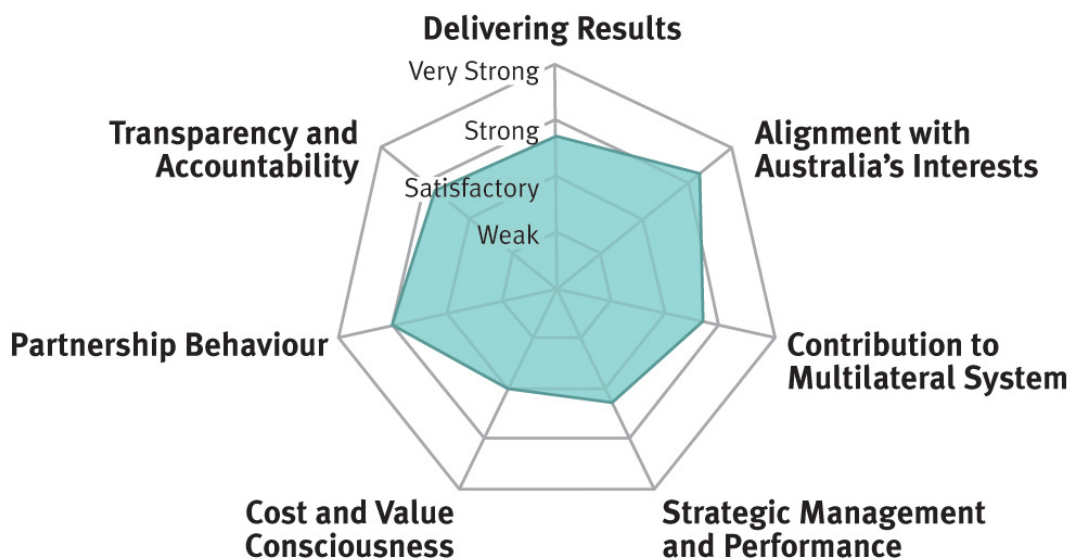




Australian Multilateral Assessment March 2012 United Nations Peacebuilding Fund (PBF)



OVERVIEW OF ORGANISATION RATINGS



ORGANISATION OVERVIEW

The United Nations Peacebuilding Fund (PBF) was established in 2006 at the request of the United Nations (UN) General Assembly and Security Council. It is a global fund designed to:

- > respond to imminent threats to peace
- > build or strengthen national capacity to promote peace
- > stimulate economic revitalisation, and
- > re-establish basic services.

It is one of the three central components of the UN peacebuilding architecture (alongside the Peacebuilding Commission and the Peacebuilding Support Office). PBF defines its purpose as ‘strengthening institutional capacities of national and local actors to avoid the lapse or relapse into violence.’

PBF has identified its comparative advantages as an ability to make quick decisions, the flexibility to support the security sector, an ability to call on the full UN system, and an ability to help fill the gap between conflict ending and larger development assistance coming online.

PBF has a complex organisational management structure. The UN General Assembly guides PBF’s operations on the basis of an annual analytical report submitted by the Secretary-General. PBF also receives advice from its own Advisory Group, made up of 10 eminent persons with significant peacebuilding experience. This group provides advice on, and oversight of, the speed and appropriateness of fund allocations and examines performance and financial reports. The head of the Peacebuilding Support Office is responsible for the overall management of PBF.

PBF’s current business plan (2011–13) includes a target of US\$100 million a year in disbursements to up to 20 countries in each year. Australia is the twelfth largest donor to PBF overall. In January 2010, Australia committed \$6 million to peacebuilding efforts through the UN system, which included \$4 million over 2010–12 to PBF and \$2 million to support peacebuilding initiatives identified as priorities by the UN Peacebuilding Commission, in Burundi and Sierra Leone. In 2010–11, Australia provided PBF with \$2.0 million in non-core funding.

