



HORIZON FUND

One Palestine • One UN • One Future

Horizon Fund - FAQs

SECTION 1 - STRATEGIC PURPOSE AND SCOPE

01. What is the UN Palestine Recovery Horizon Fund?

The Horizon Fund provides a **single, pooled financing platform for early recovery in Palestine**, addressing a critical gap between immediate humanitarian relief and large-scale reconstruction. While humanitarian needs are covered through existing appeals and reconstruction is typically financed by international financial institutions, the Fund operates between these two poles to support **early recovery, resilience and institutional strengthening**, ensuring continuity across the response continuum. Twenty UN agencies have signed the Fund's Memorandum of Understanding, with additional agencies expected to join.

The Fund is fully aligned with the United Nations' **recovery architecture and system-wide efforts to scale up early recovery** as a bridge between humanitarian response and development. It operationalizes this approach by linking **service restoration with economic recovery, institutional strengthening and resilience-building**, in line with the broader recovery strategies for Gaza and the Occupied Palestinian Territory, the UN Cooperation Framework, and national priorities.

As a **flagship instrument of UN development system reform and the UN80 agenda**, the Fund translates system-wide commitments on coherence, efficiency, pooled financing and integrated delivery into a practical mechanism. It brings together humanitarian, recovery and development efforts under **unified leadership and shared accountability**, enabling more coherent and effective delivery.

The Fund also combines **integrated recovery financing with system-wide risk governance**, embedding anticipatory risk management and adaptive programming. This strengthens resilience, improves efficiency, and enables the United Nations to deliver at scale in complex environments while ensuring continuity across all phases of the response.

02. Why the fund and why now?

The Horizon Fund is a **central instrument for implementing UN development system reform and the UN80 agenda in the Occupied Palestinian Territory**, strengthening system-wide coherence, efficiency and integrated delivery.

By consolidating resources under a single pooled funding mechanism and the leadership of the Resident Coordinator, the Fund enables UN entities to operate under **one strategic framework, one budgetary platform and unified coordination**, reducing fragmentation and avoiding competition for funding. This supports a "United to Deliver" approach, in a context of increasing geopolitical pressure and financial constraints.

The Fund also addresses a critical operational gap by shifting the focus beyond immediate humanitarian assistance toward **early recovery and medium-term resilience**. While humanitarian aid remains essential to save lives, it cannot restore services, rebuild livelihoods or re-establish institutions. A dedicated, coordinated financing mechanism is therefore required to enable a structured transition from emergency response to sustainable recovery.

In line with the repositioning of the UN development system, the Fund reinforces the **central coordinating role of the Resident Coordinator**, ensuring integrated, nationally anchored responses across sectors. It reflects the Secretary-General's emphasis on pooled funding as a key driver of collective results, reduced fragmentation and improved cost-efficiency.

The Fund responds directly to system-wide priorities to **scale up early recovery**, ensuring that interventions are not delayed or fragmented but delivered in a coordinated, timely and strategic manner. It provides the financing backbone to implement UN recovery strategies at scale, effectively bridging planning frameworks with operational delivery.

03. What are the Horizon Fund's key principles?

The Fund is guided by a set of core principles to ensure **coherence, national ownership, accountability and equitable support** across the Occupied Palestinian Territory:

1. National ownership and leadership - All recovery efforts are anchored in Palestinian national priorities and implementation plans, including updated sectoral strategies aligned with the Rapid Damage and Needs Assessment (RDNA), and developed in close partnership with the Palestinian Authority. As for Gaza, engagement will be conducted through established coordination channels with the Palestinian Authority and other liaison mechanism in a manner consistent with implementation arrangement of the Security Council Resolution 2803 (2025).

2. Whole-of-Palestine approach ("One Palestine") - While Gaza represents the epicenter of recovery needs, the Fund supports interconnected recovery in the West Bank and institutional capacity-building across the Occupied Palestinian Territory, including East Jerusalem. This approach reflects the interconnected nature of recovery challenges and is grounded in international law, relevant UN resolutions, and bilateral agreements, in pursuit of a two-State solution.

3. Alignment with UN recovery frameworks and national strategies - The Fund operates fully within the parameters established by Security Council Resolution 2803 and the Comprehensive Plan, the New York Declaration, and the PA-led National Recovery Framework. Programming is further grounded in the Rapid Damage and Needs Assessment, ensuring evidence-based prioritization. All interventions are also aligned with the system-wide recovery strategies, the Comprehensive Plan to End the Gaza Conflict and Early Recovery Approach and Action Plan, and the UN Cooperation Framework.

