

## THE LHF THANKS ITS DONORS FOR THEIR GENEROUS SUPPORT IN 2022





#### Credits

This document was produced by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) Lebanon.

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The latest version of this document is available on the LHF website at https://www.unocha.org/lebanon/about-lhf

Full project details, financial updates, real-time allocation data and indicator achievements against targets are available at gms.unocha.org/bi.

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Front Cover Street art picture in Beirut Photo: OCHA Lebanon/Craig Anderson Artist: Christian Guemy

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# **TABLE OF CONTENTS**

4	FOREWORD
<b>6</b> 6 8 9	2022 IN REVIEW HUMANITARIAN CONTEXT 2022 TIMELINE 2022 IN NUMBERS
10	DONOR CONTRIBUTIONS
13	HC'S VISION FOR LHF
14	ALLOCATIONS OVERVIEW
14	STRATEGIC STATEMENTS
17	PROMOTING LOCALIZATION
19	EFFECTIVE PROGRAMMING
26	SECTOR/CLUSTER ACHIEVEMENTS
27	LESSONS LEARNED AND BEST PRACTICES
29	RISK MANAGEMENT
33	ANNEXES
34	COMMON PERFORMANCE FRAMEWORK
35	ACRONYMS & ABBREVIATIONS
36	LHF ADVISORY BOARD
37	REFERENCE MAP
38	ALLOCATIONS BY RECIPIENT ORGANIZATION



#### **FOREWORD**

2022 provided no respite for people in Lebanon, still reeling from the shocks of previous years and the continued effects of the governance crisis, economic collapse, and ongoing conflict in Syria. The worrying trend of refugees, mostly Syrians, but also Lebanese nationals attempting to leave irregularly by sea, often with the help of smugglers and human traffickers, highlights the increasing desperation felt by about so many.

Under the HC's leadership, and with the guidance and oversight of the Advisory Board, the Lebanon Humanitarian Fund (LHF) responded quickly and efficiently to address a range of humanitarian needs among the most vulnerable in Lebanon, supporting the 'Whole of Lebanon Response' that is now an unfortunate necessity due to widening and deepening humanitarian needs across the entire population.

I would like to express my gratitude to the Funds' dedicated donors- Belgium, Canada, Denmark, France, Germany, Iceland, Ireland, Italy, South Korea, Sweden, and Switzerland for their partnership. In 2022, their contributions to the LHF were \$24.2 million, allowing the Fund to continue to help Lebanon's most vulnerable people.

In 2022, the LHF funded its largest number of projects to date - 50 humanitarian projects with 41 partners. The \$28.3 million disbursed aimed to help the most vulnerable Lebanese, Syrian refugees, Palestine refugees and other migrants. The vast majority of money - 98 per cent – went to International and National NGOs.

The LHF continued to support localization, providing 30 per cent of its funding, directly and indirectly, to National NGOs. In addition, the Fund kept its accountable, inclusive, and transparent processes in place, alongside its rigorous risk management activities. The LHF in 2022 enabled a more accountable, evidence-based, and inclusive response by funding partners promoting innovative approaches on integrated programming, AAP, PSEA and disability.

I would like to thank and praise our international and national partners for their pivotal role in this critical work. Thanks to their dedication, and with LHF funding 305,397 people (101,918 women, 77,459 men, 63,317 girls, and 62,703 boys) received sectoral and multi-sectoral assistance and services.

I am pleased to share the 2022 Annual report detailing the LHF's work, activities, and impact. As humanitarian needs persist, we count on your support to ensure the Fund's continued work as a model in providing support to all those in need.

Tru-Rize

Imran Riza

United Nations Deputy Special Coordinator for Lebanon, Resident and Humanitarian



# 2022 in Review

#### HUMANITARIAN RESPONSE PLAN

#### **HUMANITARIAN CONTEXT**

**Emergency Response Plan (ERP):** 

2.5M

PEOPLE IN NEED



PEOPLE TARGETED



s546M

FUNDING REQUIREMENT

August 2021 - December 2022

Link to ERP

#### Lebanon Crisis Response Plan (LCRP):

3.2M

PEOPLE IN NEED



PEOPLE TARGETED



\$3.2BN

FUNDING REQUIREMENT

Link to LCRP

#### **Humanitarian situation in 2022**

Lebanon is experiencing a multi-layered crisis which is exacerbating long-term vulnerabilities, reversing previous development gains, and leading to increasingly visible humanitarian need among the most vulnerable people, including some 2.5 million poor Lebanese, migrants, and refugees from Palestine, as well as 1.5 million Syrian refugees.

A continued governance and economic crisis

On 1 July 2022, the World Bank has officially downgraded Lebanon to low-income economy, following the worst economic crisis any country has suffered in modern history. According to the World Bank, real GDP contracted by 6.5 per cent in 2022, following a 10.5 per cent contraction in 2021 and 21.4 per cent contraction in 2020. The Lebanese pound continues to devalue having lost 95 per cent of its value since the onset of the crisis, while the cumulative inflation reached a devastating 890 per cent over the same period. The inflation along with the steady removal of central bank subsidies has led to major increases in prices of basic commodities, as well as fuel (and thus electricity, as most people rely on generators).

Meanwhile, wheat prices have increased by 210 per cent since the start of the conflict in Ukraine, and by 330 per cent since 2019 and the start of the economic crisis.

Lebanon is witnessing an upsurge in tensions and security incidents, often driven by competition for basic services and commodities. OCHA Lebanon's Crisis Monitoring Dashboard shows that crime rates have doubled, and incidents of hate speech and stigmatization of communities have multiplied. State institutions and services, notably electricity service lines, were already suffering from years of underinvestment prior to the crisis and are now on the brink of collapse. According to WHO and Health Sector analysis, health care

is inaccessible to hundreds of thousands in the country, because of medicines being unavailable, insufficient functional hospital beds or skyrocketing patient costs.

The lack of electricity is affecting water and sanitation. Nearly 90 per cent of the people in Lebanon are connected to a water source that depends on Electricité Du Liban as the main power source, that sometimes provides as little as two hours per day.

Overall, people cannot afford or access basic goods and services including health, food, education, electricity, water and wastewater management, as well as live-saving protection services, thus increasingly resorting to negative coping mechanisms.

The multi-sectoral needs assessment (MSNA) conducted in early 2021 found that humanitarian assistance was necessary for many of the most vulnerable families who, in the absence of adequate social safety nets, were not otherwise receiving any support. About 85 per cent of Lebanese households, 66 per cent of Palestine Refugees from Lebanon (PRL) households and 95 per cent of migrant households reported they did not receive any assistance during the three months preceding the assessment.

# Growing vulnerability among those most in need

According to the 2022 'Increasing Humanitarian Needs in Lebanon' analysis, food prices and healthcare needs are most pronounced and are driving the overall severity of the situation. As many as 2.2 million people need food assistance in 2022, while 1.95 million people need health assistance. Other pockets of needs have been found across all other sectors, with 1 million people needing support to access safe water and sanitation, 334,000 children requiring protection services, 393,000 people in need of GBV services,

and 172,000 children in need of educational support. In addition, some 464,000 people, primarily children and women, suffer from some form of nutritional deprivation and 62,000 migrants require specific shelter and protection assistance.

The situation is increasing compounding protection risks for already at-risk groups in the society, including the elderly, disabled as well as the LG-BTIQ+ community.

The crisis has plunged children across the country into poverty, affecting their health, welfare and education, shattering their hopes and breaking down family relationships. UNICEF estimates that 84 per cent of households do not have enough money to cover necessities, and some 23 per cent of children go to bed hungry. 70 per cent of households have to borrow money to buy food, while some are forced to sell household assets to buy food. UNICEF is observing a worrying increase in child marriage and child labor.

Migrants, estimated at 135,420 from 84 nationalities, too have seen their physical and mental wellbeing take a turn for the worse from 2021 to 2022. According to IOM analysis, more than a third have reported challenges in affording basic needs, with many taking on debt to meet food needs. Migrants are subject to crowded and unsafe living conditions, as well as increased protection risks related to lack of documentation, forced or coercive labor practices, trafficking and GBV.

Displaced Syrians are among the hardest hit by the ongoing economic crisis. 55 per cent of Syrians within the working age group remain outside the labor force, with women LFPR as low as 19 per cent. 94 per cent of Syrians surveyed through Protection Monitoring in 2022 reported that they had difficulties buying food due to lack of money, while 81 per cent reported an inability or increased difficulty in paying rent.

Palestine Refugees in Lebanon are an incredibly vulnerable group, with members unable to meet basic needs without additional assistance. 63 per cent of households assessed as part of the Multi-Sector Needs Assessment reported challenges in meeting basic needs because of loss or reduced employment.

