

THE BOARD

LEBANON HUMANITARIAN FUND

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ANNUAL REPORT

ANNUAL REPORT

Credits

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The latest version of this document is available on the LHF website at www.unocha.org/Lebanon.

Full project details, financial updates, real-time allocation data and indicator achievements against targets are available at <u>CBPF DataHub</u>.

About LHF

Front Cover Street art picture in Beirut

Photo Credit: UNOCHA/Craig Anderson

Artist: Jorge Rodriguez Gerada

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LETTER FROM THE HC

Looking back at 2023, it is essential to recognize the increasing challenges confronting the humanitarian system and our efforts to deliver timely, effective, and quality humanitarian response to the people most in need in Lebanon. In addition to grappling with the continued impact of national governance and economic crises, as well as that of the conflict in Syria, the escalation of hostilities in southern Lebanon since 8 October, linked to the war in Gaza, impacted tens of thousands through internal displacement, heightened security and access challenges for those remaining in frontline villages, and civilian casualties of the conflict.

Under my leadership as Humanitarian Coordinator, and with the guidance and oversight of the Advisory Board, the Lebanon Humanitarian Fund (LHF) remained a critical mechanism to deliver and strengthen humanitarian action, promoting higher quality, prioritized and timely emergency support in response to the critical needs of the most vulnerable in Lebanon.

I would like to express my gratitude to the Funds' dedicated donors – Belgium, Canada, Denmark, France, Germany, Iceland, Ireland, Korea (Republic of), Norway, Sweden, Switzerland and the United Kingdom for their partnership. In 2023, their contributions to the LHF reached \$32.6 million, the largest annual total to date. This support enabled us to fund 47 projects, implemented by 37 partners, to address prioritized needs among vulnerable Lebanese, Syrian and Palestine refugee and migrant populations. All funding went to international and national NGOs. The LHF continued to support localization, providing 39 per cent of its funding directly to national NGOs in addition to a broader

package of work on localization, guided by the LHF's agreed Localization Strategy. In addition, the Fund kept its accountable, inclusive, and transparent processes in place, alongside rigorous risk management activities.

In 2023, the LHF was a catalytic tool to leverage strategic change. Jointly with the Central Emergency Response Fund (CERF), the LHF promoted a more sustainable, area-based approach, promoting a shift towards a more accountable, prioritized, and impactful response. The LHF also continued to support partners in promoting innovative approaches on integrated programming, accountability to affected populations (AAP), prevention of sexual exploitation and abuse (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 supported by LHF funding, 222,590 people (75,398 women, 59,600 men, 44,991 girls, and 42,601 boys) received sectoral and multi-sectoral assistance and services. I am pleased to share the 2023 Annual report detailing the LHF's work, activities, and impact. As continued instability and growing needs will continue to characterize the coming year, we count on your support to ensure the Fund's continued work in addressing the needs of Lebanon's most vulnerable people.

Sincerely,

Imran Riza

United Nations Deputy Special Coordinator for Lebanon, Resident and Humanitarian Coordinator

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The LHF's flexible, timely flexible, timely funding enabled NGOs to initiate preparedness and immediate response activities to address needs following the increase in hostilities in South Lebanon.

Imran Riza United Nations Deputy Special Coordinator for Lebanon, Resident and Humanitarian Coordinator

Credit: Terre des Hommes Foundation - Lausanne

ANNUAL REPORT

2023 IN NUMBERS









* The Annual Report uses 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/ 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.



**Migrants are defined in Lebance reages

but who due to the crises impacting Lebanon now face a range of humanitarian needs.





28 solarized pumping stations were installed across Lebanon



at-risk students were enrolled in catch-up and retention programs 10 out of 17 local partners funded in 2023 are women led organizations

Donor contributions



The Lebanon Humanitarian Fund is uniquely placed to address growing humanitarian needs in a flexible and effective way.

The LHF supports the most vulnerable across Lebanon with a strong focus on localisation.

The UK is proud to support the LHF and has confidence in its ability to help those who need our support the most."