RESULTS AND RELEVANCE	
1. Delivering results on poverty and sustainable development in line with mandate	STRONG

PBF has a unique role as an early-entry facility to bridge the transition from conflict to peace. As a funding mechanism it approves funding proposals put forward by implementing partners to implement peacebuilding-focussed projects. There are good reports of results achieved by PBF-funded projects. For example, in Burundi the PBF supported the timely return of approximately 11 000 adults associated with combatants to their communities of origin in a two-month period which was seen as a successful outcome.

PBF is putting considerable effort into ensuring its reporting goes beyond tracking the use of funds to include details on results, impact and overall performance. Its results framework measures quantitative and qualitative targets at global and country-levels. Lessons learned are applied to new country cases. However there is some criticism that the quality of monitoring and evaluation was weak, but as a result of pressure from

donors is now overly prescriptive and difficult. The PBF is seeking to address this concern.

Although PBF does not have a specific policy for targeting the poorest people, its mandate, strategic plans and activities have an obvious impact on poor people throughout the countries it works in.

a) Demonstrates development or humanitarian results consistent with mandate	STRONG
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The United Nations Peacebuilding Fund (PBF) occupies a unique niche role in the wider UN peacebuilding architecture. It is mandated to fill critical funding gaps and to focus on early entry and speed in deploying resources to its operational partners.

PBF is not involved in the delivery of humanitarian activities but in facilitating good development outcomes in conflict-affected environments. Its primary function is to identify and respond to funding gaps in peacebuilding operations and to disburse designated funding to its partners for the implementation of peacebuilding activities.

Overall, PBF demonstrates efficient responses to funding requests; it has effectively promoted discussion and learning about peacebuilding issues in the context of post-conflict situations; it actively promotes ongoing peacebuilding processes and through its partners has made direct contributions to peace and peaceful dispute resolutions.

Some feedback received from the Australian overseas mission in Nepal indicates however that in the past, PBF response times to funding requests were slow. PBF has indicated the first distributions to Nepal were done in the early days of PBF's operation, and that improvements to PBF management systems have resulted in better outcomes in Nepal (as documented in a 2011 independent evaluation by ODC Nepal).

Examples of PBF's successes include:

- > results achieved through funding peacebuilding projects in Burundi that ranged from governance to law enforcement and human rights. Evaluations of these activities indicate PBF funding delivered innovative projects that made important contributions to peace consolidation in Burundi, and
- > a rule of law education project in Liberia was successful in providing basic human rights and law enforcement education to rural people. A 2009 evaluation (Ball and van Beijnum) found a strong range of PBF-funded projects had positive impacts on ongoing peacebuilding processes.

b) Plays critical role in improving aid effectiveness through results monitoring	SATISFACTORY
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The PBF recognises that it needs to focus on program quality. Efforts are being made to ensure that PBF's reporting mechanism goes beyond tracking the use of funds and includes focus on results, impact and overall performance. PBF's results framework measures quantitative and qualitative targets at global and country-levels. Lessons being learnt are being applied to implementation in new country cases.

c) Where relevant, targets the poorest people and in areas where progress against the MDGs is lagging	STRONG
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Although PBF does not have a specific policy aimed at targeting the poorest people, its mandate, strategic plans and the activities it funds mean there is obvious impact on poor people throughout the countries it works in.

PBF has a sole operational focus on countries emerging from conflict. Its strategic plans, including the Performance Management Plan 2011–2013, also reference targeting youth, women and other marginalised members of conflict affected communities. With these marginalised groups often being over-represented in poor communities, which in turn are often heavily affected in conflict situations, PBF programs can be seen to be making a difference in the lives of poor people.

2. Alignment with Australia's aid priorities and national interests	STRONG
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PBF's activities are closely aligned with the Australian aid program's strategic goals of effective governance and humanitarian and disaster response. Its work also aligns closely with Australia's broader interests in peacekeeping and peacebuilding. Through PBF, Australian aid can extend to peacebuilding activities in areas where Australia has limited presence. The majority of PBF funding to date has been channelled to Africa and there is good scope for PBF to look for opportunities to reflect a wider geographical spread.