4. Integrated and sequenced response - Programmes are designed to connect immediate humanitarian assistance with early recovery, institutional strengthening and longer-term development. This ensures complementarity across phases of response, strengthens resilience, and contributes to conditions for sustainable peace, in line with internationally agreed frameworks.

5. Commitment to leaving no one behind - The Fund prioritizes the most vulnerable and conflict-affected populations, including women-headed households and persons with disabilities, ensuring equitable access to services and assistance.

6. System-wide coherence, efficiency and reform delivery - The Fund serves as a practical instrument for implementing UN reform and the UN80 agenda at country level. It consolidates delivery under shared strategic frameworks, reduces duplication, and strengthens joint planning, implementation and reporting, consistent with the UN Funding Compact and Secretary-General reform priorities.

7. Transparency, accountability and results-based management - The Fund applies robust fiduciary safeguards, pooled risk management, and clear reporting mechanisms, with public disclosure through the UN Multi-Partner Trust Fund Gateway, ensuring donor confidence and public trust.

8. Visibility - The Fund takes a 360° approach to visibility, raising the profile of fund partners, contributors, participating organizations alongside the issues of focus and progress made. In addition to the MPTFO Gateway, which provides real-time visibility for all stakeholders, the Fund uses digital platforms and social media to acknowledge efforts being made to accelerate recovery and achieve sustainable outcomes for the Palestinian people.

04. How does the Horizon Fund help integrate Gaza and the West Bank?

The Fund applies a **whole-of-Palestine approach** that recognizes the interdependence of institutions, systems and markets across Gaza and the West Bank, including East Jerusalem. While Gaza is the immediate recovery priority, with the focus expanding to recovery needs in affected areas of the West Bank, all funding windows are designed to **reinforce institutional coherence, economic linkages and coordinated service delivery** across the territory.

By aligning interventions with national priorities, broader recovery strategies, and the UN Cooperation Framework, the Fund supports **integrated programming that bridges geographic and institutional divides**, avoids fragmentation, and strengthens system-wide resilience. This approach helps ensure that recovery efforts contribute to **sustainable, territory-wide outcomes** rather than isolated or parallel interventions.

05. How does the Fund help donors and other partners strategically?

The Horizon Fund provides a **high-value, system-wide platform** for strategic engagement, enabling donors to contribute to integrated recovery outcomes rather than fragmented, project-based interventions.

By consolidating resources under a single pooled mechanism, the Fund **reduces fragmentation, lowers transaction costs, and streamlines administrative processes**, while ensuring unified due diligence, risk management and reporting under robust UN fiduciary standards.

It offers **shared risk management** through a system-wide risk governance approach, allowing partners to operate more effectively in complex environments while benefiting from collective safeguards, oversight and adaptive programming.

The Fund also enables **strategic allocation of resources** aligned with national priorities, system-wide recovery strategies, and the UN Cooperation Framework, ensuring that contributions support coherent, sequenced interventions across recovery efforts.

Finally, it strengthens **transparency, predictability and accountability**, providing consolidated reporting, real-time visibility through the MPTF Gateway, and a clear line of sight from contributions to collective results.

06. What are the Horizon Fund's comparative advantages?

A. Impartiality and convening power: The UN's impartial status enables engagement across all sectors and communities without political conditionality. Under the leadership of the UN Resident Coordinator, the Fund ensures neutral, needs-based allocation that prioritizes the most vulnerable and serves all Palestinians equitably.

B. Integrated, system-wide delivery: The Fund leverages the full capacity of the UN system—combining operational, normative and convening strengths, sectoral expertise, and access to services—under a unified coordination framework. This reflects the UN's comparative advantage as a system-wide actor and enables delivery of collective outcomes that no single entity could achieve independently, consistent with “Delivering as One” principle.

C. Efficiency and reduced transaction costs - By consolidating contributions into a single pooled mechanism, the Fund is an effective alternative to multiple bilateral arrangements with multiple reporting requirements, as it brings unified due diligence, risk management and reporting. This significantly reduces administrative burden while ensuring strong fiduciary oversight through the UN's accountability frameworks.

D. Strategic coordination across recovery architecture - The Fund functions as a core financing and coordination platform within the UN recovery architecture. It aligns with and strengthens existing mechanisms, complements humanitarian appeals and bilateral programmes, and fills critical gaps in medium-term recovery financing. By linking humanitarian response plans, broader recovery strategies, and the UN Cooperation Framework, it enables coherence across the response continuum and its instruments, avoiding fragmentation of initiatives and enhancing impact.

