

# LEBANON FINANCING FACILITY

## TRUST FUND ANNUAL PROGRESS REPORT

JANUARY 1 – DECEMBER 31, 2024



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### LFF DONORS

The LFF is supported by generous contributions from the following donors:



## ACKNOWLEDGEMENTS

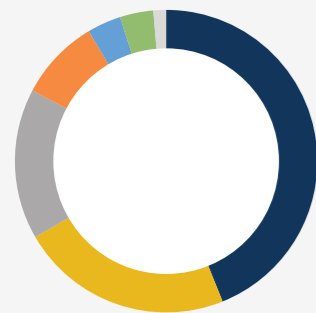
The Lebanon Financing Facility (LFF) progress report is published annually by the LFF Program Management Team (PMT) on behalf of the World Bank as the Administrator of the Trust Fund. The LFF PMT would like to thank the LFF donors – Canada, Denmark, EU, France, Germany and Norway – as well as the UN, for their commitment to the LFF’s strategic vision and for their active engagement in the development and implementation of projects. We would also like to acknowledge the support and guidance received from the Government of Lebanon (GOL), represented by the Deputy Prime Minister, Prime Minister’s Office, Ministry of Finance (MOF) and Line Ministries, since the inception of the LFF. We are grateful for the support received from all 3RF stakeholders, (government representatives, civil society, private sector and international partners of Lebanon). Finally, we would like to recognize the World Bank PMT, central units and sector teams for their immense efforts in advancing LFF-funded projects under particularly difficult circumstances over the past year.

# LFF AT A GLANCE

AS OF 12/31/24

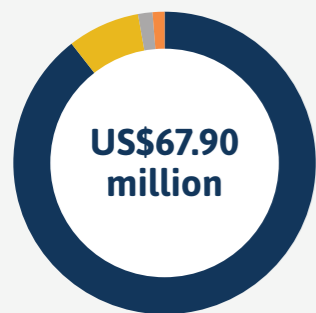
## Total Contributions US\$69.98 million

Paid in



- EU: US\$30.73 million
- Canada: US\$15.90 million
- Germany: US\$11.27 million
- Denmark: US\$6.10 million
- AFD: US\$2.53 million
- France: US\$2.50 million
- Norway: US\$0.95 million

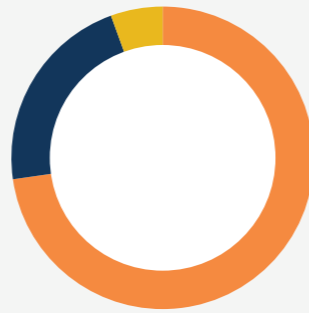
## Grant Allocations



- Recipient-Executed Grants: US\$61.25 million
- Bank-Executed Grants: US\$4.36 million\*\*
- Project preparation and supervision grants: US\$1.42 million
- Program management and administration: US\$0.87 million

\*\*This figure does not account for the US\$1 million allocated for the Civil Service Survey project.

## Total Fund Resources US\$71.53 million



- Disbursements: US\$51.12 million
- Outstanding Commitments: US\$15.26 million
- Unallocated amount available to support new priorities: US\$3.9 million\*

\*This figure includes the US\$1 million allocated for the Civil Service Survey project.

**14 grants endorsed**

6 Recipient-Executed (5 active, 1 closed)  
8 Bank-Executed (5 active, 3 closed)

## FOCUS AREAS, OBJECTIVES, & ACTIVITIES

### FOCUS AREA 1 Socioeconomic and Business Recovery



#### TO SUPPORT THE IMMEDIATE SOCIO-ECONOMIC RECOVERY NEEDS OF VULNERABLE GROUPS FOLLOWING THE PORT OF BEIRUT (POB) EXPLOSION.

- **Building Beirut Businesses Back Better (B5):** To support the recovery of targeted micro- and small-sized enterprises (MSEs) and ensure the sustainability of eligible microfinance institutions (MFIs).
- **Support for Social Recovery Needs of Vulnerable Groups in Beirut:** To support the immediate social recovery needs of vulnerable groups following the PoB explosion.
- **Beirut Housing Rehabilitation and Cultural and Creative Industries Recovery:** To support rehabilitation of prioritized historical housing for the most vulnerable people and to provide emergency support to creative practitioners and entities in the cultural sector in the PoB explosion areas.
- **Environmental Recovery, Restoration and Waste Management:** To support emergency environment control measures in Beirut City from impacts of the August 2020 explosion and support planning for longer-term environmental restoration efforts.