PBF has good systems in place to ensure gender is mainstreamed throughout its activities. It is committed to allocating at least 15 per cent of its funding to peacebuilding projects that specifically address women's needs. For example, its 2011 gender promotion initiative aims to allocate US\$5 million to projects specifically designed to

advance gender equality.

PBF does not appear to have policies for the environment or disability-inclusive development.

By its very mandate, PBF is active in some of the most fragile states in the world and has a strong track record of success in difficult environments.

a) Allocates resources and delivers results in support of, and responsive to, Australia's development objectives	VERY STRONG
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There is very strong alignment between the PBF's goals and Australia's broader interests in peacebuilding efforts and supporting the UN's role in this area. In particular, Australia has been a supporter of the PBF's role within the broader UN peacebuilding architecture since the PBF's inception in 2006.

Supporting the PBF allows Australia to be engaged in peacebuilding processes in geographic areas where the Australian aid program does not always have strong representation.

The majority of PBF funding to date has been channelled to projects in Africa and there is good scope for PBF to look for opportunities to reflect a wider geographical spread.

b) Effectively targets development concerns and promotes issues consistent with Australian priorities	STRONG
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There are strong links between the areas of PBF's focus and Australia's development priorities, particularly goals of developing and supporting effective governance; and humanitarian and disaster response.

The PBF is recognised as an organisation that plays a unique role in fragile state and peacebuilding contexts. Evaluations of the PBF have found its funding inputs to be critical in building momentum behind a peace process and for kick-starting a country-level approach to peacebuilding that lay strong foundations for future sustainable economic development and the ending of conflict.

Another strong area of performance for the PBF is its active role in pursuing the participation of women, youth and other marginalised groups in the peacebuilding process.

c) Focuses on crosscutting issues, particularly gender, environment and people with disabilities	STRONG
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PBF is committed to the allocation of at least 15 per cent of its funding to peacebuilding projects that address women's specific needs. A good demonstration of the PBF's approach to gender is its Gender Promotion Initiative which aims to allocate US\$5 million to projects specifically designed to advance gender equality, address women's and girls' needs and/or empower women. This initiative was put in place to strengthen the number of projects that specifically address gender concerns across the four priority areas of the PBF.

Decisions on which particular projects to fund under this initiative are made in accordance with clear criteria in the Gender Promotion Initiative Guidelines. Projects under this initiative have only commenced recently and as such, evaluations of their success—along with any organisational evaluations about impact of these projects on gender concerns—are not yet available.

The 2011 Gender Promotion Initiative is a good step for PBF towards reaching a goal of ten per cent of funding being used for promoting girls' and women's roles in peacebuilding by 2012. The aim is to reach 15 per cent.

A number of PBF programs also place a strong emphasis on engaging youth in peace processes, youth unemployment as a source of tension and potential conflict; and addressing the needs of other marginalised groups.

At the PBF stakeholder meeting in November 2011, a focus was placed on natural resource management and conflict. Though currently representing a small portion of PBF allocations, it is expected that this will grow.

PBF does not appear to have any formal policies on disability.

d) Performs effectively in fragile states	STRONG
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PBF was designed to specifically engage in fragile states, but it is important to remember that PBF is not in itself an implementing agency: as a funding mechanism, PBF is crucial in providing the resources needed upfront to implementing partners who have submitted applications for funding in countries that have requested (and been approved) to be eligible from the UN Secretary-General, for PBF engagement.

Many fragile states are characterised by the lack of funding to manage unexpected emergencies and to diffuse potential crises. PBF's flexibility and ability to act quickly in deploying resources to its operational partners enables it to play a valuable role in these contexts.

As of September 2011, PBF had projects active in 22 countries including Nepal, Sri

Lanka and one small project in East Timor.