07. Who implements programmes financed by the Fund?

Participating UN organizations design, implement, monitor and report on approved programmes and are fully accountable for the use of funds and delivery of results. Implementation is carried out under the **strategic leadership of the Resident Coordinator** and the Palestinian Authority to ensure alignment with national priorities.

Programmes are expected to integrate gender analysis and ensure meaningful participation of women, including women-led organizations where feasible. Programmes are delivered through **integrated, multi-agency approaches**, leveraging the comparative advantages of different UN entities. Where appropriate, implementation is carried out in partnership with national institutions, civil society and other qualified partners, in line with UN rules and standards.

This model enables coordinated, **system-wide delivery**, combining UN operational capacity with local expertise to maximize effectiveness, reach and sustainability.

08. What makes the Fund a strategic as well as a programmatic investment?

The Fund serves as a **key vehicle for advancing UN reform in the Occupied Palestinian Territory**, reducing fragmentation, lowering costs, and enabling greater cooperation, system-wide coherence in risk management, programme implementation and donor coordination.

In line with the Secretary-General's reform vision, it supports a shift from fragmented, project-based delivery toward **integrated portfolio approaches focused on collective outcomes**. By aligning financing, planning and results frameworks—including the UN Cooperation Framework—it strengthens strategic prioritization, resource allocation and system-wide accountability.

Beyond its financing function, the Fund reinforces **Palestinian governance, national ownership and public confidence**. As co-chair of the Steering Committee, the Palestinian Authority is placed at the center of strategic decision-making. The Fund is fully aligned with national reform and recovery plans, including nationwide governance, public finance and service delivery reforms through cross-area early recovery strategies, the UN Scaling Up Early Recovery in Gaza Plan, and the UN Cooperation Framework.

Through its interventions, the Fund contributes to **institution-building, transparent service delivery, social cohesion and economic linkages between Gaza and the West Bank**, helping to stabilize governance and sustain the political conditions necessary for recovery, strengthening national ownership.

All operations are aligned with the parameters of **UN Security Council resolution 2803**, reinforcing the implementation of its key provisions.

SECTION 2 - FUNDING WINDOWS AND ELIGIBLE ACTIVITIES

The Fund operates through three dedicated windows:

- ◆ **Window 1 — Early Recovery Joint Programming in Gaza and beyond**
- ◆ **Window 2 — Recovery and Investment Support for Micro, Small and Medium Enterprises in the OPT**
- ◆ **Window 3 — Support to the Palestinian Authority's Institutional Capacity, Governance and Critical Service Delivery**

Interventions are aligned with **UN system-wide recovery priorities**, linking short-term outputs with medium-term recovery outcomes and longer-term development pathways. This enables the delivery of **integrated recovery portfolios rather than isolated projects**, maximizing impact and sustainability.

Given the rapidly evolving context, the Fund embeds **flexibility and adaptive programming** within each window, allowing interventions to respond to emerging needs and adjust to changing conditions and requirements while maintaining strategic coherence.

09. How does the Fund support the safe, dignified, and voluntary return of Internally Displaced Persons?

Window 1 supports:

- ◆ Debris removal and explosive ordnance risk reduction to restore physical access
- ◆ Transitional shelter and re-housing solutions
- ◆ Restoration of basic services (health, WASH, energy, education)
- ◆ MHPSS services for conflict-affected populations
- ◆ GBV and protection services
- ◆ Municipal infrastructure rehabilitation.

10. How does the Fund address gender, disability, protection, and other cross-cutting issues?

The Fund integrates gender-responsive and disability-inclusive measures across all windows.

Programmes are required to:

- ◆ Include gender and protection indicators
- ◆ Apply “do no harm” and conflict-sensitive approaches
- ◆ Ensure GBV prevention and response mechanisms
- ◆ Strengthen disability-inclusive delivery service
- ◆ Provide integrated MHPSS services
- ◆ Include safeguards for vulnerable populations.