### FOCUS AREA 2 Supporting Reforms and Preparing for Reconstruction



#### TO BEGIN TO ESTABLISH A TRANSPARENT, ACCOUNTABLE, AND INCLUSIVE POLICY AND INSTITUTIONAL FRAMEWORK FOR LEBANON'S RECONSTRUCTION AND RECOVERY.

- **Reconstruction with Integrity and Transparency:** To support the Government's efforts to foster economic, financial and governance reforms and institutional strengthening measures, inter alia, in the areas of social sector, public investment management, public financial management and procurement, oversight and accountability institutions.
- **Port of Beirut Reform and Reconstruction:** To support port sector reform in Lebanon and pave the way to rebuild a better, modern and digital Port of Beirut.
- **Budget Preparation and Management:** To support budget preparation and execution and to lay the foundation for broader reforms to public finances and budget management that would transform the budget into an effective instrument for fiscal policy.
- **Supporting Ministry of Finance (MOF) and Customs IT Needs:** To safeguard the function of MOF IT systems in the short term.
- **Conducting a Civil Service Survey:** To develop an accurate, comprehensive and up-to-date baseline of public sector personnel numbers along with their HR and payroll information to support the design and implementation of critical reforms related to the public sector.
- **Special Audit and Valuation of Banks:** To support the commencement of banking sector reforms and their initial stages of implementation.
- **Establishing a Unified Social Safety Net Program:** To support the integration of existing Social Safety Net (SSN) programs and improve inclusion, effectiveness and efficiency of a unified SSN program.

### FOCUS AREA 3 Coordination, Monitoring, Accountability, Oversight



#### TO ESTABLISH A TRANSPARENT, ACCOUNTABLE, AND INCLUSIVE POLICY AND INSTITUTIONAL FRAMEWORK FOR LEBANON'S RECONSTRUCTION AND RECOVERY.

- **Strengthening Capacity and Institutional Arrangements for Reform, Recovery and Reconstruction (3RF) Oversight, Citizen Engagement and Monitoring/Communications:** To support the operationalization of the institutional, monitoring, and accountability arrangements related to the 3RF.
- **COVID-19 Vaccination Third-Party Monitoring:** To conduct independent third-party monitoring (TPM) of the rollout of World Bank-financed vaccines in Lebanon to ensure safe, effective and equitable vaccine deployment

## SUPPORTING REFORMS

### KEY REFORM AREAS SUPPORTED:

urban planning, solid waste management, public procurement, public financial management, port sector, budget preparation and formulation, social protection

### INSTITUTIONAL STRENGTHENING:

Court of Accounts, National Anti-Corruption Commission, Public Procurement Authority, Institute of Finance, Ministry of Public Works and Transport, Banking Control Commission

## REACHING VULNERABLE POPULATIONS

**25** MSEs owned or led by persons with disabilities **received grants**

**2,778** older persons, persons with disabilities, and their families **received physical and psychosocial services**

**846** NGO and care workers directly interfacing with prioritized vulnerable groups **received training**

**167,000** poor and vulnerable people **covered under the unified Social Safety Net Program**

## CLOSING GENDER GAPS

**1,076** women owned or led MSEs **received grants**

**213** women owned or led MSEs **received tailored training** on crisis management, e-commerce awareness, and accessibility and legal awareness