#### Looking ahead

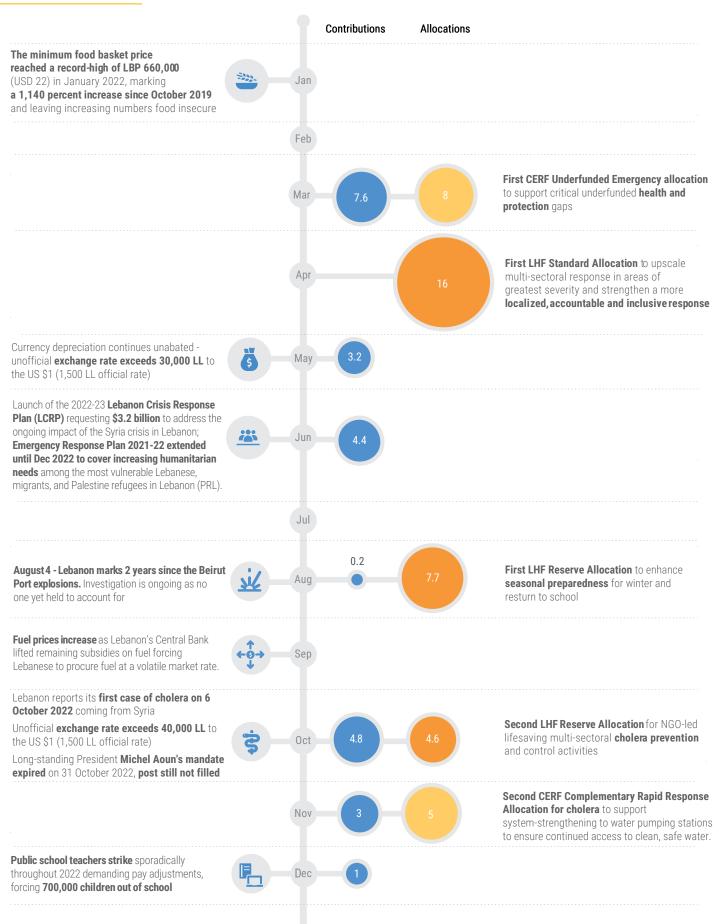
To date, the country remained under the responsibility of a caretaker Government and departure of the former President further compound political uncertainty. Operational constraints are expected to continue increasing due to the breakdown of law and order, political impasse and instability, heavy bureaucratic impediments along with donors' counter-terrorism measures limiting access in key areas resulting in further fragmentation and politicization of aid. The prospect of economic reforms and unlocking of major development assistance remain limited as the Government has made no progress on the 8 pre-conditions necessary to ensure that the four-year IMF Staff Level agreement be implemented in 2023. There could be further deterioration in basic services, spike in prices, inflation and shortages of supplies are expected, worsened by the effects of the war in Ukraine on food prices.

In view of such continued political impasse and lack of structural reforms, and in line with documented growing needs and anticipated forecasts, included by development actors, the humanitarian situation in Lebanon is not expected to improve throughout 2023-2025.



A woman with disability receiving support through LHF-funded project— Naba'a NGO Credits: Jo Matar Photography

### **2022 TIMELINE**



### **2022 IN NUMBERS**



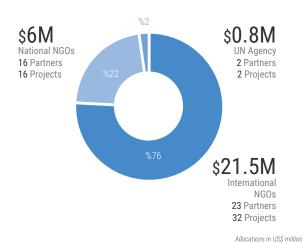






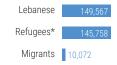
**PARTNERS** 

**PROJECTS** 



\* Funds provided to humanitarian organizations as a primary recipient and excluding sub-grants arrangements. To see sub-grants included please see page 17



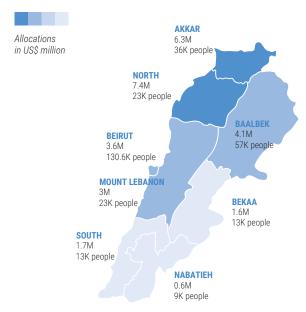


\*including Syrian and Palestine refugees

in thousands of people

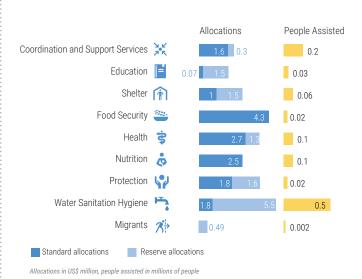






- \* This Annual Report will use the number of people targeted as a proxy for the number of Property and the number of people targeted as a proxy for the number of people reached and henceforth the term people assisted will be used. This approach allows for more timely global reporting as the final data on people reached only becomes available over a year after the allocation of CBPF funds. The reported outcomes will be available on the https://cbpf.data.unocha.org/ and the CBPFs will continuously monitor if targets are reached.
- \*\* Figures for people assisted may include double counting as individuals often receive aid from multiple cluster/sectors. The maximum methodology was applied by the Somalia Humanitarian Fund to estimate the number of people assisted in 2022. The total number of people assisted is thus the sum of the maximum number of targeted beneficiaries by gender and age per cluster/ sectors and location at admin level 2.

#### ALLOCATIONS AND PEOPLE ASSISTED BY CLUSTER



# **Donor Contributions**

In 2022, the LHF received US \$24.2 million, a slight decrease from the \$27.05 million received in 2021 (the largest amount since the Fund began) but reflecting continued donor confidence in the LHF as a way to address the rising humanitarian needs in Lebanon.

Eleven donors contributed to the Fund in 2022 - including South Korea for the first time. A \$13.6 million carry-over from the previous year increased the programmable amount in 2022 to about \$37.8 million, allowing the Fund to allocate \$28.3 million under a Standard and two Reserve Allocations, the largest amount allocated under the LHF to date.

#### **DONOR CONTRIBUTIONS**



Donors made contributions of \$15.1 million, or just over 62 per cent of the 2022 total, in the first six months of the year, a similar situation as in 2021 which allowed the planning and launching of the First Standard Allocation 2022 in May. In the second half of the year, an additional \$9.1 million was channelled to the Fund, allowing for the launch of the First Reserve seasonal preparedness allocation in August and the Second Reserve emergency cholera allocation in October.

Continued funding above \$20 million in 2022 from a range of donors reflects the continued recognition of substantial humanitarian needs in Lebanon and the need for a coordinated, prioritized response through the LHF as a well-placed, flexible and accountable funding mechanism to respond to these needs. As the crisis in Lebanon evolved, the Humanitarian Coordinator has worked closely with LHF donors and other stakeholders to flexibly shift the Fund's strategy to reflect the changing context, for example by the promotion of funding for Migrants as an affected group for whom limited funding has historically been available.

#### **Donor trend**

In line with the changing context, levels of contributions have varied since the Fund's inception in 2014, peaking in 2015, dropping in 2017 and then rising again from onwards in line with increased needs in Lebanon. This renewed increase in donor funding in 2020, 2021 and 2022 demonstrates the relevance of the LHF as a mechanism to meet needs in a worsening crisis and the Fund's efficiency and rigorous monitoring mechanisms.

The LHF has maintained a broad and consistent donor base, with seven donors (Belgium, Germany, Denmark, Iceland, Ireland and Sweden) contributing in each of the last three years, a key and consistent base of support for the Fund's activities. In 2022 Canada, Denmark, France and Ireland increased their level of contribution.

In 2022, South Korea contributed to the LHF for the first time. Qatar, a contributor to the Fund in 2020 and 2021, did not contribute in 2022. The HC and OCHA will continue to advocate with regional donors.

Increased contributions to the LHF remain critical in 2023 as the Fund continues to address humanitarian needs across all population groups. The Humanitarian Coordinator, the OCHA Head of Office and LHF Fund Manager continued to advocate the LHF when meeting potential new donors.

To this end, the LHF developed a Resource Mobilization Strategy to guide efforts in 2022-24. The document will support ongoing work by the HC, OCHA Lebanon's Head of Office and the OCHA Lebanon Humanitarian Financing Unit to ensure the Fund has sufficient financial resources to fulfill its goal to be a timely, effective funding mechanism to reinforce the leadership and coordination role of the HC.

As the context in Lebanon shifts towards a 'Whole of Lebanon' response with growing humanitarian needs across Lebanese and migrant populations besides those among refugee groups from Syria and Palestine, this strategy will support the strategic positioning of the LHF as a tool to address these needs.

Ethiopian migrant children receiving support from Amel-NGO migrant program ."We belong to Ethiopia" event. Credits: Amel NGO



#### **CONTRIBUTIONS TIMELINE**



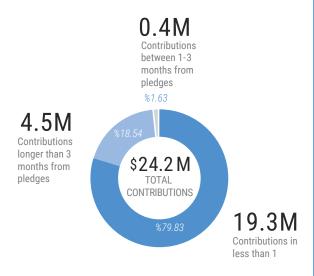
#### DONORS WITH MULTI-YEAR CONTRIBUTIONS

■ Belgium **\$4.5M** 2021 - 2022 ■ Switzerland **\$1.4M** 2022 - 2024

#### **Contributions timeliness**

LHF donors continued to provide timely contributions. Eighty per cent of pledges were received within one month of being pledged, enabling the HFU to better prepare for allocations. The LHF will continue to ensure strong relationship with donors to ensure timely arrival of funds.

