

Peacebuilding Fund Newsletter



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Peacebuilding Fund Launched

On 11 October 2006, the UN Secretary-General Kofi Annan launched the newly created Peacebuilding Fund (PBF). The Fund is designed to support critical Peacebuilding challenges in countries emerging from conflict. Donors have already pledged some US\$ 142 million, with a target of 250 million.

In his speech, Mr. Annan stated that *"the international community now has at its disposal a new and well-designed peacebuilding platform. Used well, it can help countries avoid a relapse into conflict, and enable them to regain – or find for the first time – the path to peace."*

The Peacebuilding Fund has been designed to support post-

conflict stabilization initiatives, such as the implementation of peace agreements and the prevention of the recurrence of conflicts.

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 meant to have a catalytic effect in helping to bring about other, more sustained support mechanisms, such as longer term engagements by development agencies and bilateral donors.



The UN Secretary-General Kofi Annan (second from right) launched the newly created Peacebuilding Fund (PBF) on 11 October 2006.
UN Photo/Paulo Filgueiras

PBF in Burundi and Sierra Leone

At its first ever country-specific meetings, on 12 and 13 October 2006, the United Nations Peacebuilding Commission recommended that Sierra Leone and Burundi be identified as the first recipients under the Peacebuilding Fund, enabling the war-ravaged countries to emerge from conflict and rebuild themselves and prevent themselves from falling back into conflict.

The Peacebuilding Commission members, in its meetings held in New York 12 and 13 December 2006, agreed to fill the gap in Sierra Leone and Burundi's peacebuilding efforts with an initial contribution of approximately \$25 million for each of the countries from the Peacebuilding Fund. A final figure will be decided pending a review of the

Priority Plan for the Peacebuilding Fund in Burundi and Sierra Leone respectively - documents containing interventions to strengthen the peacebuilding process, and which has been decided jointly by the Governments of Burundi and Sierra Leone and the United Nations.

For more on the Peacebuilding Fund in Burundi and Sierra Leone, see the back page.

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"Ultimately, the Peacebuilding Fund must help people to rebuild state institutions, and regain confidence in them after years and even decades of strife."

Mr. Kofi Annan
UN Secretary-General

About the PBF

The Peacebuilding Fund (PBF) will address immediate needs in countries emerging from conflict at a time when sufficient resources are not available from other funding mechanisms. It will focus on delivering services in the very early stages of a peacebuilding process, before donor conferences

are organized and such funding mechanisms as country-specific multi-donor trust funds have been set up. Use of Fund resources is meant to encourage longer term engagements by development agencies and bilateral donors. Support extended through the Peacebuilding Fund must

indeed have a direct and positive impact on the sustainability of the peacebuilding process. The PBF 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.

PBF Activities

PBF supports 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 contribute towards addressing critical gaps in the peacebuilding process, in particular in areas for which no other funding mechanism is available.

The specific scope of the activities to be funded by the Peacebuilding Fund will thus include:

(a) Activities in support of the implementation of peace agreements, in particular in relation to national institutions and processes set up under those agreements;

(b) Activities in support of efforts by the country to build and strengthen capacities which promote coexistence and the peaceful resolution of conflict, thereby reducing the likelihood of recurrent conflict;

(c) 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;

(d) Critical interventions designed to respond to imminent threats to the peacebuilding process (e.g., reintegration of ex-combatants disarmed under a disarmament, demobilization and reintegration programme).



Caption describing picture or graphic.

PBF Roles and Responsibilities

Under the authority of the **Secretary-General**, the head of the **Peacebuilding Support Office** will provide overall direction and guidance on the programme management of the Fund and monitor its operations. Fund resources may be used by the Peacebuilding Support Office, the fund manager, the office of the special representative of the Secretary-General and its national counterpart directly involved in

coordinating Fund activities at the country level, to cover their respective direct costs associated with the management of the Fund. The Secretary-General will appoint an independent advisory group to provide advice and oversight on the speed and appropriateness of the 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 10 eminent personalities, selected on the basis of their peacebuilding experience, from all regions, including countries contributing to the 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.

"The Fund will coordinate closely with other financing instruments. The PBF will not duplicate efforts planned elsewhere and efforts will be made to ensure that it remains focused on the critical peacebuilding gaps for which it has been established.

Ms. Carolyn McAskie
ASG for Peacebuilding Support

PBF Roles and Responsibilities cont.