**995** GBV beneficiaries (88% of which were women) **received social and health services**

# ABBREVIATIONS AND ACRONYMS

<b>3RF</b>	Lebanon Reform, Recovery and Reconstruction Framework
<b>ACA</b>	Arab Center for Architecture
<b>AFD</b>	<i>Agence Française de Développement</i>
<b>ALBA</b>	<i>Académie Libanaise des Beaux-Arts</i>
<b>ASYCUDA</b>	Automated System for Customs Data
<b>B5</b>	Building Beirut Businesses Back & Better
<b>BCC</b>	Banking Control Commission
<b>CCI</b>	Cultural and Creative Industries
<b>CoA</b>	Court of Accounts
<b>CSO</b>	Civil Society Organization
<b>ESSNP</b>	Emergency Social Safety Net Program
<b>EU</b>	European Union
<b>GBV</b>	Gender-based violence
<b>GDP</b>	Gross Domestic Product
<b>GOL</b>	Government of Lebanon
<b>HLP</b>	Housing, Land and Property rights
<b>IDRAAC</b>	Institute for Development, Research, Advocacy and Applied Care
<b>IFRC</b>	International Federation of Red Cross and Red Crescent Societies
<b>IMF</b>	International Monetary Fund
<b>IOB</b>	Independent Oversight Body
<b>IOM</b>	International Organization for Migration
<b>IRC</b>	International Rescue Committee
<b>JSDF</b>	Japan Social Development Fund
<b>LFF</b>	Lebanon Financing Facility
<b>LHS</b>	Lebanon Household Survey
<b>MFI</b>	Microfinance Institution
<b>MMU</b>	Mobile Medical Unit
<b>MOF</b>	Ministry of Finance
<b>MOPH</b>	Ministry of Public Health
<b>MOSA</b>	Ministry of Social Affairs
<b>MPWT</b>	Ministry of Public Works and Transport
<b>MSE</b>	Micro- and Small-sized Enterprises

<b>NACC</b>	National Anti-Corruption Commission
<b>NDVP</b>	National Deployment Vaccination Plan
<b>NGO</b>	Non-governmental Organization
<b>NPTP</b>	National Poverty Targeting Program
<b>PAL</b>	Public Accounting Law
<b>PC</b>	Partnership Council
<b>PHCC</b>	Primary Healthcare Center
<b>PIM</b>	Public Investment Management
<b>PFM</b>	Public Financial Management
<b>PMT</b>	Program Management Team
<b>PMU</b>	Project Management Unit
<b>PoB</b>	Port of Beirut
<b>PROSPECTS</b>	PROSPECTS Partnership Program
<b>PSA</b>	Public sensitization and awareness
<b>RDNA</b>	Rapid Damage and Needs Assessment
<b>SGBV</b>	Sexual and gender-based violence
<b>SH+</b>	Self Help Plus
<b>SOP</b>	Standard Operating Procedure
<b>SPF</b>	State and Peacebuilding Fund
<b>SSN</b>	Social Safety Net
<b>TOR</b>	Terms of Reference
<b>TPM</b>	Third-Party Monitoring
<b>UN</b>	United Nations
<b>UNCTAD</b>	United Nations Conference on Trade and Development
<b>UNDP</b>	United Nations Development Program
<b>UNESCO</b>	United Nations Educational, Scientific and Cultural Organization
<b>UN-Habitat</b>	United Nations Human Settlements Program
<b>UNICEF</b>	United Nations International Children's Emergency Fund
<b>UNHCR</b>	United Nations High Commissioner for Refugees
<b>UNRWA</b>	United Nations Relief and Works Agency for Palestine Refugees
<b>WFP</b>	World Food Program
<b>WHO</b>	World Health Organization

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## EXECUTIVE SUMMARY

## OVERVIEW

The Lebanon Financing Facility (LFF) is a 5-year multi-donor trust fund that was established in December 2020 in the aftermath of the August 4<sup>th</sup> Port of Beirut (PoB) explosion. To date, the LFF has received generous contributions from the governments of Canada, Denmark, France, Germany, Norway and from the European Union (EU), for a total commitment amount of US\$69.98 million, which has been paid into the LFF.

The LFF was set up to support the immediate socio-economic recovery of vulnerable people and businesses following the explosion in Beirut, and to build the foundation for medium-term recovery and the sustainable reconstruction of the PoB and affected neighborhoods. The LFF prioritizes three focus areas of interventions: 1) Socioeconomic and business recovery; 2) Preparing for reform and reconstruction; and 3) Strengthening coordination, monitoring, accountability and oversight of the 3RF.

