

**SECRETARY-GENERAL'S PEACEBUILDING FUND  
PROJECT DOCUMENT TEMPLATE**



United Nations  
Peacebuilding

**PBF PROJECT DOCUMENT**

<b>Country(ies):</b> Global	
<b>Project Title:</b> Innovative Financing and Private Sector Engagement for Peacebuilding <b>Project Number from MPTF-O Gateway (if existing project):</b>	
<b>PBF project modality:</b> <input checked="" type="checkbox"/> IRF <input type="checkbox"/> PRF	<b>If funding is disbursed into a national or regional trust fund (instead of into individual recipient agency accounts):</b> <input type="checkbox"/> Country Trust Fund <input type="checkbox"/> Regional Trust Fund <b>Name of Recipient Fund:</b>
<b>List all direct project recipient organizations (starting with Convening Agency), followed by type of organization (UN, CSO etc.):</b> UN Department for Political and Peacebuilding Affairs – Peacebuilding Supporting Office (DPPA-PBSO)	
<b>List additional implementing partners, specify the type of organization (Government, INGO, local CSO):</b> UNCDF, UN Global Compact, NORDEM, German Federal Foreign Office and Permanent Mission, South Africa Permanent Mission, Stellenbosch University	
<b>Project duration in months<sup>1 2</sup>:</b> 2 years (24 months) <b>Geographic zones (within the country) for project implementation:</b> Global	
<b>Does the project fall under one or more of the specific PBF priority windows below:</b> <input type="checkbox"/> Gender promotion initiative <sup>3</sup> <input type="checkbox"/> Youth promotion initiative <sup>4</sup> <input type="checkbox"/> Transition from UN or regional peacekeeping or special political missions <input type="checkbox"/> Cross-border or regional project	
<b>Total PBF approved project budget* (by recipient organization):</b> Year 1: \$ 361,519.83 Year 2: \$ 241,013.22 Total: \$ 602,533.05  <i>*The overall approved budget and the release of the second and any subsequent tranche are conditional and subject to PBSO's approval and subject to availability of funds in the PBF account. For payment of second and subsequent tranches the Coordinating agency needs to demonstrate expenditure/commitment of at least 75% of the previous tranche and provision of any PBF reports due in the period elapsed.</i>	
<b>Any other existing funding for the project (amount and source):</b>	

<sup>1</sup> Maximum project duration for IRF projects is 24 months, for PRF projects – 36 months.

<sup>2</sup> The official project start date will be the date of the first project budget transfer by MPTFO to the recipient organization(s), as per the MPTFO Gateway page.

<sup>3</sup> Check this box only if the project was approved under PBF's special call for proposals, the Gender Promotion Initiative

<sup>4</sup> Check this box only if the project was approved under PBF's special call for proposals, the Youth Promotion Initiative

<b>PBF 1<sup>st</sup> tranche (60%):</b> PBSO: \$ 361,519.83 Total: \$ 361,519.83	<b>PBF 2<sup>nd</sup> tranche* (40_%):</b> PBSO: \$ 241,013.22 Total: \$ 241,013.22	
<b>Provide a brief project description (describe the main project goal; do not list outcomes and outputs):</b>  This project provides dedicated capacity in the Peacebuilding Support Office of the UN Department for Political and Peacebuilding Affairs to advise the Peacebuilding Fund (PBF) and UN and other partner organizations on innovative financing. The main goal will be to develop innovative finance options for peacebuilding, including through projects supported by the PBF, as well as to identify new policy frameworks and partnerships related to private sector actors and assist in developing a strategy for resource mobilizing from the private sector in support of financing for peacebuilding. This activity is supported with preferred financing from the Federal Government of Germany.		
<b>Summarize the project consultation process prior to submission to PBSO:</b>  Over the last two years, several civil society actors, including private sector entities, DFIs, think tanks, and academics, and Member States (mainly Germany and South Africa) have been consulted in the form of meetings, workshops, and high-level conferences to help identify PBSO's role and potential contribution to engaging private sector – both on policy and financing related discussions – thus informing PBSO's decision to continue this work (and create this post).		
<b>Project Gender Marker score<sup>5</sup>: <u>  1  </u></b> Specify % and \$ of total project budget allocated to activities in pursuit of gender equality and women's empowerment: The project will not have budget for activities, only for staff capacity.  <b>Briefly explain through which major intervention(s) the project will contribute to gender equality and women's empowerment <sup>6</sup>:</b> The innovative financing specialist will be required to ensure any innovative financing approaches are gender-responsive, including but not limited to compliance with PBF guidance and requirements for gender-responsive peacebuilding programmes.		
<b>Project Risk Marker score<sup>7</sup>: <u>  0  </u></b>		
<b>Select PBF Focus Areas</b> which best summarizes the focus of the project ( <i>select ONLY one</i> ) <sup>8</sup> : 4.3		