The **United Nations Development Programme** (UNDP) has been appointed to serve as the fund manager (administrative agent) responsible for the administration of the Fund, the receipt of donor contributions and the disbursement of funds. UNDP will administer the Fund in accordance with

its 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 Secretary-General and the Administrator of UNDP.

The **General Assembly** guides the operations of the Fund. On the basis of an annual analytical report submitted by the Secretary-General and reflecting the lessons learned by the Peacebuilding Commission, the Assembly and the Commission may offer overall policy guidance on the use of the Fund.



Caption describing picture or graphic.

Pledges and Contributions to the PBF

The initial funding target of the Peacebuilding Fund is set at \$250 million. Voluntary contributions to the Fund will be accepted from States Members of the United Nations, intergovernmental organizations and other sources, including the private sector, following the adoption of the Terms of Reference.

The Fund is a multi-year standing fund and requires continuous income to maintain its operability. A fund-raising drive to solicit for the replenishment of the Fund will be initiated once the income level drops below a pre-

determined minimum floor. Should cash reserves remain above this level, an annual replenishment exercise will be held on the anniversary date of the launch of the Fund. Under both modalities, the Administrator of UNDP will provide detailed expenditure reports to donors on the use of the Fund so as to provide substantive support to the replenishment request. Donor consultations will be held on an annual basis to apprise financial contributors on the operations of the Fund and to solicit their feedback on the use of funds.

Pledges and Contributions as of 13 Dec 2006		
Country	Pledges in 1,000 USD	Deposits in 1,000 USD
Norway	31,980	18,900
Sweden	27,084	12,571
Japan	20,000	20,000
Netherlands	18,900	-
Canada	17,544	-
Ireland	12,600	12,600
United Kingdom	11,200	-
Denmark	8,834	-
Belgium	3,264	-
Korea	3,000	-
China	3,000	-
Finland	2,108	-
India	2,000	2,000
Iceland	1,000	-
Turkey	800	800
Australia	750	-
Kuwait	500	-
Luxembourg	395	-
Poland	50	50
Czech Republic	50	50
Indonesia	20	-
Egypt	20	20
Chile	10	10
Croatia	10	10
TOTAL	165,119	64,116

"The Fund represents a new and innovative tool that bridges the gap between what the United Nations ought to do and what it does. The fact that it was based on pre-pledged, non-earmarked contributions, makes it a powerful tool that could quickly channel resources where needs are greatest. For the Fund to truly make a difference in post-conflict countries, however, there needs to be common responsibility for its financing.

Ms. Anne Stenhammer, Deputy Minister for International Development of Norway

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PBF in Burundi

At its second country-specific meeting, on 13 October 2006, the United Nations Peacebuilding Commission recommended that Burundi be identified as a recipient under the Peacebuilding Fund, enabling the war-ravaged country to emerge from conflict and rebuild itself and prevent it from falling back into conflict.

Burundi has recently emerged from 12 years of civil war and, though it is now enjoying a sense of stability and security, the country needs assistance to achieve good governance and ensure respect for human rights.

In its discussions leading to the decision to include Burundi as a recipient of the Peacebuilding Fund, members of the Peacebuilding Commission raised a number of key priorities, where a lack of progress could obstruct further consolidation of peace, including good governance; strengthening the country's capacity, socio-economic recovery; security-sector reform; disarmament, demobilization and reintegration of combatants; human rights; implementation of the ceasefire agreement; fighting against impunity; justice; unemployment and assistance to vulnerable persons.

PBF in Burundi



Image from Burundi

At its first ever country-specific meeting, on 12 October 2006, the United Nations Peacebuilding Commission recommended that Sierra Leone be identified as the first recipient under the Peacebuilding Fund, enabling the war-ravaged country to emerge from conflict and rebuild itself and prevent it from falling back into

conflict.

While much progress has been made five years after a decade-long conflict, including restoring State authority and disarming former combatants, more difficult tasks remain, particularly solving unemployment and corruption.

The decision to include Sierra Leone as a recipient of the Peacebuilding Fund is a turning point in the development of UN peacebuilding efforts as it brings together all the relevant actors in Sierra Leone's recovery. Despite the Government's efforts to rebuild the country, there is a great need for international assistance.

The Government of Sierra Leone presented an outline of strategies and plans at the Peacebuilding Commission's country-specific meetings, held in New York 13 December 2006. Commission members agreed to fill the gap in Sierra Leone's peacebuilding efforts with an initial contribution of approximately \$25 million from the Peacebuilding Fund.