SECTION 3 - GOVERNANCE

11. How does governance work?

The Fund is governed by a Steering Committee co-chaired by the UN Resident Coordinator and the Ministry of Finance and Planning of the Palestinian Authority. A founding donor – on rotational basis - will serve as third co-chair to the fund. The Steering Committee provides strategic oversight, approves funding priorities, and reviews performance. It is supported by three bodies:

- ◆ **The Fund Secretariat**, under the Resident Coordinator, is responsible for regular coordination, engagement with international and national partners, supporting the steering committee, and reporting.
- ◆ **The Technical Coordination Working Group (TCWG)**, formed of up to five experts from both the United Nations and the Palestinian Authority, provides technical review of programme proposals. The Palestinian Authority experts may be assigned to each Trust Fund window to ensure alignment with national priorities. Terms of Reference will be developed in due course, in consultation with the Palestinian Authority.
- ◆ **The UN Multi-Partner Trust Fund (MPTF) Office**, serving as Administrative Agent, is responsible for fiduciary administration and public transparency through the MPTF Gateway.

Further operational modalities—including procedures, management and administrative arrangements, and the Steering Committee’s Terms of Reference—will be developed in consultation with the Palestinian Authority in due course.

12. What role do donors play in governance?

As members of the Steering Committee, contributing donors participate in strategic direction setting, approve funding priorities and allocations, and oversee performance, results, and accountability mechanisms. Donors also receive consolidated financial and narrative reporting and have access to real-time data through the MPTF Gateway.

13. How are programmes selected and approved?

Programmes are approved and funded through one of two modalities:

- ◆ Calls for Proposals are open to Participating UN Organizations, subject to technical review by the TCWG composed of Palestinian Authority and UN experts, and approval by the Steering Committee, in line with its Terms of Reference which will be developed in close coordination with the Palestinian Authority.
- ◆ Direct Designation is used to invite a UN organization with a clear comparative advantage to submit a proposal to meet urgent or time-critical needs.
- ◆ All stages of project design and implementation will be coordinated with the Palestinian Authority, its line ministries and subject-matter experts.

Participating UN organizations are fully accountable for the design, implementation, monitoring, and reporting of approved programmes.

NGOs may carry out activities as implementing partners through UN agencies; they do not apply directly to the Fund.

SECTION 4 - FINANCIAL MANAGEMENT, ACCOUNTABILITY, AND REPORTING

14. How do funds flow once a contribution is made?

Donor contributions are received by the MPTF Office as Administrative Agent. Following Steering Committee approval of programmes, funds are transferred to Participating UN Organizations for implementation. The Fund Secretariat coordinates overall processes, while the MPTF Office provides fiduciary administration and ensures public transparency through real-time reporting on the MPTF Gateway.

15. Can donors earmark contributions?

Unearmarked contributions are strongly encouraged, as they maximize flexibility, enable faster disbursement, and allow resources to be directed to the highest-priority needs. They also reduce administrative transaction costs for all parties and support more strategic, needs-based allocation. Where necessary, multi-year contributions that are softly earmarked at the level of outcome or funding window may be accommodated.

In line with the **UN Funding Compact**, the Fund promotes **more flexible, predictable and multi-year financing**, alongside increased use of pooled funding mechanisms as a core enabler of collective results. By consolidating resources through a single pooled platform, the Fund significantly reduces transaction costs for both donors and implementing entities, streamlines administrative processes, and enables faster, more flexible deployment of funds. This approach supports improved efficiency, transparency and system-wide accountability, while maintaining strategic prioritization and responsiveness to evolving needs.

16. What fees apply?

The following standard UN cost recovery rates apply:

- ◆ %1 administrative fee charged by the MPTF Office (Administrative Agent);
- ◆ up to %7 indirect cost recovery charged by Participating UN implementing organizations.

17. How are transparency and accountability ensured?

The Fund applies robust accountability mechanisms at multiple levels:

- ◆ Steering Committee oversight of all strategic decisions and allocations;
- ◆ Risk-management protocols covering contextual, programmatic, and institutional risk, with regular updates and adaptive management;
- ◆ Financial controls under UN financial regulations and rules;
- ◆ Third-party monitoring where operational access conditions require;
- ◆ Consolidated reporting via the MPTF Office;
- ◆ Real-time public disclosure through the MPTF Gateway; and
- ◆ Strict adherence to “do no harm” principles across all programming.

Donor-specific requirements and provisions will be taken into account from the outset and reflected throughout all stages of project design and implementation, including compliance with domestic regulations and legislation, as well as applicable vetting requirements.

18. How are results monitored and reported?

Results are tracked using UN results-based management frameworks, with indicators covering gender, protection, disability inclusion and cross-cutting safeguards. Monitoring is supported by consolidated narrative and financial reporting, periodic reviews, and third-party monitoring where required. Donors receive both consolidated reports and real-time access to data through the MPTF Gateway.