#### TIMELINESS OF CONTRIBUTIONS



12

#### TIMELY CONTRIBUTIONS

Pledging and payment of contributions to CBPFs are timely and predictable.

#### **Target**

70 per cent of donor contributions are paid in Q1 & Q2.

#### **Results and analysis**

The Fund received 62 per cent of its 2022 funding in the first half of the year, up from 58 per cent received in 2021. While this falls short of the 80 per cent target for 2022, 80 per cent of pledges were received within one month of being pledged, enabling the HFU to better plan allocations. The LHF will maintain strong relationship with donors to ensure timely arrival of funds.

13

#### **EFFICIENT SCALE**

CBPFs have a significant funding level to support the delivery of the HRPs.

#### **Target**

Fundraising target of \$35 million in the absence of an HRP in Lebanon

#### **Results and analysis**

The fundraising target for 2022 was increased to \$35 million from the 2021 target of \$30 million to reflect the growing humanitarian caseload in Lebanon. While in 2021 the LHF received \$27.1 million (90 per cent of the funding target), in 2022 the LHF received \$24.2 million (69 per cent of its target).

The LHF in 2022 allocated its largest amount ever of \$28.3 million because of 2022 contributions and a carry-over of \$13.6 million from late 2021 contributions. In 2023, the LHF will depend on continued and increased donor contributions to continue to allocate at the same scale.

All CPF list and descriptions

# HC's vision for LHF



#### HC's vision for the Lebanon Humanitarian Fund

Under the leadership of the Humanitarian Coordinator, the Lebanon Humanitarian Fund (LHF) is a flexible OCHA-managed Country-Based Pooled Fund (CBPF) designed to respond quickly and efficiently in this complex context while ensuring accountable, inclusive, and transparent processes.

Humanitarian partners and sectors identify priorities based on needs, and these underpin all allocations and draw on available analyses, including the Multi-Sector Needs Assessment (MSNA) Vulnerability Assessment of Syrian Refugees in Lebanon (VASyR), as well as other in-depth sectoral needs assessments.

Through its allocations, the LHF responds to the priority needs of the most vulnerable Lebanese people, Syrian refugees, Palestine refugees and migrants. The Fund is focused on the people who are most vulnerable and at risk, including people with special needs, the elderly, female-headed households and those with chronic medical conditions.

To the extent possible, the LHF promotes a localized response by providing additional support, capacity development and dedicated funding for Lebanese-based organizations. The LHF promotes a more inclusive and accountable response, prioritizing cross-cutting issues, including accountability to affected populations (AAP), the protection from sexual abuse and exploitation (PSEA), gender equality and gender-based violence (GBV), disability inclusion, cash programming and complementarity.

#### Reflecting on 2022

In 2022, the LHF strengthened its position as a well-placed, accountable, timely and flexible mechanism to respond to humanitarian needs of the most vulnerable people in Lebanon. The Fund disbursed its highest amount of funding since its creation. The Fund supported the upscale of multi-sectoral response in prioritized geographic areas of need.

The Fund based its allocations on a collectively agreed severity mapping of all affected populations. Through this, the LHF played a strategic role in promoting a coordinated needs-based response based on joint analysis conducted across operational frameworks present in Lebanon.

The LHF furthermore supported a localized approach, by directly funding national NGOs (22 per cent of funding disbursed directly), as well as training and partnership.

The LHF in 2022 made significant progress to provide flexible funding to partners to program in a more accountable, inclusive way with targeted funding for projects promoting AAP, including persons with disabilities and awareness of PSEA among humanitarian implementers and people receiving aid in Lebanon.

# Allocations overview

#### STRATEGIC STATEMENTS

# First Standard Allocation: Up-scaling an accountable and inclusive multi-sectoral response to humanitarian needs in areas of highest severity in Lebanon

In a worsening humanitarian context and based on findings from a multi-sectoral needs assessment in April, this allocation of \$16 million supported the scale up of the response in areas that witnessed a marked deterioration of the humanitarian situation. The allocation followed innovative approaches for an evidence-based and inclusive response, as well as prioritized support to local and national organizations.

#### Reflection on implementation

This largest ever allocation by the LHF has allowed an upscale of critical response activities in locations in which a multi-sectoral needs were identified and supported a more inclusive, accountable response under the HC's leadership.

# **First Reserve Allocation:** Enhancing seasonal preparedness, and continued strengthening of local response

Against a backdrop of an ongoing economic and governance crisis, near collapse of basic services and increasing numbers of people unable to cover their basic needs, the \$7.7 million allocation in August supported children returning to school and provided assistance to vulnerable households in anticipation of harsh winter conditions. The allocation supported all populations groups in areas with highest severity of needs.

#### Reflection on implementation

Allocating 29 per cent of funding directly to NNGOs the allocation prevented further disruption to children's educations and allowed timely preparation before winter to support most vulnerable people with WASH, shelter and protection services.

# **Second Reserve Allocation:** Emergency cholera prevention and response

The rapid spread of cholera in Lebanon in early October, combined with continued and worsening disruption to Lebanon's public water and sanitation infrastructure, as well as an overburdened health system left the country ill-equipped to deal with a potentially deadly and sustained outbreak. This Reserve Allocation of \$4.6 million, supported NGO-led lifesaving multi-sectoral cholera prevention and control activities. Some funding was made available to strengthen the accountability of the humanitarian response by providing short-term support for an inter-agency PSEA Coordinator position and a limited package of capacity development activities to be delivered through the PSEA Network.

#### Reflection on implementation

The rapid response facilitated under this LHF allocation and a parallel \$5 million CERF allocation allowed a timely and impactful response to limit the spread of cholera. Given lower than expected serious cases, partners funded were allowed flexibility to extend projects to ensure continued response capacity and scale-up of prevention activities should further outbreaks occur.

#### 2022 ALLOCATIONS

Amount	Category	Launch month
\$16M	Standard Allocation	April
\$7.7M	Reserve Allocation	August
\$4.6M	Reserve Allocation	October



#### **FLEXIBLE ALLOCATION PROCESS**

CBPF funding supports strategic planning and response to needs identified in the HRPs and sudden onset emergencies through the most appropriate modalities.

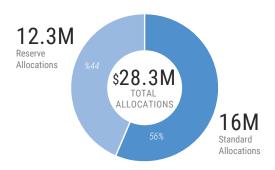
#### **Target**

At least 70 per cent of funds allocated through Standard modality and up to 30 per cent kept in Reserve. The Fund responds to changes in humanitarian context, where its funding situation allows.

#### **Results and analysis**

In 2022, 56 per cent of funding was allocated under a Standard Allocation with the remaining 44 per cent under two Reserve Allocations. Despite prioritizing planned, transparent and competitive processes through Standard Allocations, the turbulent context in Lebanon necessitated quick and flexible responses through two Reserve Allocations.

ALLOCATION BY TYPE in US\$ million



14

#### **EFFICIENT PRIORITIZATION**

CBPF funding is prioritized in alignment with the HRP.

#### Target

100% of funded projects address priorities identified in coordinated operational humanitarian response plans in-country.

#### **Results and Analysis**

All funded projects address humanitarian-focused strategic objectives identified under coordinated operational response plans in Lebanon (the Lebanon Emergency Response Plan (ERP) and the Lebanon Crisis Response Plan (LCRP).

ALLOCATION BY STRATEGIC FOCUS in US\$ million

\$26.7M so1

\$1.6M so3

s**0M**so

SO1: ERP 1: Provide essential short-term support to most vulnerable people affected by the economic crisis for them to meet their critical needs in terms of health care, food, nutrition, education & Water

SO2: ERP 2: Support the response capacity of the Lebanese health system in coping with the COVID19- emergency.

**S03:** ERP 3: Enhance timely, unhindered and equitable access to protection assistance for migrants.

15

#### **EFFICIENT COVERAGE**

CBPF funding effectively assisted people in need.

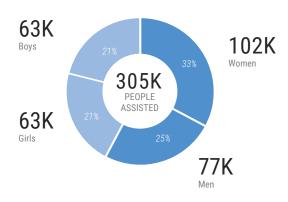
#### Target

The LHF collectively prioritized life-saving humanitarian needs and assisted identified as most vulnerable and at risk.

#### **Results and Analysis**

The report results reflect the maximum number of people assisted per location as the targeted and prioritized geographic scope of allocations, and the integrated nature of services provided mean some people would benefit from more than one sectoral intervention.

PEOPLE ASSISTED



All CPF list and descriptions



#### **TIMELY ALLOCATION**

CBPFs allocation processes have an appropriate duration.