Overall, evidence considered during this assessment indicates that PBF performs well in its unique role of providing funding in critical stages of post-conflict transition and that in other reviews its projects appear to have fulfilled the core aims of the PBF: its funding is catalytic, supports innovative approaches and helps promote UN leadership in peacebuilding.

3. Contribution to the wider multilateral development system	STRONG
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PBF plays a niche role in the broader UN and global post-conflict peacebuilding architecture as it provides a funding mechanism for critical programming when few other avenues are available. PBF motivates partners (such as Security Council Mission Leadership, UNDP and other UN agencies) to identify peacebuilding priorities in partnership with governments and contribute to building a joint effort at country-level.

PBF's unique mandate allows it to work closely with other actors in the humanitarian, peacekeeping and peacebuilding sphere to apply its specialist experience to situations of greatest need. PBF fills a critical role of financing projects in delicate situations when there may be no other financing available. This in and of itself shows the innovative nature of its work.

PBF fills a critical gap in the multilateral development system and is an innovative approach to funding much needed activity in area sector that is often too difficult for many donors and other agencies to be involved in.

PBF has also adopted an innovative approach to program development seeking proposals from in-country teams to identify what will work best in each circumstance. This helps prevent a default 'one-size-fits-all' approach to peacebuilding.

a) Plays a critical role at global or national-level in coordinating development or humanitarian efforts	STRONG
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PBF plays a niche role in the broader UN and global post-conflict peacebuilding architecture in that it provides a funding mechanism for critical programs when no other avenues might be available. Through its structure as purely a funding agent, it is able to bring in partners who apply for, and implement, projects based on needs and contribute to building a joint effort at country-level.

The PBF Business Plan 2011–13 states that, 'recognition has come that the [PBF] has a comparative advantage in funding interventions that:

- > target institutions critical to the prevention of violence and conflict in the near future

and that are ready for peacebuilding intervention

- > fill a critical or temporal funding gap (i.e. respectively, gaps created because other donor restrictions prevent them from funding it, or other donors are unable to fund at that time), and
- > enable national actors to sustain project outcomes.'

These claims are supported by the evidence reviewed by the Australian Multilateral Assessment.

b) Plays a leading role in developing norms and standards or in providing large-scale finance or specialist expertise	SATISFACTORY
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PBF plays a leading role in providing critical financing in delicate situations and, in conjunction with its implementing partners, applies specialist expertise to its work.

PBF provides large-scale financing for the implementation of important proposals that often fill the gap between peacekeeping and peacebuilding. PBF's current strategy aims to disburse US\$100 million per year.

c) Fills a policy or knowledge gap or develops innovative approaches	STRONG
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Following the evaluation of the PBF by UN Office for Internal Oversight Services (OIOS) and review of the terms of reference in 2009, the PBF is demonstrating new and innovative approaches to peacebuilding.

PBF clearly fills a highly specialised gap and in of itself is an innovative approach to funding much needed activity in an area which is often difficult for many donors and other agencies to be involved in. PBF has adopted an innovative approach to program development by seeking proposals from in-country teams to identify what will work best in each circumstance. This helps in preventing a default 'one-size-fits-all' approach to peacebuilding.

Peacebuilding Support Office (PBSO), as manager of the PBF, seeks also to benefit from connections to the Peacebuilding Commission (PBC) to help identify successful approaches, and work with the rest of the UN system through the Senior Peacebuilding Group (and the working level Peacebuilding Contact Group) to identify and disseminate lessons (such as through collaborative technical reviews).

ORGANISATIONAL BEHAVIOUR

4. Strategic management and performance

SATISFACTORY

PBF operates under a clear mandate supported by the UN General Assembly's request to establish a fund to focus on post-conflict peacebuilding initiatives.

PBF operates with a business plan and performance management plan (both covering 2011–13). These documents align closely to PBF's mandate and provide clear and measurable targets. PBF operates under a complex governance arrangement, including:

- > oversight from the UN General Assembly
- > day-to-day management by the Peacebuilding Support Office
- > contribution from the Peacebuilding Commission on strategic approaches
- > advice from and oversight of its activities, by its Advisory Group, and
- > management of country-level activities by the Joint Steering Committee co-chaired by the national government and the UN.