<sup>5</sup> **Score 3** for projects that have gender equality as a principal objective and allocate at least 80% of the total project budget to Gender Equality and Women's Empowerment (GEWE)

**Score 2** for projects that have gender equality as a significant objective and allocate between 30 and 79% of the total project budget to GEWE

**Score 1** for projects that contribute in some way to gender equality, but not significantly (less than 30% of the total budget for GEWE)

<sup>6</sup> Please consult the **PBF Guidance Note on Gender Marker Calculations and Gender-responsive Peacebuilding**

<sup>7</sup> **Risk marker 0** = low risk to achieving outcomes

**Risk marker 1** = medium risk to achieving outcomes

**Risk marker 2** = high risk to achieving outcomes

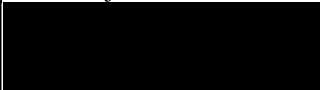

<sup>8</sup> **PBF Focus Areas** are:

If applicable, SDCF/UNDAF <b>outcome(s)</b> to which the project contributes: N/A	
<b>Sustainable Development Goal(s) and Target(s)</b> to which the project contributes: SDGs 17, 16, 8	
<b>Type of submission:</b>  <input checked="" type="checkbox"/> <b>New project</b> <input type="checkbox"/> <b>Project amendment</b>	<b>If it is a project amendment, select all changes that apply and provide a brief justification:</b>  <b>Extension of duration:</b> <input type="checkbox"/> Additional duration in months (number of months and new end date): <b>Change of project outcome/ scope:</b> <input type="checkbox"/> <b>Change of budget allocation between outcomes or budget categories of more than 15%:</b> <input type="checkbox"/> <b>Additional PBF budget:</b> <input type="checkbox"/> Additional amount by recipient organization: USD XXXXX  <b>Brief justification for amendment:</b>  <i>Note: If this is an amendment, show any changes to the project document in RED colour or in TRACKED CHANGES, ensuring a new result framework and budget tables are included with clearly visible changes. Any parts of the document which are not affected, should remain the same. New project signatures are required.</i>

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(1.1) SSR, (1.2) Rule of Law; (1.3) DDR; (1.4) Political Dialogue;  
 (2.1) National reconciliation; (2.2) Democratic Governance; (2.3) Conflict prevention/management;  
 (3.1) Employment; (3.2) Equitable access to social services  
 (4.1) Strengthening of essential national state capacity; (4.2) extension of state authority/local administration; (4.3) Governance of peacebuilding resources (including PBF Secretariats)

## PROJECT SIGNATURES:

<p><b>Recipient Organization(s)<sup>9</sup></b></p> <p>Ms. Xuejun Zhou, Executive Officer</p>  <p><i>Signature</i> UN Department of Political and Peacebuilding Affairs (DPPA)</p> <p><i>Date &amp; Seal</i>    2 March 2023</p>	
	<p><b>Peacebuilding Support Office (PBSO)</b></p> <p>Elizabeth Spehar</p>  <p><i>Signature</i> Assistant Secretary-General for Peacebuilding Support</p> <p><i>Date &amp; Seal</i>                    07/03/2023</p>

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<sup>9</sup> Please include a separate signature block for each direct recipient organization under this project.

## I. Peacebuilding Context and Rationale for PBF support (4 pages max)

- a) A brief summary of **conflict analysis findings** as they relate to this project, focusing on the driving factors of tensions/conflict that the project aims to address and an analysis of the main actors/ stakeholders that have an impact on or are impacted by the driving factors, which the project will aim to engage. This analysis must be gender- and age-responsive.

Official development assistance (ODA) to conflict-affected countries declined in absolute terms in 2019 and the share of ODA in conflict-affected countries directed to peacebuilding activities<sup>10</sup> fell by almost one third between 2012 and 2019. This challenge is well understood and captured in the 2018 Report on Peacebuilding and Sustaining Peace, in which the UN Secretary-General called for “adequate, predictable and sustained” financing for peacebuilding and for a “quantum leap” in contributions to the PBF.<sup>11</sup> In addition to proposals for increased voluntary contributions and other sources for multilateral peacebuilding funding, the Secretary-General also called for consideration of ‘innovative financing’ measures that contribute to achieving peacebuilding objectives and benefit conflict-affected countries directly.

In response to this call, the German Federal Foreign Office and its Stabilization Platform (SPF), in partnership with the UN Peacebuilding Support Office (PBSO), launched the Investing for Peace (I4P) initiative. The I4P initiative explores whether investment in private businesses in conflict-affected contexts can contribute to peacebuilding objectives and, if so, how flows of such ‘peace positive’ investment can be enhanced in scale and impact. A feasibility study<sup>12</sup> was commissioned in 2021 to build on an earlier scoping study that identified the potential for DFIs, multilateral development banks (MDBs) and private impact investors to help achieve UN peacebuilding objectives.