#### **Target**

Standard Allocation projects are processed (from the submission deadline to the HC signature) within 30 days on average. The reserve Allocation projects are processed (from the submission deadline to the HC signature) within 20 days on average.

#### **Results and Analysis**

The Fund processed Standard Allocations 10 days faster than in 2021. This shows the improving internal mechanisms during the whole allocation process, The reserve Allocations was longer than 2021 because of some complex projects requiring considerable amendments at the technical review stage of the process.

**Milestones**: From allocation closing date to HC signature of the grant agreement

Category	2020	2021	2022
Standard Allocations	44	39	29
Reserve Allocations	18	9	24



#### **EFFICIENT MANAGEMENT**

CBPF management is cost-efficient and context-appropriate.

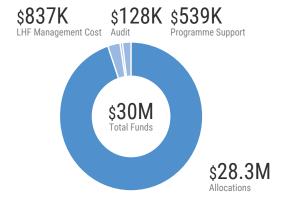
#### Target

HFU operations cost (cost plan) accounts for less than 5 per cent of overall utilization of funds (allocations + operations costs).

#### **Results and Analysis**

HFU running costs are in line with the recommended amounts and are vital to ensuring a well-capacitated team to run the Fund.

UTILIZATION OF FUNDS in US\$ million



### 11

#### **TIMELY DISBURSEMENTS**

Payments are processed without delay

#### **Target**

10 days from Executive Officer signature of a proposal to first payment.

#### **Results and Analysis**

Average number of days: 11.3 days. While we have seen improved internal processes for payments at field and HQ level in recent years and faster processing than in 2021, pressure on systems at peak times led to some delays in 2022.

AVERAGE WORKING DAYS OF ALLOCATION PROCESSING



Average working days from EO signature of a proposal to first payment

### 17

#### **EFFICIENT MANAGEMENT**

CBPF management is compliant with management and operational standards required by the CBPF Global Guidelines.

#### Target

Operational Manual is updated based on the latest version of Global CBPF Guidelines by the end Q1. Annual report and allocation papers fully compliant with global guidance documents.

#### **Results and Analysis**

The Fund did all allocations and reporting in line with global guidance. In 2022 the LHF worked with all stakeholders to reflect revised Global Guidelines for the Management of CBPFs into the LHF 2023 Operational Manual (to be used for all allocation in 2023).

All CPF list and descriptions

#### PROMOTING LOCALIZATION



In 2022, Lebanese organizations continued to be at the forefront of crisis response demonstrating a large and active civil society. The LHF supports localization to complement other in-country initiatives to ensure a more people-centered sustainable response.

In 2022, the LHF allocated 22 per cent of its funding directly to L/NNGOs (a 35 per cent increase compared with 2021) and an additional 9 per cent of total funding allocated indirectly to L/NNGOs. Sixteen of the 50 projects funded in 2022 were implemented by NNGOs.

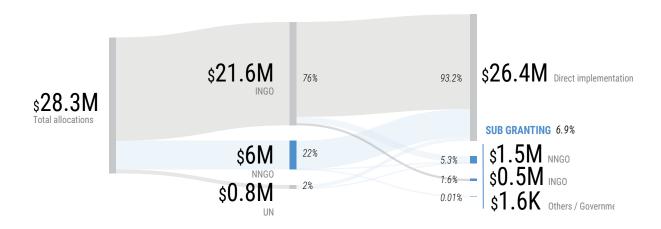
Where partnerships exist (either between INGOs and NNGOs or between NNGOs), the LHF requires the lead partner to share the 7 per cent standard program support costs and to promote equal partnership. The Fund also supports capacity development activities to strengthen operational or institutional capacity within the sub-NNGO partner.

The LHF has supported core functions of the Lebanon Humanitarian and Development Forum (LHDF) under LHF First Reserve Allocation, empowering the involvement of NNGOs in all levels of decision making. The LHDF and one additional NNGO continued to sit and actively engage on the LHF Advisory Board. All Strategic Review Committee meetings include NNGO members. The LHF continued to support NNGO partners throughout the project cycle to strengthen any areas of weakness identified through LHF risk management activities.

The LHF held an open day to reach out to new potential partners with 25 representatives attending to understand the work of the LHF and the expectations and steps towards eligibility. Overall, the LHF in 2022 assessed 73 new partners, 13 of whom became eligible for funding. For those who did not pass, the HFU provided detailed feedback and guidance. The LHF requires new partners to engage with the LHDF and relays partners unsuccessful in the LHF's assessment process to the LHDF's capacity-building training programme.

In consultation with all LHF stakeholders, the Fund is developing a Localization strategy to better articulate a revised set of targets and track progress and will use this to inform the Fund's continued work on localization in 2023.

#### ALLOCATION FLOW BY PARTNER TYPE in US\$ million



'he very wide and solid presence of national NGOs and CSOs in Lebanon allows for the development of fruitful partnerships with actors who are well respected and grounded within the communities we serve. Localization is not only a key opportunity to improve our collective accountability to the people affected by the compound crisis, but also an effective way to improve the efficiency of our response and build a path for a timely transition out of humanitarian interventions. The LHF remains a critical tool to support this approach."

Séverine Rey, OCHA Lebanon Head of Office



#### **INCLUSIVE GOVERNANCE**

The Advisory Board has a manageable size and a balanced representation of CBPF stakeholders.

12 members excluding the HC (Chair) and OCHA, with equal representation among UN, NGO (including INGO and NNGO) and donor constituencies.

#### **Results and Analysis**

In 2022 the size of the AB remained the same as in previous years with all constituencies represented. In line with revised CBPF Global Guidelines, the LHF in 2023 will ensure the inclusion of a Gender and Disability Focal Point on the Board, reflecting the essential reflection of these cross-cutting issues in LHF strategic as well as operational discussions.



#### **INCLUSIVE PROGRAMMING**

The review committees of the Fund have the appropriate size and a balanced representation of different partner constituencies and cluster representatives.

#### **Target**

The Strategic Review Committees (SRC) with 6 members (1 NNGO, 1 INGO, 1 UN, sector coordinator, HFU and gender and disability focal point), and is determined by sector coordinators (SC) and the LHF.

#### **Results and Analysis**

Focal points (often double hatting from the existing SRC members) ensured consideration of needs among Palestine refugee and migrant communities. In 2022, the numbers per constituency sometimes change, but the balance between groups and presence of relevant actors was always maintained.

All CPF list and descriptions



#### **INCLUSIVE IMPLEMENTATION**

CBPF funding is allocated to the best-positioned actors, leveraging the diversity and comparative advantage of eligible organizations.

#### **Target**

Increase the financial volume of funds channelled through NNGOs, as per Localization/ Grand Bargain Commitments, to 25% based on net funding amounts.

#### **Results and Analysis**

The LHF in 2022 continued to ensure the allocation of funding to best-placed organizations to deliver the identified response priorities. The LHF allocated 22 per cent of its funding directly to LNNGOs (a 35 per cent increase on 2021) and an additional \$2.55 million (9% of total funding allocated in 2022) was indirectly to LNNGOs. 16 of the 50 projects funded in 2022 were implemented by NNGOs with a median project value of \$285,000, smaller than the \$590,000 average of INGO projects funded.

# EFFECTIVE PROGRAMMING



665 GVB SURVIVORS PROVIDED WITH SPECIALIZED PROTECTION SERVICE





\$27.6M
OF PROJECTS
FUNDED BY LHF
CONTRIBUTED TO
GENDER EQUALITY



22,973

NUMBER OF CHILDREN WITH DISABILITIES ASSISTED

#### INCLUSIVE PROGRAMMING

#### **Accountability to Affected People**

The LHF continued to support Accountability to Affected People across the humanitarian response. As in previous years, AAP was considered as a component of the assessment undertaken by all partners looking to work with the Fund. When submitting projects for funding, the LHF ensures partners have relevant policies and mechanisms for feedback in place and project submissions must involve affected populations in the proposal's development.

All projects reviewed for funding are guided to work with the RIMS (Referral Information Management System) which strengthens access to multi-sectoral services for vulnerable populations in the country and ensures that the humanitarian response is improved, holistic and influenced through effective and accountable referral pathways. In 2022 the LHF provided funding for the increased capacity for this centralized referral platform.

The LHF also launched a dedicated window under the first Standard Allocation for projects promoting a strengthened AAP approach. Under this window several innovative, targeted AAP projects were funded including support to a nationwide mental health hotline and an NGO developing a bot for strengthened two-way communication with people in need which has the scope for further roll-out with different partners.