Since 2020, the Fund has supported thousands by expanding social services, preserving livelihoods, and preventing financial collapse for vulnerable groups in Beirut. It has provided grants to 3,587 MSEs and secured income for 9,600 people. Additionally, 9,011 individuals have accessed social recovery services, including Gender Based Violence (GBV) survivors, those with mental health challenges, older persons, and persons with disabilities. The Fund has issued 139 grants to cultural and creative actors, completing 104 cultural and creative projects and resulting in 582 events to revitalize affected neighborhoods. Rehabilitation of solid waste infrastructure and 12 severely damaged residential heritage buildings is ongoing.

Amid a prolonged political and institutional vacuum, the LFF has helped the Government of Lebanon (GOL) progress on its reform agenda. With LFF support, a draft Port Sector Law was finalized and action plans for Public Investment Management (PIM), solid waste management, and greening Beirut reconstruction are being developed. Key government institutions have been strengthened through capacity building at the Court of Accounts (CoA) and the National Anti-Corruption Commission (NACC), along with technical assistance to the Banking Control

Commission (BCC) for auditing and valuating commercial banks. Additionally, the LFF has helped establish a unified Social Safety Net (SSN) program to improve social assistance delivery.

## KEY DEVELOPMENTS FROM 2024:

- In line with the Work Plan endorsed in December 2023, four activities were approved and began implementation in 2024: Additional Financing for the B5 Fund, Budget Preparation and Management, Supporting Ministry of Finance & Customs IT Needs, and the Special Audit and Valuation of Banks.
- Two projects closed: the Support for Social Recovery Needs of Vulnerable Groups in Beirut and Reconstruction with Integrity and Transparency.
- Disbursements in 2024 equaled nearly US\$12 million. Total disbursements reached US\$51.12 million - 71% of total fund resources - as of December 31, 2024.
- The LFF faced significant implementation challenges due to ongoing macroeconomic instability, administrative and coordination difficulties, and limited human and financial resources within key government institutions. Additionally, the recent conflict that affected Lebanon caused further delays in disbursements and pauses in rehabilitation works, training sessions, events, and consultations.
- LFF projects adapted to these challenges by focusing on immediate priorities and through adjustments to mitigate delays and risks, such as extending timelines and cancelling some activities due to the high risk of non-completion. However, given the significant implementation challenges, the LFF will likely not deliver all activities by the time of the fund's closure in June 2025.
- The LFF sustained its engagement with development partners in 2024 through the Partnership Council (PC) meeting in November and a series of technical consultations and biweekly project team updates.
- During these engagements, the future of the LFF was deliberated among development partners, considering the fund's impending closing date, remaining funds and the renewed sense of urgency to deliver for Lebanon.
- The LFF Program Management Team (PMT) launched a lessons learned exercise to inform discussions on the future of the LFF and continues to follow closely the country's developments to identify opportunities for the LFF to provide support during its final year.

## STRUCTURE OF THE ANNUAL REPORT

The structure of the annual report summarizes implementation progress, challenges, and results achieved under projects supported by the LFF. The report starts with an overview of the context for recovery, reconstruction, and reform in Lebanon, followed by an overview of the LFF portfolio, a section on results and highlights of funded projects, and a summary of financial highlights. The final section will outline the LFF's goals for 2025. The annexes include an up-to-date results framework, project cards providing an overview of each project, and any communications materials published in 2024.



# RÉSUMÉ ANALYTIQUE

## VUE D'ENSEMBLE

Le Mécanisme de Financement pour le Liban (LFF) est un fonds fiduciaire multi-donateurs établi en décembre 2020 pour une période de cinq ans, en réponse à la catastrophe causée par l'explosion survenue dans le port de Beyrouth le 4 août. À ce jour, il a bénéficié de généreuses contributions des gouvernements du Canada, du Danemark, de la France, de l'Allemagne et de l'Union européenne pour un total de 69,98 millions de dollars américains versés au LFF.