Innovative financing approaches through stronger private sector engagement has a strong potential to contribute positively to drivers of conflict. Stronger private sector engagement is also necessary to ensure that private sector does not undermine peace. The development of tools and frameworks to measure the impact of business on peace, informed by local contexts, can assist in this.

PSBO is also are currently exploring options, including in Colombia, DRC, and Burundi, through our areas of comparative advantage at the Peacebuilding Fund and its capability to be catalytic, both in terms of financing and peacebuilding outcomes. These options include blended finance mechanisms and increased engagement with a new set of actors – including impact investors and private foundations – to design and scale these early-stage ideas.

- b) A brief description of how the project aligns with/ supports **existing** Governmental and UN **strategic frameworks**<sup>13</sup>, how it ensures **national ownership**. If this project is designed in a

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<sup>10</sup> The peacebuilding-related categories of ODA flows are based on the 2009 Secretary-General’s report (A/63/881-S/2009/304) which highlighted several recurring peacebuilding needs. The high-level categories include basic safety and security; inclusive political processes; core government functions; and human rights and rule of law.

[https://www.un.org/peacebuilding/sites/www.un.org/peacebuilding/files/documents/bn.oda\\_snapshot.190823.pdf](https://www.un.org/peacebuilding/sites/www.un.org/peacebuilding/files/documents/bn.oda_snapshot.190823.pdf)

<sup>11</sup> <https://www.un.org/press/en/2018/sc13316.doc.htm>

<sup>12</sup> Feasibility Study/Investing for Peace Feasibility Study LHGP.pdf

<sup>13</sup> Including national gender and youth strategies and commitments, such as a National Action Plan on 1325, a National Youth Policy etc.

PRF country, describe how the main objective advances a relevant strategic objective identified through the Eligibility Process

In *Our Common Agenda*, the Secretary-General has emphasized that solutions to the multiple, overlapping global crises that we are facing, will increasingly depend on the involvement of civil society actors, including the private sector, in addition to governments.

The work implemented through this project will be key for the follow-up to the 2020 General Assembly and Security Council resolutions on sustaining peace (A/RES/75/201-S/RES/2558) which called on UN entities and Member States to further advance options for ensuring adequate, predictable and sustained financing for peacebuilding, and the 2022 General Assembly resolution on Financing for Peacebuilding (A/RES/76/305) which included several requests to Secretary-General and commitments from Member States.

In the latter resolution Member States encouraged the Secretary-General to develop a strategy for resource mobilization from the private sector in support of financing for peacebuilding as well as Member States to enhance efforts to explore and pilot innovative and flexible mechanisms to mobilize additional public and private financing for peacebuilding.

Many Member States continue to highlight the importance of further advancing momentum towards peace-responsive investments in conflict-affected contexts, as also called for at the High-Level Meeting on Financing for Peacebuilding which took place in April 2022.

The latest Peacebuilding Fund strategy for 2020-2024 highlights the importance of peace dividends – including job creation, access to basic services, infrastructure – and private sector players are crucial in accelerating the delivery of those results.

Whether it is existing or future PBF supported country level projects with a blended finance/private sector component, they have and would follow PBF guidelines and respective national ownership principles. Moreover, the planned outcome to develop normative/principles for peace-positive private sector development in conflict settings, will be done in consultation with Member states.

- c) A brief explanation of how the project fills any strategic gaps and complements any other relevant interventions, PBF funded or otherwise. Also provide a brief **summary of existing interventions** in the proposal's sector by filling out the table below.

There are a few examples of existing interventions in the initial phase to address financing gaps for peacebuilding through innovative approaches. Recently, PBF has supported several country-level projects with a blended finance/private sector component – in Liberia, Colombia, DRC and Burundi. Others include Swiss funded Peace Dividend Initiative to mobilizing equity capital for private sector in conflict-settings, UK-funded feasibility study on designing a peace bond, following the green bond model with Interpeace, and a few others. However, they are still very much in the discovery phase, looking to take shape in the coming years.

Also, while several RCOs and national governments are inclined to partner with private sector actors on accelerating results and mobilizing additional capital towards peacebuilding

interventions, there is lack of a comprehensive strategic roadmap for engagement, due diligence process, and partnership modalities that can be scaled and replicated.

## **II. Project content, strategic justification and implementation strategy (4 pages max Plus Results Framework Annex)**

- a) A brief **description of the project** focus and approach – describe the project’s overarching goal, the implementation strategy, and how it addresses the conflict causes or factors outlined in Section I (must be gender- and age- responsive).