Camilla Nickless, Development Director, Foreign, Commonwealth & Development Office (FCDO)

In 2023, the Lebanon Humanitarian Fund (LHF) received its largest amount to date, totaling \$32.6 million, marking a significant 26 per cent increase from the previous year's \$24.2 million. This notable increase underscores the enduring trust donors have placed in the LHF as a pivotal tool in prioritizing and tackling Lebanon's escalating humanitarian challenges. Amplifying financial support remains imperative for the LHF in ensuring effective response to the pressing humanitarian needs. Twelve donors, Belgium, Canada, Denmark, France, Germany, Iceland, Ireland, Korea (Republic of), Norway, Sweden, Switzerland, and the United Kingdom. Of these, the United Kingdom (\$4.8M) and Norway (\$0.5M) contributed for the first time. While Italy did not contribute to the LHF financially in 2023, they remained engaged and active within the LHF throughout the year and have pledged funding in 2024. With a carry-over of \$8.9 million from the previous year, the programmable amount for 2023 reached approximately \$41.5 million, facilitating allocations of \$26.1 million through two major allocations.

Throughout the year, donors demonstrated strong support. \$11 million, or 34 per cent of annual funding was contributed within the first six months, enabling the initiation of the Standard Allocation in May. While Lebanon is not an HRP country, the LHF worked with the Humanitarian Country Team (HCT) & Inter Sector Coortination Group (ISCG) to identify and prioritize needs across the Lebanon Crisis Response Plan (LCRP) and Emergency Response plan (ERP) for 2023. An additional \$21.6 million was received during the latter half of the year, supporting the Reserve Allocation in November, which addressed the prepardness and immediate response to needs due to the escalation of hostilities in south Lebanon. The 26 per cent increase in funding to LHF from 2022 to 2023 is indicative of donors' understanding of the acute humanitarian needs in Lebanon, emphasizing the necessity for a timely and prioritized response.

Lebanon is facing an unprecedented economic, financial and political crisis, that has led to a steady increase in poverty and humanitarian needs among all population groups. Lebanon also continues to be impacted by the Syria crisis and hosting a large number of refugees - who are also severely



DONORS WITH MULTI-YEAR CONTRIBUTIONS

	United Kingdom	\$9.3M	(2023-2024)
	Belgium	\$8.6M	(2023-2024)
	Ireland	\$8.2M	(2023-2025)
+	Switzerland	\$4.2M	(2022-2024)

affected by the crisis as their living conditions deteriorate and tensions across the population grow with competition over goods and services. In addition, following the outbreak of the conflict in Gaza in October 2023, the southern border of Lebanon has seen a persistent escalation in hostilities between armed groups and Israel, resulting in the deaths of over 50 civilians and the displacement of more than 90.000 persons as of March 2024. As Lebanon's crisis has evolved, the Humanitarian Coordinator collaborated closely with LHF donors and stakeholders to adjust the Fund's strategy to align with shifting circumstances. The LHF has maintained a robust and consistent donor base, with nine contributors supporting its activities over the past three years. Switzerland toppedup its multi-year commitment with an additional \$3.3 million in 2023, while France doubled its contribution to \$2 million.

In 2024, heightened contributions to the LHF remain imperative as it continues to address humanitarian needs across all demographics.

Humanitarian Context and Allocations

Lebanon is facing a complex crisis with multiple layers of long-standing vulnerabilities, reversed development gains, and acute humanitarian needs, especially among the most vulnerable populations. The crisis stems from a combination of factors including a financial and socio-economic downturn, political deadlock, the COVID-19 pandemic, and an influx of refugees. The governance issues have been key drivers of the humanitarian crisis, with food and healthcare needs being particularly severe.

Following the outbreak of the conflict in Gaza in October 2023, tensions escalated along the Israel-Lebanon border, along the Israel-Lebanon border, civilian casualties are rising, leading to increased internal displacement and casualties. However, the humanitarian response is hindered by security constraints, communication challenges, and limited access to conflict-prone areas. Districts in southern Lebanon are particularly affected, experiencing shortages in essential services and worsening socio-economic conditions, especially for communities reliant on agriculture. Effective local engagement and humanitarian access are crucial amidst these challenges.





In 2023, LHF prioritized geographically focused allocations pushing partners to work together in a collective approach. It also prioritized provision of a timely response to the people affected by the hostilities in the south. Recognizing that unmet needs persist under ongoing LCRP and ERP programs, the \$6 million allocation to support partners to ensure the protection and wellbeing of children with a package of layered complementary Education, Child Protection and WaSH services in prioritized locations.