Le LFF a été créé pour accompagner le redressement socioéconomique immédiat des populations et des entreprises vulnérables fragilisées par l'explosion survenue au port de Beyrouth, tout en jetant les bases d'un redressement à moyen terme et d'une reconstruction durable du port et des quartiers touchés. Le LFF intervient prioritairement dans trois domaines : 1) le relèvement socioéconomique et le redressement des entreprises ; 2) les travaux préparatoires aux réformes et à la reconstruction ; 3) le renforcement de la coordination, du suivi, de la responsabilisation et de la supervision du Cadre 3RF.

Depuis 2020, le LFF fournit un soutien considérable à des milliers de personnes en déployant un large éventail de services sociaux, en préservant les moyens de subsistance et en contribuant à prévenir l'effondrement financier des populations vulnérables à Beyrouth. À ce jour, 3 587 micros et petites entreprises ont bénéficié de subventions, permettant à 9 600 personnes de générer des revenus. Par ailleurs, 9 011 individus ont accédé à des services de redressement social, notamment des survivants de violences basées sur le genre, des personnes confrontées à des problèmes de santé mentale et des personnes en situation de handicap. Le Fonds a également octroyé 139 subventions à des acteurs culturels et innovants, soutenant 104 projets culturels et innovants qui ont donné lieu à 582 activités, contribuant ainsi à revitaliser les quartiers touchés. En parallèle, la réhabilitation des infrastructures de gestion des déchets solides ainsi que la restauration de 12 bâtiments résidentiels classés au patrimoine culturel sont en cours.

Dans un contexte de vide politique persistant, le LFF a aidé le gouvernement libanais dans son programme de réformes. Grâce à son soutien, un projet de loi sur le secteur portuaire a été élaboré, et des plans d'action sont en préparation pour la gestion des investissements publics, la gestion des déchets solides et la reconstruction verte de Beyrouth. Les principales institutions gouvernementales ont été consolidées grâce au renforcement des capacités de la Cour des Comptes et de la Commission nationale de lutte contre la corruption, ainsi qu'à l'assistance technique fournie à la Commission de contrôle des banques pour l'audit et l'évaluation des banques commerciales. Par ailleurs, le LFF a contribué à la mise en place d'un programme de réseau de protection sociale visant à améliorer la prestation des services d'assistance sociale

## DÉVELOPPEMENTS MAJEURS DEPUIS 2023

- Conformément au plan de travail adopté en décembre 2023, quatre activités ont été validées et lancées en 2024 : le financement supplémentaire du Fonds B5, la préparation et la gestion du budget, le soutien du ministère des Finances et des douanes pour leurs besoins informatiques, ainsi que l'audit spécial et l'évaluation des banques.
- Clôture de deux projets : Soutien au redressement social des populations vulnérables à Beyrouth et Reconstruction en toute intégrité et transparence.
- Déboursement en 2024 de près de 12 millions de dollars, portant le total des fonds déboursés à 51,12 millions de dollars — soit 71 % des dons alloués — jusqu'en décembre 2024.
- Le LFF a dû faire face à des défis majeurs dans l'exécution des projets liés à l'instabilité macroéconomique persistante, aux difficultés administratives, à un manque de coordination ainsi qu'au déficit de ressources humaines et financières au sein des institutions gouvernementales. Le conflit au Liban a entraîné de nouveaux retards dans le déboursement des fonds et a conduit à la suspension des travaux de réhabilitation, des sessions de formation, des événements et des consultations.
- Face à ces défis, les projets du LFF se sont adaptés en priorisant les actions les plus urgentes et ont opéré des ajustements pour atténuer les retards et les risques. Le LFF a ainsi prolongé certains délais, voire annulé des activités qui ne pouvaient être menées à bien en raison des risques élevés et des contraintes de non conformité. Compte tenu de ces contraintes d'exécution, il est possible

que toutes les activités ne puissent être achevées dans les délais avant la clôture du LFF en juin 2025.

- Le LFF a maintenu son engagement auprès de ses partenaires en 2024, convoquant en novembre une réunion du Conseil des partenaires et organisant une série de consultations techniques ainsi que des réunions de mise jour bi-hebdomadaires avec les équipes.
- Lors de ces réunions, ces partenaires de développement ont discuté de l'avenir du LFF à l'approche de sa clôture, de l'utilisation des fonds non encore déboursés et du besoin urgent de continuer à soutenir le Liban.
- L'équipe de gestion des programmes du LFF a lancé un exercice de réflexion visant à tirer des enseignements et à alimenter les discussions sur l'avenir du mécanisme. Elle continue également à suivre de près l'évolution de la situation dans le pays afin d'identifier de nouvelles opportunités d'appui pour cette dernière année d'activité.