#### ACCOUNTABILITY TO AFFECTED PEOPLE



0 The project does not include the provision of accessible and functioning feedback and/or compliant mechanisms for beneficiary 1 The project partially includes the provision of accessible and functioning feedback and/or compliant mechanisms for beneficiaries 2 The project includes the provision of accessible and functioning feedback and/or compliant mechanisms for beneficiaries

#### **Promoting the Centrality of Protection**

In 2022 the LHF continued to ensure that protection was central not only to funded projects, but also to support the humanitarian response overall to be more aligned on this issue. The LHF supported protection interventions with a focus on Child Protection (CP) and Gender-based Violence (GBV) supporting to address the increased risk presented to vulnerable people resulting from the deteriorating situation in Lebanon and pressure on people to resort increasingly to negative coping mechanisms. These activities include both prevention and response activities. Building on work done in 2020 and 2021, the LHF continued strengthen PSEA among partners by funding one NGO in their work supporting broader inter-agency efforts, funding to the inter-agency PSEA Coordinator position.





/3 NNGOS TRAINED



TOTAL PEOPLE TRAINED FROM NNGOS



16
NATIONAL WOMENLED/WOMEN'S RIGHTS
ORGANIZATIONS
TRAINED



#### **INCLUSIVE ENGAGEMENT**

Resources are invested by OCHA's Humanitarian Financing Unit (HFU) in supporting the capacity of local and national NGO partners within the scope of CBPF strategic objectives.

#### **Target**

Strengthen capacity of local and national partners by conducting targeted partner training sessions for 50 LHF local and national NGOs and 20 INGOs focused on building their capacity to design, manage and implement LHF projects, and consider cross-cutting issues including PSEA and risk management processes.

#### **Results and Analysis**

The LHF facilitated online trainings for 80 / 92 participants (SA1/RA1 respectively) on proposal submission. In addition, 31 partners attended individual GMS clinics before submission, double the number in 2021 and a reflection of the added value of these targeted guidance sessions.

In 2022, the LHF additionally conducted trainings for 120 partners on the new CBPF Global Guidelines and their relevance to LHF modalities in 2023, and on communications and visibility under the LHF. Following the finalization of grant agreements, the HFU organized kick off meetings with all partners to go through expectations of reporting, monitoring and to answer questions the partner might have and ensure parties have a clear and transparent channel of communication.



#### **INCLUSIVE RESPONSE**

CBPF funded projects have a clear strategy to promote the participation of affected people.

#### **Target**

All proposals are required to integrate Accountability to Affected Populations (AAP) at each stage of program design (community engagement on needs identification, programmatic approach, risk assessment etc.) All LHF monitoring instances include consultation with people in need and ensure feedback built into project design / revision.

#### **Results and Analysis**

LHF-funded projects must report on AAP related indicators. Of the 50 projects funded in 2022, 36 projects, or 72 per cent, included accessible and functional feedback and/or complaint mechanisms for people in need. Of the 14 projects which lacked sufficient AAP component (13 'partially' and 1 'not at all') at project proposal, partners were supported at Technical Review to improve them. Moreover, consultations with affected people were conducted during all monitoring visits.

In 2022, LHF funding also targeted projects to strengthen AAP approaches, which included support to a nationwide mental health hotline and an NGO developing a bot for strengthened two-way communication with people in need which has the scope for further roll-out.

All CPF list and descriptions

A girl receiving a winterization kit in Akkar District – Welfare Association (Taawon) Credits: Welfare Association (Taawon)



Akkar, North-Lebanon Credit: Nusaned



## MORE INCLUSION, FEWER BARRIERS

This makes a big difference to my independence

Moussa, 24, was born with paraplegia, a paralysis below the waist that affects his legs and hips. Moussa lives in Akkar, North Lebanon with his mother and sisters in a simple home with no special adaptations that would help make his life easier.

Lebanon has been experiencing a severe economic crisis since 2019, which has led to a widespread deterioration of living conditions, with many families struggling to make ends meet and unable to afford basic necessities such as food, shelter, and healthcare. The economic crisis has made life even harder on Moussa's family, as they struggle to find a decent job. With funding from the Lebanon Humanitarian Fund (LHF), local organization Nusaned made improvements at Moussa's house that would make his life easier. This included weatherproofing to the doors, windows, and ceiling to withstand the cold winter conditions. In addition, an accessible bar was installed in the bathroom.

"This makes a big difference to my independence," Moussa explained. His whole family will be healthier with the improved winterization, as well. In Lebanon, people with disabilities like Moussa are particularly vulnerable, as they often face additional barriers to accessing services and opportunities. They experience widespread discrimination, marginalization, exclusion, and violence. Nusaned's project supports 700 families like Moussa's with Food Vouchers, WASH Kits and Shelter Rehabilitation and Adaptation in 6 villages in Akkar District, an impoverished agricultural area of Lebanon with a high density of multi-sectoral humanitarian needs, that has been deeply affected by Lebanon's ongoing economic crisis.

Nusaned is a strong and capable National NGO partner recently working with the Lebanon Humanitarian Fund as part of its work to support more sustainable localized response. Founded in 2019, Nusaned is committed to address poverty, deprivation, and substandard living conditions of local residents by providing vulnerable people with food parcels, hygiene kits and clothing, while also initiating the rehabilitation of homes.

Read more impact stories on StoryHub.

#### Addressing gender equality and responding to GBV

The LHF is committed to ensure gender equality at all levels. Sixty-four per cent of the LHF Advisory Board are female and one of the two NNGO representatives in 2022 was from a woman-led organization (WLO). All Strategic Review Committees that assess project proposals submitted to the Fund include a gender focal point to ensure the needs of all are fully and appropriately reflected in all projects.

In 2022, the LHF assisted women and girls under each of its allocations (101,918 women and 63,317 girls under its three allocations, 54 per cent of those assisted overall). Strategic review committees consider gender when reviewing projects submitted. When this is not the case, the LHF provides guidance to strengthen the partner's gender review. A limited window was included under the First Standard Allocation to ensure GBV protection, prevention and response services in targeted locations.

#### **Including Persons with Disabilities**

In the LHF sought to strengthen its work on disability inclusion and supported 54,418 people with disabilities, compared with 9,466 in 2021. This is because of the dedicated funding for projects promoting a more inclusive response under the LHF's First Standard Allocation. This pillar provided funding for several projects that funded support to children and elderly people with disabilities, provided health, protection and rehabilitation services, as well as food and hygiene kits. The LHF funded a project to support NGOs working in different sectors in how to better include people with disabilities in their work and strengthening referral pathways to ensure access to the required services. In 2022, focal points from NGOs working with people with disabilities sat on all project review committees and in 2023 a representative will sit on the LHF Advisory Board to ensure disability inclusion is considered more systematically as a strategic priority.



#### **FLEXIBLE ASSISTANCE**

CBPF funding for in-kind and in-cash assistance is appropriate..

#### **Target**

In 2022, 10% of LHF allocated funding to be programmed through cash modalities.

#### **Results and Analysis**

In 2022, the LHF programmed 13 per cent of total allocated funding (\$3.7 million) through cash-based interventions with a focus on sectoral cash modalities under the Shelter, Protection, Education and Food Security Sectors. This figure is higher than the target set for 2022. The Fund will ensure cash programming is employed in line with current contextual realities, including larger-scale cash programming from key UN actors and Government, and HCT-driven policy to ensure best value for donor contributions, as well as effective and relevant programming.



#### **FLEXIBLE OPERATION**

CBPF Funding supports projects that improve the common ability of actors to deliver a more effective response.

#### **Target**

Support to common services is considered where appropriate.

#### **Results and Analysis**

Funding supported the second iteration of the Multi-Sector Needs Assessment (MSNA) which provided a comprehensive evidence base of multi-sectoral needs among Lebanese, migrants, and Palestine Refugees from Lebanon (PRL), to help the humanitarian community understand the scale and severity of the current crisis for most people in Lebanon.

Under the Second Reserve Allocation the Funded supported coverage of the Inter-agency PSEA Network Coordinator position to guide and strengthen an accountable response under which there is a robust and sustainable collective system to prevent, investigate and respond to incidents of SEA.

All CPF list and descriptions



Projects under coordination include those supporting strengthened PSEA, AAP, National NGO coordination, and an evidence-based response.



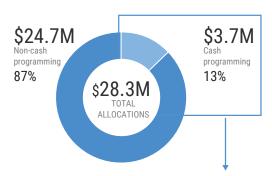
# OTHER AREAS OF EFFECTIVE PROGRAMMING

#### Advancing Cash and Voucher Assistance (CVA)

In line with the Agenda for Humanity, CBPFs prioritize Cash and Voucher Assistance (CVA) within their project portfolio where workable and appropriate to address humanitarian needs. CVA offers people affected by crisis a maximum flexibility, dignity and efficiency commensurate with their diverse needs.

In 2022, LHF programmed 13 per cent of total allocated funding through cash-based interventions with a focus on sectoral cash modalities under the Education, Food Security, Protection and Shelter Sectors. The flexibility of cash as a response modality was critical in 2022 despite the complex financial landscape, multiple exchange rates and two currencies in circulation. The LHF in 2022 continued to work under guidance of the HCT and Cash Task Force on modalities and currencies for cash transfers. This was critical to ensure the accountable and flexible use of the modality.