Despite these complexities, management arrangements and oversight appear to be working well.

Monitoring and evaluation systems are sound. PBF management appears to be responsive to evaluation recommendations. Its leadership has successfully overseen a strengthening of systems and processes in response to the findings of a 2009 evaluation by the UN Office for Internal Oversight Services.

Among the findings were concerns about staffing levels and continuity of staff, which appear to have been at least partially addressed, although risks relating to a reliance on secondments must be managed.

a) Has clear mandate, strategy and plans effectively implemented

STRONG

PBF operates under a clear mandate, coming from the UN General Assembly's request to establish a fund that focuses on post-conflict peacebuilding initiatives. Its strategy to achieving this is guided by the aim of addressing immediate needs when resources are not available from other funding mechanisms.

PBF's approach to funding and fulfilling its strategy and plans is clear. Funding is provided to initiatives that respond to one or more of the following criteria:

- > respond to imminent threats to the peace process and initiatives that support peace

agreements and political dialogue

- > build or strengthen national capacities to promote co-existence and peaceful resolution of conflict
- > stimulate economic revitalisation to general peace dividends, and
- > re-establish essential administrative services.

For the current period, PBF activities are guided by two overarching plans: the Business Plan 2011–13; and the Performance Management Plan 2011–13.

The Business Plan outlines a clear five-part approach to achieving organisation aims in this period including identifying core approaches; indications of size and scope of the portfolio; new or adjusted directions to improve procedures and outreach; risk identification; and regular performance assessment. The approach outlined in the business plan is clearly aligned to the organisation's mandate.

The Business Plan also has strong links to the PBF's Performance Management Plan 2011–13 which is used by Peacebuilding Support Office senior management as the main reference point against which the effectiveness of country programs and organisational performance will be measured.

The Performance Management Plan makes reference to clear and measurable targets that cover a range of indicators from percentage of countries in the PBF portfolio that have increased stability and peace; through to the number of programs that address national reconciliation; and a range of indicators targeting women, youth and other marginalised groups.

These two key documents lay a strong and effective approach and guide for PBF's work program over the three years 2011–13.

b) Governing body is effective in guiding management	SATISFACTORY
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In accordance with the revised Terms of Reference established in 2009, the PBF has implemented a number of governance arrangements.

- > The UN General Assembly guides the PBF's operations. The General Assembly may offer policy guidance, along with the UN Peacebuilding Commission, on the basis of an annual report on the PBF's activities submitted by the UN Secretary General.
- > The Peacebuilding Commission supports the development of integrated strategies (more recently, 'Statements of Mutual Commitment') for post-conflict peacebuilding and recovery and provides strategic advice related to countries under its review.
- > The UN Secretary-General appoints a panel of up to 10 'eminent personalities' based on their experience and regional representation to form an independent Advisory Group to provide advice and oversight on the speed and appropriateness of PBF

allocations and to also examine performance and financial reports.

These oversight functions interact with the Peacebuilding Support Office that is charged with the overall management of the PBF, including guiding the use of PBF resources and monitoring and reporting on its activities. The UNDP Multi-Donor Trust Fund Office is the PBF's administrative agent.

While these arrangements appear complicated, management and oversight appears to be working well.

c) Has a sound framework for monitoring and evaluation, and acts promptly to realign or amend programs not delivering results	SATISFACTORY
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PBF has a sound system in place for monitoring and evaluation. A rigorous set of planned evaluations for 2011–13 is now in place with all country programs being subjected to a full program evaluation between now and 2013. In addition to this, the PBF also works directly with its partner agencies and governments on monitoring and evaluation activities to help strengthen the in-country delivery of its programs. Many of its programs are delivered by UNDP. Earlier sections of this assessment have noted however that feedback received during the course of this assessment indicates that, in some cases, partner government capacity may not match the resources needed to adhere to strict PBF monitoring and evaluation requirements.