This project provides dedicated capacity in the Peacebuilding Support Office of the UN Department for Political and Peacebuilding Affairs to advise the Peacebuilding Fund (PBF) and UN and other partner organizations on innovative financing. The main goal will be to develop innovative finance options for peacebuilding, including through projects supported by the PBF, as well as to identify new policy frameworks and partnerships related to private sector actors and assist in developing a strategy for resource mobilizing from the private sector in support of financing for peacebuilding.

- b) Provide a **project-level ‘theory of change’** – explain the assumptions about why you expect the project interventions to lead to changes in the conflict factors identified in the conflict analysis. What are the assumptions that the theory is based on? Note, this is not a summary statement of your project’s outcomes.

Strengthening innovative financing approaches through stronger private sector engagement will contribute to the availability and quality of financing for peacebuilding which is necessary for increasing peacebuilding impact. Stronger engagement of the private sector and the development of tools and frameworks to measure the impact of private sector investment strategies and transactions on peace will help ensure that the private sector does not undermine peace but that its investments in conflict-affected contexts are rather peace-responsive.

While recognizing that this work takes time, expertise, flexibility and hands-on engagement, the assumption is that in the two years of this post substantial momentum can be generated towards these objectives. Given the gaps and needs described above, the dedicated advisory capacity would be needed to make progress in this area – through the specialized expertise through this project.

- c) **Provide a narrative description of key project components** (outcomes and outputs), ensuring sufficient attention to gender, age and other key differences that should influence the project approach. In describing the project elements, be sure to indicate important considerations related to sequencing of activities.

1. Provide policy and programmatic support to the Peacebuilding Fund at UN HQ, and at regional and country levels for partnerships with the private sector, including on innovative financing of peacebuilding;

2. Support the identification and development of 2-3 concrete proposals for PBF country level projects in piloting innovative/blended financing approaches that can complement voluntary contributions from UN Member States with additional resources from other entities – including private sector, DFIs, and foundations.
3. Support the development of standards/norms on private sector activities and peacebuilding with partners within the UN system, the private sector and civil society;
4. Build coalitions, develop partnerships and support stakeholder networks (internal and external) in the design and implementation of new innovative finance options for peacebuilding and contribute to the development of new innovative finance options;
5. Integrate human rights, gender and youth perspectives into initiatives related to innovative finance and the private sector; and
6. Contribute to the operationalizing of a peacebuilding impact hub in PBSO, which will serve as a depository of knowledge and lessons to strengthen peace measurability and effectiveness across actors within the UN system and a wider peacebuilding community.

- d) **Project targeting** – provide a justification for geographic zones, criteria for beneficiary selection, expected number and type of stakeholders/beneficiaries (must be disaggregated by sex and age). Indicate whether stakeholders have been consulted in the design of this proposal. Do not repeat all outputs and activities from the Results Framework.

The project will focus on identifying new entry points while also accompanying development of and lessons learning from recently launched PBF-supported initiatives in (Liberia, Colombia, DRC, Burundi).

PBSO will continue to consult and connect a wide range of stakeholders in order to foster the kind of partnerships needed to make progress in this area. Such consultative and partnership action will build on what has already taken shape in the past two years.

Several civil society actors, including private sector entities, DFIs, think tanks, and academics have been consulted in the form of meetings, workshops, and high-level conferences to help identify PBSO's role and potential contribution to engaging private sector – both on policy and financing related discussions. Some of these include but are not limited to:

- High-Level Roundtable on Innovative Financing for Peace (May 2021) - Convergence Blended Finance, Crossboundary, Bamboo Capital
- Informal Dialogue: Peace-Responsive Investing (hosted by PBSO, January 2022) – Interpeace, Lionshead Capital, Peace Dividend Initiative, PeaceNexus, and UN Global Compact
- High-Level Meeting Roundtable – Private Sector (April 2022) – Energy Peace Partners, Asian Development Bank, Lionshead Capital, UNCDF
- Investing for Peace (I4P) Conference in Berlin (October 2022) – African Development Bank, African Resilience Investment Acceleration (ARIA)

### **III. Project management and coordination (4 pages max)**

- a) **Recipient organizations and implementing partners** – list all direct recipient organizations and their implementing partners (international and local), specifying the Convening



Organization, which will coordinate the project, and providing a brief justification for the choices, based on mandate, experience, local knowledge and existing capacity.

The Peacebuilding Support Office in the UN's Department for Political and Peacebuilding Affairs will be the sole recipient and fully responsible for the management of this project. PBSO will ensure that the advisory capacity of this project will benefit a range of UN and non-UN partners already implementing innovative financing mechanisms and private sector partnership engagement for peacebuilding initiatives.