#### CASH TRANSFER PROGRAMMING







#### FLEXIBLE IMPLEMENTATION

CBPF funding is successfully reprogrammed at the right time to address operational and contextual changes.

#### **Target**

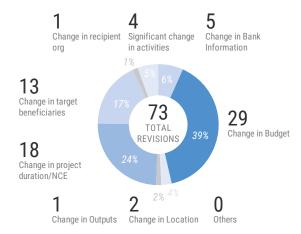
The HFU gives full and timely consideration to all partner revision requests and processes accordingly where relevant and in line with Sector priorities and considerations.

#### **Results and Analysis**

The number of revisions indicate the flexible nature of LHF funding and willingness of the Fund to work collaboratively with partners to ensure the best possible outcome for people in need benefitting from LHF funds. On average, it takes 21 days to revise the projects, allowing partners to rapidly adjust and not allow bureaucratic delays to affect programming.

All CPF list and descriptions

#### NUMBER OF REVISIONS IN 2022



#### Reasons for No Cost Extension/NCE



#### Improving humanitarian access

The LHF reinforced the facilitation and coordination of humanitarian access. In Lebanon the main factors impeding humanitarian access are bureaucratic, including a lack of understanding of humanitarian activity and the criteria on which partners delivered aid. Physical access challenges in addition to bureaucratic impediments, were a challenge for some partners. The LHF ensured close collaboration with partners and OCHA colleagues to report and address such concerns, allowing flexibility so projects could achieve their intended goals, and ensuring a coordinated and humanitarian approach at all times.

#### **Enhancing Complementarity with CERF and** other Funding Streams

Lebanon is a country with a development and humanitarian response, so the use of complementary funding is important to a sustainable response. The LHF developed allocation strategies in view of the broader funding landscape to ensure the most strategic use of funding available.

LHF allocations were most developed to complement CERF allocations. In 2022, the Funds collectively allocated \$41.3 million. To respond to Cholera in October 2022, the Fund and CERF developed the strategies in parallel to draw upon the comparative added value of each mechanism. In this response, \$9.5 million was allocated under CERF and the LHF, ensured a timely collective response when the country was ill-equipped

to deal with a potentially deadly and sustained outbreak. CERF interventions supported broader system-strengthening actions through UN agencies including support to water pumping stations to ensure continued access to clean, safe water, complemented by LHF NGO partners who provided community level response and prevention activities in areas most affected by the outbreak.

#### **Promoting area-based programming**

In 2022, all LHF allocations supported a collective approach to humanitarian aid provision based on joint severity mapping of needs among all vulnerable populations in Lebanon-Lebanese, Syrian refugees, Palestine refugees and migrants. This approach supported a coordinated needs-based response based across operational frameworks present in Lebanon.

Under the First Standard Allocation and First Reserve Allocation, partners were asked to prioritize their projects in areas of severity mapping levels 5, 4, and 3 from the HNO. This helped ensure projects in areas of greatest need -most notably in the northern parts of Lebanon where cross-sectoral needs were identified as greatest-and promoted the provision of multi-sectoral services within communities in need.

While an area-based approach to programming in Lebanon is not fully developed, these allocations proved the LHF can support an area-based approach.

Delivering food parcels to families in Beddawi Camp -Naha'a NGO Credits: OCHA Lebanon/ Chafic El Hallal



Akkar, North-Lebanon Credit: UNICEF



A comprehensive solution to the ongoing energy crisis will be the only sustainable and efficient way to meaningfully fight the disease and prevent recurring outbreaks in the future."

# CERF AND LHF ALLOCATE US\$9.5 MILLION TO CONTAIN THE SPREAD OF CHOLERA IN LEBANON

In response to the cholera outbreak declared in Lebanon on 6 October the United Nations Humanitarian Coordinator, Mr. Imran Riza allocated US 9.5 million through the United Nations Central Emergency Response Fund (CERF) and Lebanon Humanitarian Fund (LHF) to prevent the spread of cholera, targeting people across Lebanon - Lebanese, Syrian refugees, Palestine refugees and migrants – at heightened risk of exposure to cholera.

The Humanitarian Coordinator and Humanitarian Country Team developed the allocations in parallel to ensure a timely collective response to an ill-equipped country to deal with a potentially deadly and sustained outbreak. The continued absence of functioning public water and sanitation infrastructure together with an overburdened health system saw Lebanon at risk of a deadly outbreak following those already affecting Pakistan, Iran, Iraq and Syria.

"The US\$9.5 million targeted over 1,500,000 people across Lebanon - Lebanese, Syrian refugees, Palestine refugees and migrants – at heightened risk of exposure to cholera. CERF and LHF funding supported early containment and rapid response activities critical to prevent loss of life and stop the spread of this disease in high-risk areas." Mr. Imran Riza said.

The timely CERF and LHF allocations made funding available to catalyze additional donor funding in support of the joint prevention, preparedness and response plan, developed under the leadership of the Lebanese Ministry of Public Health (MoPH) and implemented by the United Nations and a wide network of local and international partners on the ground.

Fully aligned with this plan, both Funds drew upon their comparative advantages - the CERF Rapid Response allocation of US\$5 million rapidly injected funding directly through best-placed UN agencies allowing immediate country-wide system-strengthening actions through support to water and wastewater systems, and support to cholera treatment centers units. CERF supported upscale of the national cholera vaccination campaign and coverage of hospitalization costs of most seriously affected individuals, critical in ensuring a strengthened equitable health response.

The LHF emergency reserve allocation of US\$4.5 million, channeled entirely through established WASH and health NGO partners, in turn supported a complementary community-level NGO-led lifesaving cholera containment and response through ensuring water safety in high-risk areas and providing support to cholera stabilization centers at selected primary health care centers. NGOs identified for funding were those with the flexibility to upscale and expand response to new areas based on the trajectory of the outbreak.

CERF and LHF partners collaborated, in close coordination with the relevant sectors, in programming a collective, effective and timely response to the outbreak—sharing information and promoting a sequenced complementary response to ensure that, for example, those most vulnerable in high-risk areas or those where outbreaks had occurred were prioritized under the vaccination campaign.

Five months after the announcement of the outbreak, 6,500 cholera suspected and confirmed were reported, alongside 23 associated deaths. No new deaths have been registered since 9 December 2022.

It would be premature to consider cholera as eradicated in Lebanon, however, and OCHA continues to assess the situation and work with all relevant actors to prevent more outbreaks.

Read more impact stories on StoryHub.

## SECTOR/CLUSTER ACHIEVEMENTS



3,260

Children provided with Cash for Education keeping them in formal education

3,000

vulnerable students at risk of drop out registered in school catchup & retention programs



27,000

highly vulnerable Lebanese, Syrian and Palestine refugee families received food parcels and cash-based transfer assistance



households received cash assistance for assistance in shelter repairs



4,300

Vulnerable Migrant Workers from **16 countries** supported with emergency humanitarian support

10%

of funding in 2022 for protection (CP & GBV projects)

PSEA Coordinator funded + dedicated PSEA projects including trainings & awareness raising material development



Nearly

4.5M USD

allocated to 6 NGOs for life saving health and WASH prevention and response activities in high cholera risk areas



7M USD

under 3 allocations to support WASH activities in 6 Governorates of Lebanon



**6.24M** USD

direct funding has been allocated to L/NNGOs as part of Localization approach



Multi-sector needs assessment funded to ensure an accountable evidence-based response



6 donors

visits conducted to LHF-funded project sites



1.5M USD

allocated to support more inclusive, accountable, and evidence-based response



Dedicated Capacity Development projects funded under SA1 2022

# Lessons learned and best practices



#### Flexibility and innovation

The Fund has had to be flexible to facilitate an effective response. Allocation strategies under the First Standard and First Reserve Allocations 2022 allowed greater space for partners to submit projects in line with the response modalities and approaches they identified as most relevant in their respective fields and geographic locations, rather than dictating in advance the sectors and approaches to use. This was particularly relevant with reference to national NGO partners whose programming is tailored to the needs of local communities, for example, when supporting people with disabilities requiring a specific set of support activities.

The allocation strategies solicited the submission of innovative projects, drawing upon the wealth of partner experience in finding new ways to address the continuing needs of vulnerable people. The continued rigorous review of projects submitted for funding by sector partners and thematic experts specific to the project submission type (gender, disability etc.) ensured all projects submitted were aligned with common standards and best practice among sector members.

By structuring allocations by theme rather than sectoral-level envelopes, the LHF allowed partners more flexibility to submit multi-sectoral projects that provide integrated packages of services to the people in need.

#### **Promoting partnership**

Promoting partnership among the LHF and different stakeholders is part of the LHF's work to ensure collaborative response to humanitarian needs in Lebanon.

The LHF ensures close, regular communication (often informally over the phone or by message) with partners to provide support and guidance as necessary and mitigate risk.