PBF is a funding mechanism and therefore is often reliant on its partners' systems for monitoring results. PBF now recognises that it has role to play in the level of guidance and technical support it can give partners across the whole project cycle. This includes facilitating an intra-UN agency working group on monitoring and evaluation.

The PBF's Performance Management Plan (PMP) is also an important plank in its strategy for stronger monitoring and evaluation systems. The PMP is aimed to give all field staff a solid understanding of what is expected in each project undertaken; it also aims to streamline monitoring and reporting of results from the field to headquarters.

Management appears to be responsive to the recommendations delivered by evaluations—a good example is the revision to the PBF Terms of Reference following a 2008 review by the UN Office for Internal Oversight Services (OIOS).

d) Leadership is effective and human resources are well managed	SATISFACTORY
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Executive leadership of the PBF is provided by the head of the Peacebuilding Support Office, the Assistant Secretary-General for Peacebuilding Support, a position held by Judy Cheng-Hopkins since September 2009. Senior leadership has effectively led improvements in PBF's effectiveness in response to reviews conducted into the PBF's operations.

In the 2008 OIOS Evaluation Report, concerns were raised regarding issues related to the PBF's human resources. The 2011–13 Business Plan states:

The cost plan for 2010 submitted by PBSO contains provision for eight positions. The 2008 OIOS Evaluation Report recognised that human resources issues were hindering optimal fund management and that a "key resource challenge for the Fund is the lack of long-term and regularised staff in PBSO". The estimated annual cost of management of the [PBF] is [US]\$3.64m, based on all 8 positions being filled for the full 12-month period. To date, PBSO has benefited from lower than planned encumbering of positions, by provision of staff on secondment and from extra-budgetary contributions. Continued secondments and additional extra-budgetary contributions are critical for [PBF's] ability full to implement this Business Plan.

This is clearly an ongoing challenge for PBF management. Risks must be managed, including one, that it might not continue to successfully achieve cost saving measures by relying on secondments and additional contributions; and two, that relying on secondments also means that corporate knowledge built up by secondees may be lost when they return to their home organisation.

5. Cost and value consciousness	SATISFACTORY
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Oversight of cost and value for money is undertaken by the Peacebuilding Support Office, which is responsible for PBF's overall management, including setting the direction and guiding the use of its resources. Once a priority plan is approved, the head of the Peacebuilding Support Office is responsible for determining the overall funding envelope for each country. This is based on the fund's available balance and the indicative costs of the proposed plan. In this way, every major funding proposal goes through a direct management cost scrutiny process. Cost effectiveness is also taken into consideration. If changes to funding proposals are requested by scrutineers, funds may not be transferred until everyone involved is satisfied with the budget presented.

All PBF partners are subject to UN procurement and financial regulations, which require consideration of value for money when procuring goods or services. PBF relies on these regulations, and value for money considerations therefore do not generally feature in agreements with its partners. PBF is considering the use of performance-based

allocations to further challenge partners on value for money, however this is not yet fully implemented.

a) Governing body and management regularly scrutinise costs and assess value for money	SATISFACTORY
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The Peacebuilding Support Office (PBSO) is responsible for the overall management of the PBF, including setting the direction and guiding the use of PBF resources. Once a priority plan has been approved, the Head of the PBSO determines the overall funding envelope for the country on the basis of available balances and an indicative costing of the priority plan, and delegates authority to a country-level Joint Steering Committee to manage the implementation of the plan. In this way, every major funding proposal goes through a direct management cost scrutiny process.

b) Rates of return and cost effectiveness are important factors in decision making	SATISFACTORY
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The PBF has two different funding facilities and the decision making process for each is different. With the Immediate Response Facility (IRF), decisions on resource allocation are taken at headquarters level by the Peacebuilding Support Office. In this process, proposed budgets are scrutinised by the PBSO, the Peacebuilding Contact Group (comprising the PBF's UN partners) and the World Bank. If changes are requested by the scrutineers, funds may not be transferred until all involved are satisfied with the budget presented and the quality of proposals for allocation within each program.