Promoting Localization



In 2023, the role of local Lebanese organizations in responding to crises was particularly notable, underscoring the strength and enthusiasm of the country's civil society. Amidst ongoing challenges, the Lebanon Humanitarian Fund (LHF) emphasized the importance of localization throughout the humanitarian response.

One of the key strategies employed by the LHF was to increase direct funding to local and national non-governmental organizations (L/NNGOs). Compared to the previous year, the LHF significantly boosted its direct funding allocation to L/ NNGOs, raising it from 22 per cent or \$6 million in 2022 to 39 per cent or \$10.2 million in 2023, and have funded four NNGOs for the first time. A further 13 per cent of total funding was indirectly allocated to L/NNGOs. The increase can be attributed to the introduction of Pillar III, which aims to strengthen a localized response by offering additional assistance, enhancing capabilities, and allocating dedicated funds to local and national organizations. Aligned with the LHF's strategic focus on reinforcing localization in humanitarian efforts, Pillar III allocated funds to initiatives that actively involve and empower local and national entities across all stages of humanitarian interventions. This shift reflects a recognition of the critical role that diverse local organizations play in delivering aid, especially in contexts where access by international partners may be restricted due to various challenges such as security concerns or logistical barriers.

Furthermore, a substantial portion of the projects supported by the LHF in 2023–23 out of 47-were implemented by NNGOs. This underscores the commitment to fostering equal partnerships between international and local actors in humanitarian response efforts. In cases where partnerships existed between international NGOs and national NGOs, the LHF required that implementing partners share the standard program support costs (seven per cent) equitably, promoting fairness and accountability in resource allocation.

Recognizing that capacity development is crucial for strengthening the operational and institutional capabilities of local partners, the LHF also supported capacity-building efforts aimed to enhance the effectiveness and sustainability of local organizations, enabling them to better respond to humanitarian needs in their communities. Capacity-building initiatives included organizational development training and other tailored support to address specific areas of weakness identified through risk management activities.

Moreover, the LHF played a pivotal role in empowering NNGOs through its support of the Lebanon Humanitarian and Development Forum (LHDF). By facilitating the involvement of NNGOs in decision-making processes, resource mobilization, and advocacy efforts, the LHF helped to amplify the voices and contribu-



ALLOCATION FLOW BY PARTNER TYPE in US\$ million

ANNUAL REPORT LHF 2023 PROMOTING LOCALIZATION

5 TRAININGS



62 NNGOS TRAINED



10 NATIONAL WOMEN LED ORGANIZATIONS TRAINED



98 TOTAL PEOPLE TRAINED FROM NNGOS

tions of local actors in the humanitarian sector. Two NNGOs that are Women Led Organization (WLO) were actively engaged in the advisory board of the LHF, in addition to the Lebanon Humanitarian & Development NGOs Forum (LHDF), ensuring their representation and input in strategic discussions and planning.

Throughout the project cycle, the LHF provided ongoing support to new NNGO partners, addressing any identified areas of weakness or challenges through targeted assistance, this includes weaknesses in reporting, ongoing activity monitoring, financial tracking, and utilization of the Grant Management System (GMS). This approach reflects a commitment to building the resilience and effectiveness of local organizations over the long term, thereby enhancing their overall response.

To expand its partnerships and outreach, an open day event was organized to connect with potential 14 new partners, providing an opportunity for stakeholders to learn about the work of the LHF and the steps towards eligibility for funding. This outreach initiative aimed to foster greater collaboration and engagement within the humanitarian community, ultimately strengthening collective efforts to address the evolving needs of vulnerable populations in Lebanon. To expand its partnerships and outreach, the LHF orchestrated an open day event aimed at connecting with up to 14 potential new partners. This gathering provided an invaluable platform for stakeholders to delve into the details of LHF opera-

tions and understand the pathway to eligibility for funding. This outreach initiative aimed to foster greater collaboration and engagement within the humanitarian community, ultimately strengthening collective efforts to address the evolving needs of vulnerable populations. Following the open day, the LHF collected significant insights. It became apparent that several NNGOs had never encountered a similar engagement with other donors, finding this particular process to be thrillingly innovative and profoundly informative in shedding light on the LHF eligibility criteria. The resounding feedback received underscored the positivity and reassurance stemming from this initiative. Even in instances where partners fell short of meeting the LHF's minimum requirements, the experience proved enlightening. These organizations were connected with the Lebanon Humanitarian and Development NGOs Forum (LHDF), offering them a gateway to explore potential avenues for capacity-building opportunities.