The LHF adopted the same approach with donors and 2022 briefings, project site visits and brainstorming sessions were held in addition to the regular AB meetings to ensure all stakeholders were engaged in the Fund's work.

Partnership was promoted among LHF partners. As NGOs adapt programming in a changing operational context, the LHF has promoted sharing information and best practice among partners providing similar types of services or facing similar operational challenges to learn from others' experiences and promote a collaborative approach. Where a partner had found an innovative solution to a challenge the LHF linked this partner to other LHF partners to share their knowledge and experience. For projects involving partnership, equitable partnership modalities are employed: sharing of Programme Support Costs with sub-partners, ensuring all partners in a grant are engaged in the project design, and including capacity development line in proposals to support capacity gaps in sub-partners where relevant.

Tripoli, North-Lebanon Credit: Al Fayhaa Association



## THE STORY OF ZAKARIA

I am so grateful for the support I have received from Al Fayhaa. I am determined to succeed and become an engineer.

Zakaria is a 14-year-old boy from Tripoli, Lebanon's second biggest and poorest city. He comes from a loving family of six - two girls, two boys, a stay-at-home mother, and a father who served in the military. He has a passion for physics.

Zakaria was only five years old when he fell from the third floor of a building in a tragic accident. The fall left him with severe speech difficulties, and as a result Zakaria's remains in grade four at school. Because of the family's financial situation, and the economic crisis in Lebanon the father struggles to make ends meet, let alone afford the treatments for his child.

With the help of Al Fayhaa Association, they enrolled Zakaria in a speech therapy and retention support program. Since then, Zakaria's speech has improved, and he is now more confident in speaking. Through hard work and perseverance, Zakaria is on his way to achieving his goals.

"I am so grateful for the support I have received from Al Fayhaa. I am determined to succeed and become an engineer, so I can make a difference in the world and build a safer and more beautiful town for everyone." says Zakaria.

Through a project funded by the Lebanon Humanitarian Fund, Al Fayhaa Association is supporting 1000 Lebanese, Syrian refugees, Palestine refugees and migrants, vulnerable girls and boys with retention support program at their community center. The project supports 2200 out of education children with referral services to bring them back to education in Tripoli and Minnieh-Dinnieh districts, focusing specifically on children with special needs. The third component of Al-Fayhaa's LHF-funded project provides a range of different protection services for these children and others involved in child labor and street-connected activities and their caregivers including case management, Community Based Psychosocial Support and Focused Psychosocial Support.

Read more impact stories on StoryHub.

# Risk management

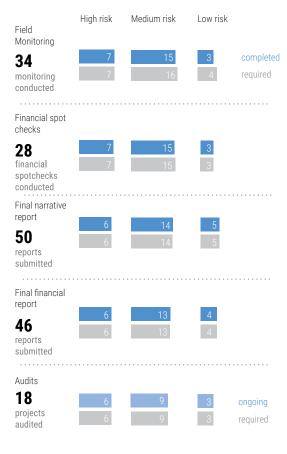
In 2022, LHF continued to invest in risk management. LHF manages risk and effectively monitor partner capacity and performance. With increased donor contributions and a stronger drive for localization, LHF utilizes a full range of accountability tools and measures and is making constant enhancements to strengthen accountability and oversight.

#### **Risk management of projects**

The LHF managed project risk according to its Risk Management Framework, often conducting additional assurance activities to reflect the LHF's strong oversight of partner projects, with extra missions or spot checks conducted when additional support oversight was required. This is a critical element to ensure projects funded by the LHF are implemented in line with expectations, and partners are supported whenever necessary in overcoming challenges.

Monitoring and Financial Spot Checks were conducted according to Operational Manual requirements in 2022. In 2023, with an increased number of projects funded, a push towards working with a broader range of partners, including new national NGOs, and new modalities of working launched under the revised Global Guidelines, the risk management workload will necessarily increase. The LHF 2023 expanded cost plan will strengthen the HFU's capacity to ensure compliance with its risk management framework.

#### PROGRESS ON RISK MANAGEMENT ACTIVITIES



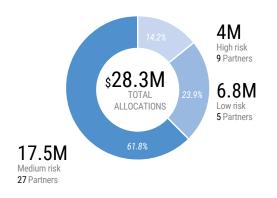
#### **Risk management of partners**

The LHF allocated 83 per cent of its funding in 2022 to low and medium risk partners, showing that partners identified through the strategic and technical review processes were strong and compliant LHF partners. Most projects (27 of 41 partners, or 66 per cent) funded were implemented by medium risk partners.

To ensure a diverse and effective range of partners working with the LHF, 73 partners were inducted (of which 63 were national), capacity assessed 37 (28 of which were national) and took on 13 as eligible LHF partners, 7 of which were national. 25 of these new partners learned of the LHF through an open day held in July to help guide potential new national partners on the LHF, its work and the eligibility process.

Some of the partners interested in working with the LHF were assessed as unsuitable because of a lack of sufficient institutional capacity to effectively and transparently manage a grant or engagement with coordina-

#### IMPLEMENTATION BY PARTNER RISK LEVEL TYPE



#### UPDATED RISK LEVEL BASED ON PERFORMANCE INDEX

134 30 6 Partners Partners with Partners with adjusted risks with no recommendation but not adjusted as the performance index recommendation

#### **OVERVIEW 2022**





**ASSESSMENTS** CONDUCTED



ONGOING CAPACITY **ASSESSMENTS** 

required changes

**FULL CAPACITY** 

#### **RISK MANAGEMENT OF PROJECTS**

CBPF funding is appropriately monitored, reported and audited.

#### **Target**

100 per cent compliance with operational modalities, as per OCHA assurance dashboard (may not be applicable for audits falling outside of the reporting time-frame).

#### **Results and Analysis**

LHF in 2022 continued to implement risk management activities in line with its framework with 100 per cent compliance. The Fund monitored more projects than required in the Operational Manual (34 versus the 27 expected).

#### **RISK MANAGEMENT OF PARTNERS**

CBPF funding is allocated to partners as per the identified capacity and risk level.

#### **Target**

80% of LHF funding allocated to medium and low risk partners.

LHF to assess strong, relevant, and capacitated organizations as new LHF partners.

#### **Results and Analysis**

As in previous years the LHF allocated most of its funding (83%) to low and medium risk partners. In 2022 the LHF inducted 73 partners (of which 63 were national), capacity assessed 37 (28 of which were national) and took on 13 as eligible LHF partners, 7 of which were national.

All CPF list and descriptions

- 1 Capacity assessment is created and conducted in 2022
- 2 Capacity assessment is only revised in 2022, regardless of what year it was
- 3 Capacity assessment is created, conducted and revised in 2022

tion mechanisms. The Fund ensured that it linked all potential new partners to the Lebanon Humanitarian and Development forum (LHDF) and relevant sectors to their work to encourage their full engagement with a coordinated response at all levels. When potential partners were unsuccessfully assessed, the Fund provided feedback and guidance on areas to improve, and partners invited to come back to the LHF for reassessment once concerns had been addressed. Partners were linked to other eligible LHF partners where opportunities of partnership were appropriate as well as to targeted capacity development trainings funded under the LHDF.

Through the GMS system the HFU recorded data to support the Performance Index tool for all partners implementing with LHF funding. Following assessment with the Performance Index tool, 78 per cent of partners assessed were recommended to remain the same risk category, indicating that the LHF's initial capacity assessment is largely accurate in assessing partner capacity.

The HFU amended the risk rating of 30 partners. In 6 cases, following analysis of the partner and performance the Fund assessed that partner should remain with their original risk rating. This decision was made based on available evidence and the wish to wait for additional adjustments to the PI (following audit outcome, for example) before making a change.

#### **Risk management of funding**

The Fund identified partner compliance issues through risk management activities (financial spot checks, field monitoring and reporting) as well as through project audits. In all cases, the LHF works closely with these partners to address the problems identified, and through building action plans work towards ensuring full compliance with LHF regulations. The HFU particularly noted compliance issues regarding segregation of duties, internal financial procedures and procurement procedures.

As the LHF funds an increasing number of partners, many of them smaller, new national organizations, the LHF can expect to face an increasing number of compliance issues. This situation stems from the difficulties of programming in the continued complex economic and financial climate in Lebanon. To mitigate this risk, the LHF continues to work closely with all partners to ensure compliance and assess and address concerns as they arise.

20

#### **RISK MANAGEMENT OF FUNDING**

Appropriate oversight and assurances of funding is administered through CBPFs.

#### **Target**

Full compliance with CBPFs and LHF SOPs on fraud management.

#### **Results and Analysis**

In 2022 the LHF was informed through a UN agency of suspected fraud and financial mismanagement by a partner working with the LHF and other agencies & NGOs. The Fund managed the incident in line with the SOPs. An outstanding case from 2019 was closed in 2022 and one additional case from 2020 was ongoing.