The other funding mechanism is the Peacebuilding and Recovery Facility. Approvals for this take place at country-level through the Joint Steering Committee which brings together senior in-country UN leadership and national government counterparts.

c) Challenges and supports partners to think about value for money	SATISFACTORY
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PBF's implementing partners are UN agencies themselves—the largest PBF partner being UNDP. All UN approaches to procurement and financial regulations therefore also apply to PBF's partners. Given the nature of its mandate and operations, PBF is not in a position to challenge its partners on value for money. The PBF is currently updating its guidelines and intends to add questions about value for money in its application and assessment forms.

6. Partnership behaviour	STRONG
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PBF has a strong and effective focus on operating with and through partners. Its funding is channelled through UN partner agencies which are then responsible for delivering the programs they proposed through PBF's application process.

Formal partnership arrangements are in place between PBF and the United Nations Development Program, United Nations Children's Fund, United Nations High Commissioner for Refugees, International Organization for Migration and UN Women, in addition to 11 other agencies and programs. PBF takes an active position on reviewing its partnerships.

PBF projects align with country priorities and systems. Examples of PBF-funded projects in Africa show it has had some success in aligning with and supporting national systems through its project implementation. The Joint Steering Committee is designed to enhance ownership by local governments and civil society organisations through increasing their role in prioritisation and programming.

Stakeholders are encouraged to engage in country-level decision making (stakeholders can include government, civil society and sometimes opposition representatives).

PBF has actively pursued including women in its projects.

a) Works effectively in partnership with others	STRONG
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As a funding mechanism, PBF needs to operate closely with implementing partners to ensure its funding reaches the areas in most need within critical timeframes. The Joint Steering Committee is a mechanism designed to enhance ownership by Government and civil society partners, increasing their role in analysis, prioritisation and implementation. The PBF encourages UN joint programming.

PBF funding is channelled through partner UN agencies which then have responsibility for delivering the programs they proposed through the PBF applications process. As of September 2011, PBF channels funding through 16 UN agencies. Memorandums of Understanding are all in place for each of these UN agencies as PBF implementing partners.

As part of its regular planning and reviewing mechanisms, PBF takes an active position on reviewing its partnerships and recommending how to improve those relationships. The 2011–13 Business Plan usefully identifies that partners must be consulted to improve program quality. PBF aims to work with its partners in this respect to ensure that:

- > conflict and situational analysis is underpinning program design

- > programs are reviewed for lessons learned
- > criteria for activity selection are increasingly clarified, and
- > monitoring and evaluation systems are improved.

b) Places value on alignment with partner countries' priorities and systems	STRONG
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PBF projects align with country priorities and systems. All PBF project frameworks and strategies are agreed by governments and in many cases, with civil society actors as well. PBF seeks to use existing country-level governance mechanisms created for the management of other funds as much as possible. In many ways, the PBF's inherent links to the wider UN peace architecture and to other UN-based planning and operating systems means that PBF projects are usually well aligned to partner country priorities and systems.

Examples from PBF-funded projects show it has had some success in aligning with and supporting national systems and priorities through its project implementation. PBF has been realistic in its ability to meet Paris Principles in every project: the 2010 evaluation (Campbell, Kayobera and Nkuruziza) showed that when country systems do not have the capacity to fully absorb and implement PBF funds, PBF has worked closely with partner UN agencies (typically UNDP) to build stronger relationships and capacities.

c) Provides voice for partners and other stakeholders in decision making	STRONG
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PBF encourages partner voice to be heard and taken into account at country-level. Partners and stakeholders include government, civil society organisations and sometimes opposition representatives (if appropriate and political conditions permit). This is particularly true of the country-level decision making structure for the Peacebuilding and Recovery Facility (through the Joint Steering Committee).