Monitoring frameworks are aligned with the UN Scaling Up Early Recovery in Gaza Plan, and the UN Cooperation Framework and recovery benchmarks, ensuring coherence between Fund-supported programmes and broader UN system results and reporting processes. This architecture strengthens **system-wide accountability for collective outcomes**, consistent with UN development system reform requirements for integrated reporting and transparency across entities.

19. How will the Fund ensure speed while maintaining accountability?

The UN's extensive operational presence will allow activities to begin immediately within established systems and oversight mechanisms. Joint and integrated programming modalities will reduce duplication and streamline coordination among UN agencies. The Direct Designation option will enable fast deployment of resources to priority interventions without compromising fiduciary controls. The use of existing Long-Term Agreements will accelerate procurement and contracting while ensuring compliance with UN standards. Additionally, the Fund can contract third-party implementers, including capable local actors, expanding delivery capacity and enabling swift action on the ground while applying rigorous UN monitoring, reporting, and audit requirements. Taken together, these measures will allow the Fund to combine speed with robust transparency and accountability.

20. How does the Fund complement other financing mechanisms?

The Fund serves as a bridge between humanitarian response and early recovery, creating continuity across the humanitarian-to-development spectrum. When focusing on early recovery, resilience, and the foundations for longer-term development, the Fund works in close coordination with the Palestine Humanitarian Fund and CERF, which prioritize life-saving assistance. As the context moves into recovery and reconstruction, the Fund aligns with and complements non-UN financing for that phase, ensuring coherence across instruments, preventing duplication, and supporting a sequenced, coordinated transition from humanitarian action to sustainable recovery and institutional strengthening. The leadership of the Resident Coordinator across all allocations (CERF, Palestine Humanitarian Fund and Horizon Fund) ensures maximum complementarity of investments.

What is the next step for a donor wishing to contribute?

The Fund is open now, and the contribution process is straightforward:

- ◆ Step 1: Express intent to contribute to the Fund Secretariat or MPTF Office.
- ◆ Step 2: Sign a Standard Administrative Arrangement with the MPTF Office to formalize the contribution.
- ◆ Step 3: Transfer funds per the agreed schedule.

For further information, to request a formal proposal, or to discuss contribution modalities, please contact the Fund Secretariat hosted within the office of the UN Resident Coordinator.

SECTION 5 - RISK MANAGEMENT

21. What is the risk management strategy?

A Fund-level risk management strategy is structured around three categories: **contextual, programmatic and institutional risks**. The Fund adopts a **forward-looking, system-wide risk governance approach**, aligned with UN development system reform and UN80 priorities. Moving beyond compliance-based models, it integrates **anticipatory risk analysis, continuous monitoring and adaptive decision-making**, enabling effective delivery while safeguarding fiduciary integrity and strategic outcomes in a highly volatile environment.

The strategy includes:

- ◆ identification of risks with assigned owners and mitigation measures
- ◆ adaptive management processes with regular updates to the risk matrix
- ◆ mandatory compliance across all approved programmes
- ◆ use of third-party monitoring where access is constrained
- ◆ strict application of “do no harm” and conflict-sensitivity principles
- ◆ timely and transparent communication of significant risks to donors

The Fund operationalizes a **pooled and shared risk model**, whereby risks are jointly assessed, managed and mitigated across participating UN entities under the leadership of the Resident Coordinator. This reduces fragmentation, ensures consistent safeguards, and strengthens system-wide delivery capacity in complex settings.

In line with emerging UN practices, the Fund integrates **anticipatory risk management and scenario-based planning**, drawing on early warning signals and forward-looking analysis to inform programming, resource allocation and delivery modalities. This enhances resilience, reduces exposure to shocks and supports operational continuity.

The risk architecture is specifically designed for **constrained access environments**, combining third-party monitoring, remote management and flexible implementation modalities to ensure continuity of operations while maintaining robust oversight and accountability.

By consolidating risk management frameworks across entities, the Fund reduces duplication, lowers transaction costs and improves efficiency, consistent with the UN Funding Compact and broader reform commitments. It also strengthens accountability through transparent, system-wide risk tracking and management.

The risk management strategy is a living document, continuously reviewed and updated throughout the Fund’s operational lifecycle.

How does the Fund support resilience and operational continuity?

The Fund embeds risk-informed programming, business continuity measures and surge capacity mechanisms into its design, ensuring that operations can be sustained and adapted under conditions of insecurity, access constraints or institutional disruption.