All CPF list and descriptions





2 REPORTED INCIDENTS/CASE 1 CLOSED

1 ON GOING INCIDENTS/CASE



# **Annexes**

Annexes list		s list	Annexes title		
	0.4				
	34	ANNEX A	COMMON PERFORMANCE FRAMEWORK		
	35	ANNEX B	ACRONYMS & ABBREVIATIONS		
	36	ANNEX C	LHF ADVISORY BOARD		
	37	ANNEX D	REFERENCE MAP		
	38	ANNEX E	ALLOCATIONS BY RECIPIENT ORGANIZATION		

ANNEX A

## COMMON PERFORMANCE FRAMEWORK

The LHF measures its performance against a management tool that provides a set of indicators to assess how well a Fund performs in relation to the policy objectives and operational standards set out in the CBPF Global Guidelines. This common methodology enables management and stakeholders involved in the governance of the Funds to identify, analyze and address challenges in reaching and maintaining a well-performing CBPF.

CBPFs embody the fundamental humanitarian principles of humanity, impartiality, neutrality and independence, and function according to a set of specific principles: Inclusiveness, Flexibility, Timeliness, Efficiency, Accountability and Risk Management.



#### Principle 1

#### **INCLUSIVENESS**

A broad range of humanitarian partner organizations (UN agencies and NGOs) participates in CBPF processes and receive funding to implement projects addressing identified priority needs.

- **INCLUSIVE GOVERNANCE**
- 2 **INCLUSIVE PROGRAMMING**
- 3 **INCLUSIVE IMPLEMENTATION**
- **INCLUSIVE ENGAGEMENT**
- 5 **INCLUSIVE RESPONSE**



#### Principle 3

#### **TIMELINESS**

CBPFs allocate funds and save lives as humanitarian needs emerge or escalate.

- **TIMELY ALLOCATION**
- TIMELY DISBURSEMENTS
- **TIMELY CONTRIBUTIONS**

Principle 5

#### **RISK MANAGEMENT**

CBPFs manage risk and effectively monitor partner capacity and performance. CBPFs utilize a full range of accountability tools and measures.

- **RISK MANAGEMENT OF PROJECTS**
- RISK MANAGEMENT OF FUNDING
- **RISK MANAGEMENT OF PARTNERS**

Principle 2

#### **FLEXIBILITY**

The programmatic focus and funding priorities of CBPFs are set at the country level and may shift rapidly, especially in volatile humanitarian contexts. CBPFs are able to adapt rapidly to changing priorities and allow humanitarian partners to identify appropriate solutions to address humanitarian needs in the most effective way.

- **FLEXIBLE ASSISTANCE**
- **FLEXIBLE OPERATION**
- **FLEXIBLE ALLOCATION PROCESS**
- **FLEXIBLE IMPLEMENTATION**

Principle 4

#### **EFFICIENCY**

Management of all processes related to CBPFs enables timely and strategic responses to identified humanitarian needs. CBPFs seek to employ effective disbursement mechanisms, minimizing trans-action costs while operating in a transparent and accountable manner.

- 13 EFFICIENT SCALE
- 14 EFFICIENT PRIORITIZATION
- **EFFICIENT COVERAGE**
- **EFFICIENT MANAGEMENT**
- **EFFICIENT MANAGEMENT**



ANNEX B

# **ACRONYMS & ABBREVIATIONS**

**LNNGO** Local/National non-governmental organization

AA	Ana Agra	LRC	LebRelief
AAP	Accountability to Affected Population	M-USA	Mercy-USA for Aid and Development
AB	Advisory Board	MSNA	Multi-Sectoral Needs Assessment
ACTED	Agency for Technical Cooperation	NABA'A	Developmental Action Without Borders
	and Development	NCE	No-Cost Extension
ADJI	Association Des Jeunes Islamiques	NGO	Non-Governmental Organization
AMEL	Lebanese Association for Popular Action	NNGO	National Non-Governmental Organization
ARCPA	Arab Resource Center for Popular Arts	OCHA	Office for the Coordination of Humani-
ARCS	ARCS Culture Solidari		tarian Affairs
AVSI	Associazione Volontari per il Servizio	PRL	Palestine Refugees from Lebanon
	Internazionale	PRS	Palestine Refugees from Syria
CBPF	Country-based pooled fund	PSEA	Prevention of Sexual Exploitation and Abuse
CERF	Central Emergency Response Fund	PUI	Premiere Urgence International
CP	Child Protection	RA	Reserve Allocation
CVA	Cash and Voucher Assistance	RI	Relief International
DRC	Danish Refugee Council	RIMS	Referral Information Management System
ERC	Emergency Relief Coordinator	RMF	Rene Mouawad Foundation
ERP	Emergency Response Plan	SA	Standard Allocation
FRPD	The Forum for the Rights of Persons	SEA	Sexual Exploitation and Abuse
	with Disabilities	SAMS	Syrian American Medical Society Foundation
GBV	Gender-based violence	SC	Sector Coordinator
GDP	Gross Domestic Product	SCUK	Save the Children Fund
GMS	Grant Management System	SGBV	Sexual and Gender-Based Violence
HC	Humanitarian Coordinator	SI	Solidarités International
HCT	Humanitarian Country Team	<b>SO</b>	Strategic Objective
HFU	Humanitarian Financing Unit	SOP	Standard Operating Procedure
HI	Humanity and Inclusion	SRC	Strategic Review Committee
HQ	Headquarters	TDHL	Terre des Hommes Foundation
HNO	Humanitarian Needs Overview	UNFPA	United Nations Population Fund
HRP	Humanitarian Response Plan	UNHCR	United Nations High Commissioner for Refugees
IMF	International Monetary Fund	UNICEF	United Nations Children's Fund
INGO	International Non-Governmental Organization	VASYR	Vulnerability Assessment of Syrian Refugees
IOCC	International Orthodox Christian Charities	WA	Welfare Association (Taawon)
IOM	International Organization for Migration	WASH	Water, Sanitation and Hygiene
LCRP	Lebanon Crisis Response Plan	WCH	War Child Holland
LFPR	Labor Force Participation Rate	WLO	Woman-Led Organization
LHDF	Lebanon Humanitarian and De-	WVI	World Vision International
	velopment Forum	WW-GVC	Fondazione We World - GVC Onlus
LHF	Lebanon Humanitarian Fund		

#### ANNEX C

# LHF ADVISORY BOARD

STAKEHOLDER	ORGANIZATION
INGO	Action Contre la Faim (ACF)
NNGO	Abaad
NNGO	Lebanon Humanitarian International Forum (LHIF)
NNGO	Lebanon Humanitarian and Development Forum (LHDF)
DONORS*	Belgium
DONORS	Canada
DONORS	Denmark
DONORS	France
DONORS	Germany
DONORS	Iceland
DONORS	Ireland
DONORS	Italy
DONORS	Sweden
DONORS	Switzerland
DONORS	Republic of Korea
UN AGENCIES	UNICEF
UN AGENCIES	UNHCR
UN AGENCIES	WFP
UN AGENCIES	WHO

 $<sup>\</sup>ensuremath{^{\star}}$  Four donors sit on the AB and others as observers

ANNEX D

## **REFERENCE MAP**



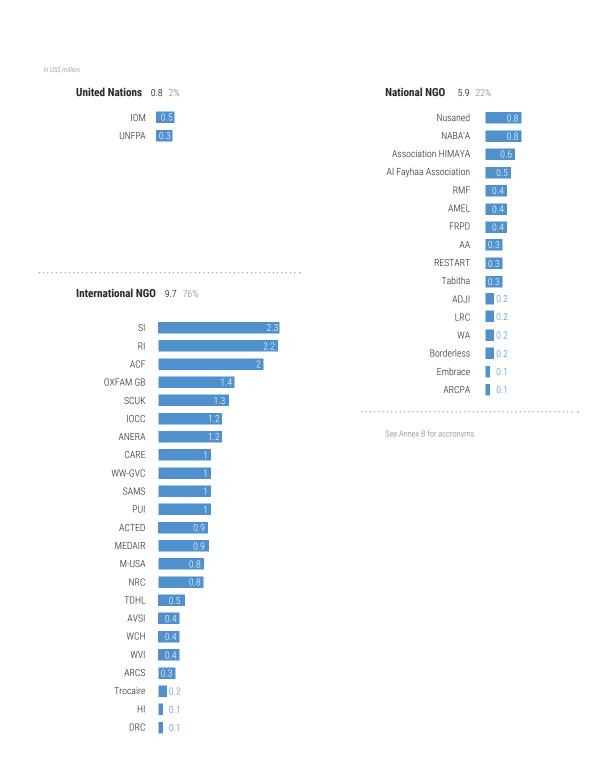
Map Sources: OCHA, SDATL, UNCS.

The boundaries and names shown and the designations used on this map do not imply official endorsement or acceptance by the United Nations. Map created in June 2011.

PAGE

38

# **ALLOCATIONS BY RECIPIENT ORGANIZATION**



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