The LHF is also dedicated to enhancing the visibility of local and national actors who receive funding by showcasing their contributions during field visits with donors. These visits allow donors to directly interact with beneficiaries and implementing organizations, gaining firsthand insights into the impact of their funding and the effectiveness of humanitarian response efforts. This underscores the LHF's commitment to ensuring that the contributions of national partners are duly recognized and appreciated.



In the photo, a man can be seen receiving food vouchers to use at a local vendor.

Photo credit: Nusaned Organization

Programming Highlights

Promoting area-based programming

In 2023, all LHF allocations embraced a collaborative strategy for delivering humanitarian aid. This strategy involved conducting comprehensive severity mapping to assess the needs of all vulnerable populations in Lebanon, including Lebanese citizens, Syrian refugees, Palestine refugees, and migrants. By adopting this inclusive approach, the LHF facilitated a coordinated and needs-driven response that spanned across various operational frameworks within Lebanon.

The LHF Standard Allocation for 2023, alongside a CERF allocation, directed \$15 million toward reshaping humanitarian response efforts in 2023 and 2024. This realignment aimed to enhance the effectiveness of aid delivery by transitioning towards an impactful and coherent area-based programming. This shift was prompted by constraints in humanitarian funding and increased scrutiny regarding the optimal utilization of dwindling resources to collectively address needs.

The joint allocation employed a layered multi-sectoral criterion, initially focusing on the severity of humanitarian needs across sectors. Subsequently, other factors were incorporated to ensure maximum impact, including better integration with humanitarian, development, and peace activities.

The strategy focused on pinpointing geographic regions where multiple sectors had overlapping needs, enabling the streamlined provision of comprehensive services to the most vulnerable communities in three distinct districts: Zahleh, Tripoli, and Akkar. Partners were tasked with prioritizing their projects in areas classified as severity mapping levels five, four, and three according to the Humanitarian Needs Overview (HNO). This approach ensured that projects were directed to areas with the highest levels of need, particularly in northern Lebanon where cross-sectoral needs were identified as most critical. Additionally, it encouraged the delivery of integrated services addressing various needs within these communities. The reserve allocation designated for the

southern region of Lebanon in 2023 introduced a geographically focused 48-hour response. The primary aim was to frontload funding to the best placed actors for delivering comprehensive interventions to hard-to-reach areas, conflict zones, and especially to those displaced. This initiative was specifically tailored to provide rapid assistance with the ability to adapt and scale up in response to evolving dynamics and shifting needs. It exemplified how the LHF can strategically experiment with geographically targeted allocations to effectively address specific humanitarian challenges in a responsive manner.

Promoting the Centrality of Protection

The centrality of protection underscores the allocations of 2023, forming an integral part of a sustainable and comprehensive community-based approach. Adopting a person-centered approach across all population groups, the LHF ensured targeted support for the most vulnerable individuals, including those with specific needs, especially the elderly, female headed households, GBV survivors, and women and adolescent girls. Issues pertaining to the welfare and protection of children were prioritized, with dedicated funding allocated for protection, gender-based violence (GBV), and child protection services, encompassing both prevention and response activities. Prevention efforts covered a wide range of interventions designed to mitigate risks and promote safe environments for children. These initiatives include awareness campaigns, community engagement activities, and capacity-building initiatives for caregivers. In addition to prevention measures, the LHF also prioritized robust response mechanisms to address cases of child protection concerns effectively. This involved establishing and strengthening child protection services, which provide critical support to children and families affected by abuse, neglect, or exploitation. Response activities included emergency cash assistance, psychosocial support, legal aid, and referral services to specialized care providers.

In line with efforts from previous years, the LHF continued to strengthen the Protection from Sex-

PROGRAMMING HIGHLIGHTS

ual Exploitation and Abuse (PSEA) framework among partners, supporting activities implemented by various partners to build upon and expand the progress achieved in previous years.