## STRUCTURE DU RAPPORT ANNUEL

Le rapport présente une synthèse des avancées, des défis et des résultats obtenus lors de la mise en œuvre des projets soutenus par le LFF. Il s'ouvre sur un aperçu du contexte de redressement, de reconstruction et de réforme au Liban, suivi d'une analyse du portefeuille du LFF, d'une section dédiée aux résultats et aux principales réalisations des projets financés, ainsi que d'un résumé des points forts financiers. La dernière partie souligne les objectifs du LFF pour 2025. Les annexes incluent une mise à jour des résultats, des fiches projet qui offrent un aperçu général de chaque initiative et les supports de communication publiés en 2024.



## الملخص التنفيذي

### نظرة عامة

الصندوق الائتماني المُخصَّص للبنان (LFF الصندوق الائتماني)، صندوق متعدد المانحين، مدته 5 سنوات، أُنشئ في ديسمبر/كانون الأول 2020، في أعقاب كارثة انفجار مرفأ بيروت، في 4 أغسطس/آب. وقد تلقى الصندوق حتى الآن، مساهمات سخية من حكومات كندا والدنمارك وفرنسا وألمانيا والنرويج، ومن الاتحاد الأوروبي بلغت 69.98 مليون دولارًا أمريكيًا.

وأنشئ الصندوق لتلبية الاحتياجات الفورية لعملية التعافي الاجتماعي والاقتصادي للفئات الأشد احتياجاً من السكان، ومؤسسات الأعمال التي تضررت من انفجار مرفأ بيروت، وإرساء الأسس اللازمة لتحقيق التعافي على المدى المتوسط، وإعادة إعمار مرفأ بيروت والأحياء المتضررة على نحو مستدام. ويُعطي الصندوق أولوية لثلاثة محاور تدخّل: (1) التعافي الاجتماعي والاقتصادي والاقتصادي وتعافي قطاع الأعمال؛ و (2) الأعمال التمهيديّة للإصلاح وإعادة الإعمار؛ و (3) تعزيز التنسيق والمتابعة والمساءلة والرقابة ضمن إطار الإصلاح والتعافي وإعادة الإعمار 3RF.

منذ العام 2020، دعم الصندوق آلاف الناس من خلال توفير الخدمات الاجتماعية الموسّعة وصون سبل العيش والوقاية من انهيار مالي يهدّد الفئات الضعيفة في بيروت. فقد قدّم الصندوق فحداً إلى حوالي 3587 من منشآت الأعمال الصغيرة والمتناهية الصغر، ووفّر مدخولاً لـ 9600 نسمة. بالإضافة إلى ذلك، استفاد 9011 فرداً من خدمات التعافي الاجتماعي، بما في ذلك الناجين من العنف القائم على النوع الاجتماعي، والأشخاص الذين يعانون من التحديات على مستوى الصحة النفسية وكبار السن، والأشخاص ذوي الإعاقة. كما وفر الصندوق 139 منحة لناشطين في مجال الثقافة والإبداع، فاستكملوا 104 نشاطاً ثقافياً وإبداعياً أثمرت 582 فعالية هدفتها إعادة تنشيط الأحياء المتضررة. ولا يزال العمل جارياً على إعادة تأهيل البنية التحتية للنفايات الصلبة و12 مبنى سكنياً أثرياً متضرراً.

