will report to the Assembly, on an annual basis, on the proposed programme budget for the Peacebuilding Account with an annex listing the proposed projects, beneficiary countries, budget per country and objectives. The Secretary-General will provide additional supplementary information, as appropriate, in the course of the meetings of the Fifth Committee. In addition, the Peacebuilding Support Office will provide the Advisory Group with a list of proposed projects, beneficiary countries, budget per country and objectives for its review, and will seek strategic and practical guidance and actionable recommendations on these projects and report thereon to the Peacebuilding Commission.**

4. Management of the Peacebuilding Fund

4.1. Under the authority of the Secretary-General, the Head of the Peacebuilding Support Office will provide overall direction and guidance on programme management of the Peacebuilding Fund and monitor its operations. The UNDP Multi-~~donor~~**Partner** Trust Fund Office will serve as the administrative agent responsible for the administration of the Peacebuilding Fund, the receipt of donor contributions, the disbursement of funds and the compilation of consolidated financial and narrative reports in accordance with the terms of reference, under the overall authority of the Head of the Peacebuilding Support Office. The UNDP Multi-~~donor~~**Partner** Trust Fund Office will administer the Peacebuilding Fund in accordance with UNDP regulations, rules, directives and procedures. A formal agreement to determine fiduciary responsibility, programming modalities at the country level and related reporting requirements will be negotiated directly between the Head of the Peacebuilding Support Office and the UNDP Multi-~~donor~~**Partner** Trust Fund Office.

4.2. The Peacebuilding Support Office, in consultation with the administrative agent and recipient agencies, ~~shall establish~~ **has established** operating policies, guidelines and procedures for use in the Peacebuilding Fund process. **These procedures address the requirements outlined by the General Assembly in resolution 78/257 with respect to the assessed contributions to the Peacebuilding Fund through the Peacebuilding Account.**

4.3. The Peacebuilding Fund will be utilized for the purpose of meeting the direct and indirect costs of projects managed and/or implemented by the recipient organizations. In addition, the Fund resources may be used by the Peacebuilding Support Office to support Fund operations at global and country levels. The overall management fees for both programme implementation and Fund management will not exceed 11 per cent of funds received.

4.4. Recipients will assume full programmatic and financial accountability for the funds disbursed to them by the administrative agent. For United Nations recipients, such funds will be administered in accordance with their own regulations, rules, directives and procedures. All other recipients will follow the reporting and audit principles prescribed by the United Nations in respect of financial resources obtained from the Peacebuilding Fund.

5. Governance arrangements

5.1. The General Assembly will guide the operations of the Peacebuilding Fund. On the basis of an annual analytical report submitted by the Secretary-General, pursuant to the provisions of section 6 below and reflecting the lessons learned, the Assembly and the Peacebuilding Commission may offer overall policy guidance on the use of the Fund.

5.2. The Peacebuilding Commission will support the development of integrated strategies for post-conflict peacebuilding and recovery and provide strategic advice related to countries under its review.

5.3. In addition, the Peacebuilding Commission will host an annual informative and interactive strategic dialogue (the annual Peacebuilding Fund meeting) during which the Peacebuilding Support Office will seek the advice of the Commission on priorities, especially for the assessed contributions, in line with the Commission's functions as an advisory body.³

5.4. The Secretary-General will appoint an independent Advisory Group to provide advice and oversight on the speed and appropriateness of Peacebuilding Fund allocations and to examine performance and financial reports. On the basis of nominations from Member States, the Secretary-General will appoint to the Advisory Group up to 12 eminent personalities, selected on the basis of their peacebuilding experience, ~~from all regions,~~ **taking note of the importance of regional representation and gender equity**, including countries contributing to the Fund, **and taking into account regions with significant investment in the Peacebuilding Fund.** Members will be appointed for a two-year period and the Advisory Group will meet at least twice a year, receiving support from the Peacebuilding Support Office.

5.5. Concerning assessed contributions, the General Assembly will provide guidance through its review and approval of the programme budget, as noted under section 3 above.