Supporting vulnerable groups including persons with disabilities

In 2023, the LHF significantly improved its efforts towards disability inclusion, resulting in the support of 12,775 individuals with disabilities. This progress can be attributed to the dedicated funding for projects aimed at fostering a more inclusive response, particularly under the Standard Allocation. This allocation facilitated funding for various initiatives, including those tailored to children and elderly individuals with disabilities, provision of health, protection, specialized education, and rehabilitation services, as well as the distribution of essential items such as food and hygiene kits. Furthermore, the LHF supported a project focused on assisting NGOs across different sectors to enhance inclusivity towards people with disabilities, while also strengthening referral pathways to ensure seamless access to necessary services. To further strengthen the capacities of humanitarian actors towards more accountable, evidence-based, and inclusive responses for persons with disabilities in Lebanon, a project was funded to support innovative approaches, facilitate disability mainstreaming, and enhance coordination to ensure the inclusion and participation of persons with disabilities in humanitarian assistance. Technical experts from NGOs specializing in disability-related issues were invited to participate in the allocation review committees to provide advisory and guidance on disability inclusion in practice.

Enhancing Complementarity with CERF and other Funding Streams

In Lebanon, where development and humanitarian responses are intricately intertwined, leveraging complementary funding is crucial to ensure a sustainable and impactful approach, especially in light of globally reduced donor funding. Acknowledging this challenge, the LHF developed its allocation strategies to navigate the broader funding landscape, ensuring the most strategic utilization of available funds. The Standard Allocation was specifically tailored to complement the Central Emergency Response Fund (CERF), aimed at supporting the Resident Coordinator/Humanitarian Coordinator (RC/HC) in steering the humanitarian response in Lebanon towards the delivery of more impactful, coherent, area-based programming in 2023 and 2024. This initiative aims at addressing the effective utilization of funds against a backdrop of increasing needs and decreased funding. The overarching complementary strategy spans both LHF and CERF allocations, with sectors divided based on their comparative strengths and the added value of well-positioned actors.

For example and as part of the complementary package of services in targeted locations, UNICEF ensured the provision of safe water, sanitation and hygiene, through targeted support to water pumping stations and systems to ensure their continued operation with a focus on the communities in which other CERF and LHF activities are being implemented (through ensuring a school providing education, food security and related child protection services has water supply, for example). This integrated approach included critical nutrition services to provide early child development services, support improvements to schools' food and nutrition environments and activities to screen and manage malnutrition in children.

Through this joint allocation effort, the Fund piloted layered multi-sectoral criteria, initially prioritizing sectors based on the severity of humanitarian needs and subsequently incorporating additional elements to ensure maximum impact. This approach supported a more cohesive interlinkage of humanitarian, development, and peace activities, targeting geographical locations.

Improving humanitarian access

The LHF strengthened its efforts to facilitate and coordinate humanitarian access in Lebanon. Bureaucratic obstacles, such as a lack of understanding regarding humanitarian activities and the criteria for aid delivery by partners, have been identified as the primary factors hindering access. Additionally, physical access challenges, particularly in the southern regions following events on October 8th, compounded the difficulties faced by some partners. To address these challenges, the LHF maintained close collaboration with partners and colleagues from Office for the Coordination of the Humanitarian Affairs (OCHA) to identify and mitigate concerns promptly. Flexibility was prioritized to ensure that projects could achieve their intended objectives, while maintaining a coordinated and humanitarian approach at all times.

SUCCESS Stories

Educational center for retention support, Tripoli, North-Lebanon

In this photo, a group of students engaging in a retention support session within the confines of a classroom.

Photo credit: Al Fayhaa Association



"I truly enjoy coming to the center, it's a place where I can complete my studies and feel at ease."

Mariam



HOPE AMIDST HARDSHIP: THE RETENTION SUPPORT PROGRAM

Lebanon, Tripoli. Lebanon's overlapping four-year crisis, which shows no signs of abating continues to impact the lives of children, taking away their opportunities to learn and access educational services. Making matters worse, many schools had to close due to insecurity. Widespread poverty is forcing families to send their children to work instead of school.