- b) **Project management and coordination** – Indicate the project implementation team, including positions and roles and explanation of which positions are to be funded by the project (to which percentage). Explicitly indicate how the project implementation team will ensure sufficient gender or youth expertise. Explain project coordination and oversight arrangements and ensure link with PBF Secretariat if it exists. **Attach key staff TORs.**

The project consists of one Innovative Finance Specialist post at P4 level to provide the advisory services and deliver the outputs described in Section II.c.

The post's First Reporting Officer will be the Chief of PBSO's Peacebuilding Strategy and Partnerships branch (PSPB), and the Second Reporting Officer will be the Chief of PBSO's Financing for Peacebuilding Branch.

PBSO will manage the overall direction of the Office's innovative financing support through the Senior Management Team, which will also monitor cross-branch coordination in this area.

Coordination with UN partners will be managed based on specific partnership objectives or initiatives. The UN Peacebuilding Coordination Group (policy focal points of UN agencies, funds and programmes, convened by PBSO) will be engaged at key moments as new initiatives mature.

The Innovative Finance Specialist will collaborate with PBF Programme Officers and UN Country Teams on the development and monitoring of innovative financing projects supported by the PBF, coordinating closely with PBSO's Gender, Youth and Human Rights Advisers.

- c) **Risk management** – Identify project-specific risks and how they will be managed, including the approach to updating risks and making project adjustments. Include a Do No Harm approach and risk mitigation strategy.

Project specific risk	Risk level (low, medium, high)	Mitigation strategy (including Do No Harm considerations)
Private sector actors operate as status quo without conflict-sensitive approach in spite of guiding principles developed by the UN system and/or too few private sector	Medium	To mitigate these risks it will be important for the Innovative Finance Specialist to coordinate consistent and strong advocacy efforts on the

actors are willing to engage the UN on developing such principles, hampering the ability of the Innovative Finance Specialist to deliver progress.		rationale of such principles, including by facilitating the convening of multi-stakeholder dialogues. Political buy-in from both donors and recipient countries needs to be maintained and strengthened, including by ensuring key messages are reflected in senior UN leadership remarks/TPs at external events and communications.
Lack of systematic knowledge and lessons learned on innovative financing projects from the field, which could limit the opportunities for the Innovative Finance Specialist to expand the PBF portfolio	Medium	To mitigate this risk, through this project, UNCTs can be included in dialogues, where appropriate. Extra efforts to strengthen peer-to-peer learning through South South and Triangular Cooperation will also help unlock knowledge in the field on the impact of such projects and ways to replicate and scale pilots in PBF priority countries.

- d) **Monitoring and evaluation** – Describe the M&E approach for the project, including M&E expertise in the project team and main means and timing of collecting data? Include: a budget break-down for both monitoring and evaluation activities, including collection of baseline and end line data and an independent evaluation, and an approximate M&E timeline. Fund recipients are obligated to reserve at least 5-7% of the project budget for M&E activities, including sufficient funds for a quality, independent evaluation.

As this project solely comprises of providing staff capacity within PBSO to strengthen innovative financing approaches through stronger private sector engagement, kindly refer to Annex C Results framework, which refers to key outcomes, outputs and related activities that are indicative of progress made by the proposed project.

- e) **Project exit strategy/ sustainability** – Briefly explain the project's exit strategy to ensure that the project can be wrapped up at the end of the project duration, either through sustainability measures, agreements with other donors for follow-up funding or end of activities which do not need further support. If support from other donors is expected, explain what the project will do concretely and pro-actively to try to ensure this support from the start. Consider possible partnerships with other donors or IFIs.

To ensure sustainability of the role of the innovative financing specialist beyond the two-year contract and to sustain progress on developing innovative finance options for peacebuilding

alternative and subsequent funding sources will be advocated for, not only with other donors but also in regular budget frameworks. Progress achieved through this project over the two-year period, with the agenda and recognition of it maturing, will increase the chances of securing a more long-term solution for the existing resourcing gap.

#### **IV. Project budget**

Provide brief additional information on projects costs, highlighting any specific choices that have underpinned the budget preparation, especially for personnel, travel or other indirect project support, to demonstrate value for money for the project. Proposed budget for all projects must include sufficient funds for an independent evaluation. Proposed budget for projects involving non-UN direct recipients must include funds for independent audit. Fill out **Annex A.2** on project value for money.

Please note that in nearly all cases, the Peacebuilding Fund transfers project funds in a series of performance-based tranches. PBF's standard approach is to transfer project funds in two tranches for UN recipients and three tranches for non-UN recipients, releasing second and third tranches upon demonstration that performance benchmarks have been met. All projects include the following two standard performance benchmarks: 1) at least 75% of funds from the first tranche have been committed, and 2) all project reporting obligations have been met. In addition to these standard benchmarks and depending on the risk rating or other context-specific factors, additional benchmarks may be indicated for the release of second and third tranches.