6. Reporting, accountability, transparency and audit

6.1. The administrative agent will submit to the Secretary-General, through the Head of the Peacebuilding Support Office, consolidated financial and narrative progress reports, based on reports submitted by recipient United Nations organizations which will include a reflection on lessons learned. These consolidated reports, which will include country-specific sections, will be submitted by the administrative agent to the Peacebuilding Support Office at regular intervals, as specified in the formal agreement referred to in paragraph 4.1 above.

6.2. The Secretary-General will submit an annual report to the General Assembly on the basis of the consolidated reports compiled by the administrative agent, which will be complemented by information on performance updates and evaluation submitted by respective ~~National~~ **joint Steering Committees.** The annual report will detail all

³ Responds also to paragraph 5 (c) of General Assembly resolution 70/262 and Security Council resolution 2282 (2016) encouraging increased synergies between the Peacebuilding Commission and the Peacebuilding Fund.

disbursements made by the Peacebuilding Fund and examine in detail the outcomes achieved, including gender analysis, applying a results-based approach. Regular updates on the use of Fund resources and general Fund information will be published on a dedicated website.

6.3. The Secretary-General will also report annually on the implementation, performance, progress and expenditure of projects funded by assessed contributions, and on the implementation of the recommendations of the Board of Auditors and the Advisory Committee on Administrative and Budgetary Questions.

6.4. The Peacebuilding Fund will be independently evaluated every three years to assess effectiveness in fulfilling its objectives and overall impact in support of peacebuilding. The Peacebuilding Support Office will make active use of evaluations, **impact assessments** and lessons-learned exercises, **including through the Peacebuilding Impact Hub**, so as to rapidly build up a body of knowledge and best practices relating to the utilization of the Fund.

6.5. The Peacebuilding Support Office will also provide regular briefings to Member States and donors on the performance of the Peacebuilding Fund based on ~~the progress reports and evaluations referred to in paragraphs 6.1 and 6.3 above. An annual Peacebuilding Fund meeting will be convened~~ to provide all stakeholders with the opportunity to review Fund progress and emerging lessons.

6.6. The Peacebuilding Fund will be subject solely to the external and internal audit procedures of the United Nations.

7. Contributions to the Peacebuilding Fund

7.1. The current funding target of the Peacebuilding Fund, ~~of \$250 million should be increased in response to evolving needs and activities of the Fund in accordance with the Secretary-General's ambition of a "quantum leap" and as included in the funding compact of 2024, is \$500 million per year.~~

Voluntary contributions

7.2. **Voluntary contributions to the Fund, to be received at the global level, will be accepted from States Members of the United Nations, intergovernmental organizations and other sources, including the private sector. Voluntary contributions are expected to remain the primary source of financing for the Fund.**

7.3. The Peacebuilding Fund is a multi-year standing fund and requires a continuous income to maintain its operability. The annual meeting to review progress referred to in paragraph ~~6.4~~**5.3** above can provide an occasion for replenishment of the Fund. The Peacebuilding Support Office and the UNDP Multi-~~donor~~**Partner** Trust Fund Office will provide donors with detailed reports on the use of the Fund, in terms of performance progress and expenditure, so as to provide thereby substantive support to any replenishment request.

Assessed contributions

7.4. **In 2023, the General Assembly in its resolution [78/257](#) decided to create a dedicated multi-year special account, called the Peacebuilding Account, as a modality of financing the Peacebuilding Fund. In line with Assembly resolution [78/257](#), the Peacebuilding Account will be managed by the Peacebuilding Support Office in accordance with the relevant Financial Regulations and Rules of the United Nations and the Regulations and Rules Governing Programme Planning, the Programme Aspects of the Budget, the Monitoring of Implementation and the**

Methods of Evaluation. Assessed contributions to the Fund will be administered by the UNDP Multi-Partner Trust Fund Office as an earmarked pool of resources separate from any voluntary funding.⁴

8. Review and amendment

8.1. The Head of the Peacebuilding Support Office, in consultation with the Advisory Group, may initiate a formal process to amend the terms of reference. **Any amendment to these terms of reference will involve consultations in collaboration with the Peacebuilding Commission and open to all Member States and will be subsequently presented by the Secretary-General to the General Assembly.**

⁴ General Assembly resolution 78/257, paragraphs 7 and 11.