With funding from the LHF, the local NGO Al Fayhaa Association and Ana Aqra Association are running a "retention support" programs that gives families and children tools and resources that support children to continue with their education. Specifically, the retention support program is for children at risk of drop out and designed to address learning losses and aiming at keeping children in schools as long as possible. Recognizing the multitude of learning challenges that children may face, the center was equipped to support children on various difficulties, evidenced in the testimony of these four children.

Ala, in the eighth grade, escaped with her family from the turmoil in Syria and sought refuge in Tripoli, Lebanon. Ala initially did not write or speak much. But at the center, her teacher recognized her talent for drawing and her interest in design. With her teacher's encouragement, Ala became more engaged in school and at the center, becoming one of the more active students.

Mariam, who is in fourth grade and is Lebanese, explained, "I truly enjoy coming to the center. It's a place where I can complete my studies and feel at ease." She gets help with her homework from the public school and additional tutoring if needed.

Bara' is in first grade and had some trouble writing and holding the pen. He also did not feel confident and felt that he was behind his peers in school. At the center, the teachers were able to work closely with him and gave him the time he needed to focus on his writing in a relaxed atmosphere. With much support and time, he gradually improved.

For Duaa, her teacher's patience was the support she needed. Duaa struggled with a speech impediment that made her reluctant to speak and participate in class. With gradual support and encouragement from her teachers, Duaa came out of her shell and was able to engage with her classmates.

Read more impact stories on StoryHub.

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SUCCESS STORIES

A man with a disability speaking with a frontline worker from Amel organization. He was displaced from his home due to hostilities on the southern borders of Lebanon and is currently seeking shelter in a school.

> Photo credit: Amel Organization



"

"My hope is for a peaceful resolution that allows us to return to our homes with dignity, putting an end to the ongoing conflict."

Moussa

SEEKING REFUGE: MOUSSA'S JOURNEY

Lebanon, Tyre. Since 8 October 2023, increased hostilities at the southern border between armed groups and Israel have driven internal displacement in the area. By late December, over 74,471 people had fled from their homes, sheltering with friends and family or in collective shelters set up in schools.

The increasing tensions in the south and displacement have compounded the needs of many already vulnerable people. To this, the LHF allocated \$4 million as an advanced preparedness and immediate response to displacement and needs through the Fund's 48-hour rapid response modality.

Meet Moussa from Ayta ash Shab, from southern Lebanon, a devoted father of four children.

The family has unfortunately experienced displacement in early October because of the escalating situation in south Lebanon, particularly their village.

This distressing turn of events presented numerous challenges for Moussa and his family on multiple fronts. They had to leave everything behind as the Israeli bombardment were escalating. They fled to Tyre and suffered for a few days before they found a shelter. Now Moussa is staying with his children in a collective shelter in Tyre. For a wheelchair user, it has been quite uncomfortable and challenging. Amel Association provided primary healthcare services including mental health and psychosocial support to Moussa.

"Instead of having a proper bed, I am sleeping on tables, which is physically exhausting and uncomfortable. These hardships significantly impact my quality of life and make daily activities even more challenging," Moussa explained. "Basic household goods – blankets, pillows, and the like, make things a bit easier. But it's no replacement for home."

LHF-funded projects have enabled organizations like Amel, Naba'a, Action Against Hunger (ACF), Norwegian Refugee Council (NRC), Save the Children, and World Vision to offer invaluable support to internally displaced individuals, addressing food insecurity, WaSH, basic assistance, shelter, nutrition, health and protection needs.

"My greatest fear is the further escalation of war and witnessing harm befall my children," says Moussa.

Read more impact stories on StoryHub.

Risk Management

In 2023, the LHF remained dedicated to managing risks effectively, ensuring the successful implementation of humanitarian projects by closely monitoring partner performance and capabilities. Emphasizing its commitment to localization, the LHF utilized various accountability mechanisms to promote transparency and efficiency. Additionally, the LHF continuously worked to enhance its oversight and governance through the refinement of accountability frameworks, reflecting its ongoing pursuit of improvement.

Risk management of projects

The LHF manages project risks in accordance with its Risk Management Framework outlined in the 2023 operational manual. In 2023, the LHF allocated 84% of its funding to medium and highrisk partners and channelled 52% of its funding to national NGOs (direct and indirect funding), including four new national NGOs. Consequently, to effectively oversee projects and ensure alignment with grants and policies, the LHF conducted additional assurance activities, such as follow-up meetings, extra missions, or spot checks, whenever deemed necessary. This diligent approach is considered essential for maintaining robust oversight and providing partners with the needed support to overcome challenges, particularly given the country's ongoing pressing circumstances.