PBF also makes significant targeted efforts to include women in its programmatic focus, including the new Gender Promotion Initiative which provides a flexible pool of money (US\$5 million) in 2011–12 for distribution based on merit of proposals received.

7. Transparency and accountability**STRONG**

PBF has no formal disclosure policy but its website is comprehensive with information available on projects in place and full information on how applications can be made for funding of new activities.

PBF is transparent in its resource allocations through a set of eligibility criteria and assessments for project proposal approval. It also has a clear formula to guide the splitting of allocations between types of projects each year.

PBF is subject to regular UN systems in terms of financial management, audit, risk and fraud.

Since 2010, details of PBF transfers to recipient organisations have been made publicly available online in real-time. In addition, PBF requires recipient organisations to submit project-level progress reports (including both financial and narrative descriptions) which it consolidates and publishes annually.

a) Routinely publishes comprehensive operational information, subject to justifiable confidentiality**STRONG**

PBF appears to have a fairly strong track record of publishing project and programme information online. Nevertheless gaps do remain where specific project details are not available to view. PBF does not have a formal disclosure policy to guide what it does and does not publish.

PBF would benefit from publishing more online and more quickly after the event. For example, the last Report of the Secretary General available on the PBF website is for the 2009–10 period, published in September 2010. As of mid-February 2012, the July 2010–December 2011 report was not yet available online (PBF reports this is due to a change in the reporting cycle). PBF presents key papers to donors earlier as material for key meetings (such as the annual High Level Stakeholders meeting), but more could be done to close the gap in publicly publishing appropriate key documents online for open access. PBF recently (November 2011) revamped and relaunched its website. An increasing number of independent country-level evaluations are becoming available online.

b) Is transparent in resource allocation, budget management and operational planning**STRONG**

PBF is very transparent in its funding procedures, guidelines and allocations. The primary requirement is that countries must be declared eligible for PBF funding by the

UN Secretary-General based on assessments of in-country conditions. Once this has been established, funding can be sought by submitting an application in line with the guidelines that are easily accessible via the PBF website.

In line with the organisation's own method of operation, applications for funding can only be submitted by UN agencies approved to implement PBF resources.

In terms of allocation, the PBF has a rough set of guidelines (which do remain flexible and adaptable) to help shape resource allocation:

- > a limit of activities in 20 countries at any one time
- > one-third of resources going to large grants (approximately US\$10 million each)
- > one-third to medium grants (approximately US\$5 million each), and
- > one-third to small grants (approximately US\$2.5 million each).

PBF has a nominal target of US\$100 million worth of disbursements per year based on previous experience; it appears however that the PBF may fall short on new income over the next few years, which may place pressures on the resource allocation model.

c) Adheres to high standards of financial management, audit, risk management and fraud prevention	STRONG
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PBF has strong systems in place to manage its finance, audit, risk and fraud concerns. Full financial reporting is required to be submitted to the Secretary-General who in turn uses that information to compile a report on the PBF's activities and financial position for the UN General Assembly. The 2009 Terms of Reference also clearly stipulate that the PBF will be subject to an independent evaluation every three years to assess effectiveness in fulfilling its objectives and overall impact in support of peacebuilding.

In terms of audit, risk and fraud management, PBF remains subject to the full systems of the broader United Nations. This compliance with the broader system is clearly stipulated in the 2009 Terms of Reference. PBF's current Business Plan 2011–13 also contains a strong section on risks facing the organisation in implementing this plan. The risks here are quite realistic and worth considering and do not seek to hide anything from stakeholders.

d) Promotes transparency and accountability in partners and recipients	SATISFACTORY
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PBF's implementing partners are UN agencies themselves—the largest PBF partner being UNDP. All UN approaches to transparency and accountability would therefore also apply to PBF's partners. PBF is therefore not in a position to challenge its partners on

transparency and accountability. PBF seeks to encourage transparency of its partners through the direct online publication of all activity quarterly and annual reports.

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