Please specify below any context-specific factors that may be relevant for the release of second and third tranches. These may include the successful conduct of elections, passage of key legislation, the standing up of key counterpart units or offices, or other performance indicators that are necessary before project implementation may advance. Within your response, please reflect how performance-based tranches affect project sequencing considerations.

Fill out two tables in the Excel budget **Annex D**.

In the first Excel budget table in Annex D, please include the percentage towards Gender Equality and Women's Empowerment (GEWE) for every activity. Also provide a clear justification for every GEWE allocation (e.g. training will have a session on gender equality, specific efforts will be made to ensure equal representation of women etc.



## **Annex B.1: Project Administrative arrangements for UN Recipient Organizations**

*(This section uses standard wording – please do not remove)*

The UNDP MPTF Office serves as the Administrative Agent (AA) of the PBF and is responsible for the receipt of donor contributions, the transfer of funds to Recipient UN Organizations, the consolidation of narrative and financial reports and the submission of these to the PBSO and the PBF donors. As the Administrative Agent of the PBF, MPTF Office transfers funds to RUNOS on the basis of the signed Memorandum of Understanding between each RUNO and the MPTF Office.

### **AA Functions**

On behalf of the Recipient Organizations, and in accordance with the UNDG-approved “Protocol on the Administrative Agent for Multi Donor Trust Funds and Joint Programmes, and One UN funds” (2008), the MPTF Office as the AA of the PBF will:

- Disburse funds to each of the RUNO in accordance with instructions from the PBSO. The AA will normally make each disbursement within three (3) to five (5) business days after having received instructions from the PBSO along with the relevant Submission form and Project document signed by all participants concerned;
- Consolidate the financial statements (Annual and Final), based on submissions provided to the AA by RUNOS and provide the PBF annual consolidated progress reports to the donors and the PBSO;
- Proceed with the operational and financial closure of the project in the MPTF Office system once the completion is completed by the RUNO. A project will be considered as operationally closed upon submission of a joint final narrative report. In order for the MPTF Office to financially closed a project, each RUNO must refund unspent balance of over 250 USD, indirect cost (GMS) should not exceed 7% and submission of a certified final financial statement by the recipient organizations’ headquarters);
- Disburse funds to any RUNO for any cost extension that the PBSO may decide in accordance with the PBF rules & regulations.

### **Accountability, transparency and reporting of the Recipient United Nations Organizations**

Recipient United Nations Organizations will assume full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. Such funds will be administered by each RUNO in accordance with its own regulations, rules, directives and procedures.

Each RUNO shall establish a separate ledger account for the receipt and administration of the funds disbursed to it by the Administrative Agent from the PBF account. This separate ledger account shall be administered by each RUNO in accordance with its own regulations, rules, directives and procedures, including those relating to interest. The separate ledger account shall be subject exclusively to the internal and external auditing procedures laid down in the financial regulations, rules, directives and procedures applicable to the RUNO.

Each RUNO will provide the Administrative Agent and the PBSO (for narrative reports only) with:

Type of report	Due when	Submitted by
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Semi-annual project progress report	15 June	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist
Annual project progress report	15 November	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist
End of project report covering entire project duration	Within three months from the operational project closure (it can be submitted instead of an annual report if timing coincides)	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist
Annual strategic peacebuilding and PBF progress report (for PRF allocations only), which may contain a request for additional PBF allocation if the context requires it	1 December	PBF Secretariat on behalf of the PBF Steering Committee, where it exists or Head of UN Country Team where it does not.

#### Financial reporting and timeline

Timeline	Event
<b>30 April</b>	Annual reporting – Report <b>Q4 expenses</b> (Jan. to Dec. of previous year)
<b><i>Certified final financial report to be provided by 30 June of the calendar year after project closure</i></b>	

UNEX also opens for voluntary financial reporting for UN recipient organizations the following dates

<b>31 July</b>	Voluntary Q2 expenses (January to June)
<b>31 October</b>	Voluntary Q3 expenses (January to September)

Unspent Balance exceeding USD 250, at the closure of the project would have to be refunded and a notification sent to the MPTF Office, no later than six months (30 June) of the year following the completion of the activities.

#### Ownership of Equipment, Supplies and Other Property

Ownership of equipment, supplies and other property financed from the PBF shall vest in the RUNO undertaking the activities. Matters relating to the transfer of ownership by the RUNO shall be determined in accordance with its own applicable policies and procedures.

## Public Disclosure

The PBSO and Administrative Agent will ensure that operations of the PBF are publicly disclosed on the PBF website ([www.un.org/peacebuilding/fund](http://www.un.org/peacebuilding/fund)) and the Administrative Agent's website ([www.mptf.undp.org](http://www.mptf.undp.org)).