Risk management of partners

In 2023, the LHF conducted a pilot capacity assessment exercise using newly introduced tools and questionnaires developed by HQ as part of the CBPF manuals and policies revision. The LHF has invited interested organizations to an open day where they were informed about the eligibility process and mandatory requirements. Out of the 14 NGOs pre-screened, only seven proceeded to the full capacity assessment exercise, resulting in just one partner being deemed eligible for funding. This outcome highlights the challenges faced by smaller national NGOs in meeting the additional stringent measures introduced in the new pre-screening and full questionnaire. Furthermore, out of the 171 eligible partners, the LHF reached out to 78 partners requiring renewed capacity assessments due to not having been funded in three years. Half of them were either found to be

PROGRESS ON RISK MANAGEMENT ACTIVITIES







3 ongoing case no longer operationally active in the response or requested to be moved to the next batch of capacity reassessment, thus did not proceed to be re-assessed. While some potential new partners lacked sufficient institutional capacity to manage grants or engage with coordination mechanisms effectively, the LHF directed them to the Lebanon Humanitarian and Development NGOs Forum (LHDF) and relevant sectors to encourage participation in coordinated responses. Feedback and guidance were provided to unsuitable candidates, with invitations extended for reassessment upon addressing identified concerns.

Moreover, the LHF has noted through its assurance activities (including spot checks and audits) recurring weaknesses across funded projects. These weaknesses pertain to internal financial controls, recruitment and procurement procedures and adherence to the country's regulations. As such, the LHF ensures to highlight these issues during the kick-off meeting, aiming to assist partners in addressing such findings. Additionally, the LHF ensures to schedule bilateral meetings with partners demonstrating weaker capacities to provide tailored support and guidance. Additionally, prior to the launch of each allocation, the LHF reviews and updates the risk level of its partners based on the recommendations provided by GMS.

Risk management of funding

The Fund identified partner compliance issues through its risk assurance activities. To address these issues, the LHF ensured alignment with its Standard Operating Procedures, with support from the Oversight and Compliance Unit (OCU) in handling such cases. Accordingly, adequate measures have been taken by the LHF and OCU to ensure appropriate use of LHF funding.

Additionally, The HFU particularly noted repeated weaknesses over internal financial procedures, alignment with the country's regulations and the adoption of suitable and competitive procurement practices. To address these challenges, the LHF provides close support to partners throughout the full project timeframe ensuring that partners have the adequate tools and capacities to manage the LHF projects and prevent any risk of funding misuse.

IMPLEMENTATION BY PARTNER RISK LEVEL TYPE



UPDATED RISK LEVEL BASED ON PERFORMANCE INDEX

129 Partners with no required changes

31 Partners with adjusted risks as the performance index recommendation

11 Partners with

recommendation not yet adjusted, awaiting audit feedback

OVERVIEW 2023



1 Capacity assessment is created and conducted in 2023 2 Capacity assessment is only revised in 2023, regardless of what year it was created

3 Capacity assessment is created, conducted and revised in

Annexes

Annexes list

Annexes title

16	ANNEX A	2023 LHF ADVISORY BOARD
17	ANNEX B	COMMON PERFORMANCE FRAMEWORK

STAKEHOLDER

ANNEX A 2023 LHF ADVISORY BOARD

ORGANIZATION

Humanitarian Coordinator
Nusaned
SKOUN
Lebanon Humanitarian and Development Forum (LHDF)
Action Contre la Faim (ACF)
Mennonite Central Committee (MCC)
Lebanon Humanitarian International Forum (LHIF)
United Nations Children's Fund (UNICEF)
United Nations High Commissioner for Refugees (UNHCR)
World Food Programme (WFP)
Belgium
Canada
Denmark
France
Germany
Iceland
Ireland
Italy
Korea, Republic of
Norway
Sweden
Switzerland
United Kingdom
United Nations Office for the Coordination of Humanitarian Affairs (OCHA)

 $\ensuremath{^{\star}\mbox{Three}}\xspace$ donors sit on the AB and others as observers

ANNEX B 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.



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