## Annex B.2: Project Administrative arrangements for Non-UN Recipient Organizations

*(This section uses standard wording – please do not remove)*

### Accountability, transparency and reporting of the Recipient Non-United Nations Organization:

The Recipient Non-United Nations Organization will assume full programmatic and financial accountability for the funds disbursed to them by the Administrative Agent. Such funds will be administered by each recipient in accordance with its own regulations, rules, directives and procedures.

The Recipient Non-United Nations Organization will have full responsibility for ensuring that the Activity is implemented in accordance with the signed Project Document;

In the event of a financial review, audit or evaluation recommended by PBSO, the cost of such activity should be included in the project budget;

Ensure professional management of the Activity, including performance monitoring and reporting activities in accordance with PBSO guidelines.

Ensure compliance with the Financing Agreement and relevant applicable clauses in the Fund MOU.

### Reporting:

Each Receipt will provide the Administrative Agent and the PBSO (for narrative reports only) with:

Type of report	Due when	Submitted by
Bi-annual project progress report	15 June	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist
Annual project progress report	15 November	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist
End of project report covering entire project duration	Within three months from the operational project closure (it can be submitted instead of an annual report if timing coincides)	Convening Agency on behalf of all implementing organizations and in consultation with/ quality assurance by PBF Secretariats, where they exist

Annual strategic peacebuilding and PBF progress report (for PRF allocations only), which may contain a request for additional PBF allocation if the context requires it	1 December	PBF Secretariat on behalf of the PBF Steering Committee, where it exists or Head of UN Country Team where it does not.
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#### Financial reports and timeline

Timeline	Event
<b>28 February</b>	Annual reporting – Report <b>Q4 expenses</b> (Jan. to Dec. of previous year)
<b>30 April</b>	Report <b>Q1 expenses</b> (January to March)
<b>31 July</b>	Report <b>Q2 expenses</b> (January to June)
<b>31 October</b>	Report <b>Q3 expenses</b> (January to September)
<i><b>Certified final financial report to be provided at the quarter following the project financial closure</b></i>	

Unspent Balance exceeding USD 250 at the closure of the project would have to be refunded and a notification sent to the Administrative Agent, no later than three months (31 March) of the year following the completion of the activities.

#### Ownership of Equipment, Supplies and Other Property

Matters relating to the transfer of ownership by the Recipient Non-UN Recipient Organization will be determined in accordance with applicable policies and procedures defined by the PBSO.

#### Public Disclosure

The PBSO and Administrative Agent will ensure that operations of the PBF are publicly disclosed on the PBF website ([www.un.org/peacebuilding/fund](http://www.un.org/peacebuilding/fund)) and the Administrative Agent website ([www.mptf.undp.org](http://www.mptf.undp.org)).

#### Final Project Audit for non-UN recipient organization projects

An independent project audit will be requested by the end of the project. The audit report needs to be attached to the final narrative project report. The cost of such activity must be included in the project budget.

#### Special Provisions regarding Financing of Terrorism

Consistent with UN Security Council Resolutions relating to terrorism, including UN Security Council Resolution 1373 (2001) and 1267 (1999) and related resolutions, the Participants are firmly committed to the international fight against terrorism, and in particular, against the financing of terrorism. Similarly, all Recipient Organizations recognize their obligation to comply with any applicable sanctions imposed by the UN Security Council. Each of the Recipient Organizations will use all reasonable efforts to ensure that the funds transferred to it in accordance with this agreement are not used to provide support or assistance to individuals or entities associated with terrorism as designated by any UN Security Council sanctions regime. If, during the term of this agreement, a



Recipient Organization determines that there are credible allegations that funds transferred to it in accordance with this agreement have been used to provide support or assistance to individuals or entities associated with terrorism as designated by any UN Security Council sanctions regime it will as soon as it becomes aware of it inform the head of PBSO, the Administrative Agent and the donor(s) and, in consultation with the donors as appropriate, determine an appropriate response.

### **Non-UN recipient organization (NUNO) eligibility:**

In order to be declared eligible to receive PBF funds directly, NUNOs must be assessed as technically, financially and legally sound by the PBF and its agent, the Multi Partner Trust Fund Office (MPTFO). Prior to submitting a finalized project document, it is the responsibility of each NUNO to liaise with PBSO and MPTFO and provide all the necessary documents (see below) to demonstrate that all the criteria have been fulfilled and to be declared as eligible for direct PBF funds.

The NUNO must provide (in a timely fashion, ensuring PBSO and MPTFO have sufficient time to review the package) the documentation demonstrating that the NUNO:

- Has previously received funding from the UN, the PBF, or any of the contributors to the PBF, in the country of project implementation.
- Has a current valid registration as a non-profit, tax exempt organization with a social based mission in both the country where headquarter is located and in country of project implementation for the duration of the proposed grant. (**NOTE:** If registration is done on an annual basis in the country, the organization must have the current registration and obtain renewals for the duration of the project, in order to receive subsequent funding tranches).
- Produces an annual report that includes the proposed country for the grant.
- Commissions audited financial statements, available for the last two years, including the auditor opinion letter. The financial statements should include the legal organization that will sign the agreement (and oversee the country of implementation, if applicable) as well as the activities of the country of implementation. (**NOTE:** If these are not available for the country of proposed project implementation, the CSO will also need to provide the latest two audit reports for a program or project-based audit in country.) The letter from the auditor should also state whether the auditor firm is part of the nationally qualified audit firms.
- Demonstrates an annual budget in the country of proposed project implementation for the previous two calendar years, which is at least twice the annualized budget sought from PBF for the project.<sup>14</sup>
- Demonstrates at least 3 years of experience in the country where grant is sought.
- Provides a clear explanation of the CSO's legal structure, including the specific entity which will enter into the legal agreement with the MPTF-O for the PBF grant.

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<sup>14</sup> Annualized PBF project budget is obtained by dividing the PBF project budget by the number of project duration months and multiplying by 12.

## Annex C: Project Results Framework

Outcomes	Outputs	Indicators	Means of Verification/ Proposed Activities
<b>Outcome 1:</b>  Strengthen innovative financing approaches through stronger private sector engagement, including development of tools and frameworks to measure the impact of private sector investment strategies and transactions on peacebuilding efforts.	<b>Output 1.1</b>  Increase the availability and quality of financing for peacebuilding in conflict-affected settings through new/existing innovative finance options at global and country level.	Output Indicator 1.1.1  Identify concrete ideas/proposals for PBF country level projects in piloting innovative/blended financing approaches that can complement voluntary contributions from member states with additional resources from other entities – including private sector, DFIs, foundations, etc.  Baseline: 2 per year Target: 3 per year	Support and provide inputs on PBF project documents.  Participate in PAC meetings, review implementation and progress reports.  Support UN country teams on relevant private sector engagement and strategic partnership efforts.
		Output Indicator 1.1.2  Provide peacebuilding expertise on new initiatives and development of new financing instruments, in collaboration with UN agencies, funds and programmes to increase peace-positive investments in conflict-affected settings.  Baseline: 0 Target: 1-2	Act as focal point from PBSO side on the UNCDF-led Special Purpose Vehicle (SPV), supported by Germany.  Ensure PBSO interests and mandates and well reflected and represented in UN-led innovative financing approaches to peacebuilding.
	<b>Output 1.2</b>  Provide policy and programmatic support as the private sector focal point to PBSO at UN HQ, and at regional and country levels for partnerships with the private sector.	Output Indicator 1.2.1  Identify new policy frameworks and partnerships related to private sector actors and their contribution to peacebuilding.  Baseline: 0 Target: 2	Lead or co-lead with relevant partners two-high level events annually on the topic of Business & Conflict.
		Output Indicator 1.2.2	Build coalitions, develop partnerships and support stakeholder networks (internal and external) on

		<p>Support the development of standards/norms on private sector activities and peacebuilding with partners within the UN system, the private sector and civil society.</p> <p>Baseline: 0 Target: 3-5</p>	<p>measuring private sector impact on peace – through meetings, webinars, workshops, etc.</p>
		<p>Output Indicator 1.2.3</p> <p>Lead in developing a strategy for resource mobilizing from the private sector in support of financing for peacebuilding and explore new partnership modalities.</p> <p>Baseline: 0 Target: 5</p>	<p>Conduct 5 consultations within the UN system with agencies, funds, and programmes on collecting inputs, shared knowledge and co-drafting of the strategy.</p>
	<p>Output 1.3</p> <p>Operationalize a peacebuilding impact hub for PBSO, which will serve as a depository, of knowledge and lessons to strengthen peace measurability and effectiveness across actors within the UN system and a wider peacebuilding community, including the private sector.</p>	<p>Output Indicator 1.3.1</p> <p>Within the PSPB branch, support branch lead in delivering key milestones and progress to establish the Peace Impact Hub, including internal and external engagement efforts, with a focus on the private sector.</p> <p>Baseline: 0 Target: 1</p>	<p>Drafting TORs for consultants, full-time staff positions.</p> <p>Support branch lead on DPPA consultative meetings to collect inputs and enhance project.</p> <p>Support branch lead on donor outreach for fundraising with member states.</p> <p>Provide inputs on briefings, high-level meetings to PBSO related to the Impact Hub.</p>