وسط الأزمة السياسية الممتدة وفي ظلّ الفراغ المؤسسي الذي شهده لبنان، ساعد الصندوق الحكومة اللبنانية على التقدّم في جدول أعمالها الإصلاحي. فبدعم من الصندوق، تمّ إعداد مشروع قانون لقطاع والموانئ، ويجري وضع خطط عمل لإدارة الاستثمارات العامة، وإدارة النفايات الصلبة وتخضير عمليّة إعادة الإعمار في بيروت. كما تمّ دعم وتعزيز مؤسسات حكومية أساسية من خلال مثلًا بناء القدرات في ديوان المحاسبة والهيئة الوطنية لمكافحة الفساد وتوفير المساعدة التقنية للجنة الرقابة على المصارف اللبنانية العاملة على التدقيق في المصارف التجارية وتقييمها. كما ساعد الصندوق على وضع برنامج موثّق لشبكة الأمان الاجتماعي سعياً إلى تحسين توفير المساعدة الاجتماعية

### الإنجازات الرئيسية ضمن الصندوق الائتماني خلال 2024

- تماشياً مع خطة العمل المتفق عليها في شهر كانون الأول/ديسمبر 2023، جرت المصادقة على أربعة نشاطات، وبدأت عمليّة تنفيذها في العام 2024، وهي: تمويل إضافي لصندوق إعادة بناء المؤسسات في بيروت (صندوق B5)، وإعداد الموازنة وإدارتها، ودعم احتياجات وزارة المالية والجمارك في مجال تكنولوجيا المعلومات، والتدقيق المالي الخاص وتقييم المصارف.
- تم إغلاق مشروعين: مشروع دعم التعافي الاجتماعي للفئات الهشة في بيروت ومشروع إعادة الإعمار بنزاهة وشفافية
- وصل إجمالي المصروفات في العام 2024 إلى حوالي 12 مليون دولار أميركي. أما إجمالي المبالغ المصروفة ضمن الصندوق فوصل إلى 51.12 مليون دولار أميركي، أي 71% من مجموع المنح المخصّصة، وذلك حتى تاريخ 31 كانون الأول/ديسمبر 2024.
- واجه الصندوق تحديات كبيرة على مستوى التنفيذ بسبب انعدام استقرار الاقتصاد الكلي، والصعوبات الإدارية والتنسيقية والموارد البشرية والمالية المحدودة ضمن المؤسسات الحكومية الرئيسية. بالإضافة إلى ذلك، أدى النزاع الأخير الذي ألم بلبنان مزيد من التأخير في عمليات صرف الأموال وأوقف أعمال إعادة التأهيل، والدورات التدريبية والفعاليات والاستشارات.
- تكيفت مشاريع الصندوق مع هذه التحديات من خلال التركيز على الأولويات المباشرة ومن خلال تعديلات تهدف إلى التخفيف من التأخير والمخاطر مثل إطالة المهل الزمنية وإلغاء بعض الأنشطة بسبب المخاطر العليا وعدم الامتثال. ومع ذلك،

وبسبب التحديات الكبرى في التنفيذ، قد لا يتمكّن الصندوق من تنفيذ كافة الأنشطة قبل تاريخ إغلاقه في عام 2025.

- تابع الصندوق تواصله مع الشركاء في مجال التنمية عام 2024 من خلال اجتماع لمجلس الشراكة عقد في شهر تشرين الثاني/نوفمبر وسلسلة من الاستشارات التقنية واللقاءات نصف الشهرية مع الفرق المسؤولة عن المشاريع من أجل إطلاعهم على آخر المستجدات المتعلقة بمختلف الأنشطة والبرامج.
- خلال هذه الاجتماعات، جرى البحث في مستقبل الصندوق وتاريخ إغلاقه الوشيك والأموال المتبقية والحاجة الملحة المتجددة لمساعدة لبنان.
- أطلق فريق إدارة الصندوق تمريناً لاستخلاص الدروس من أجل تغذية النقاشات حول مستقبل الصندوق. كما يتابع الفريق عن كثب التطورات في البلاد من أجل تحديد الفرص التي يستطيع الصندوق من خلالها توفير الدعم خلال سنته الأخيرة

### بنية التقرير السنوي

تلخّص بنية التقرير السنوي مراحل التقدّم في التنفيذ والتحديات والنتائج المحققة ضمن المشاريع التي يدعمها الصندوق. يبدأ التقرير بلمحة عامة عن سياق التعافي وإعادة الإعمار والإصلاح في لبنان، تتبعها لمحة عامة عن محفظة الصندوق، وقسم مخصص للنتائج والنقاط الرئيسية في المشاريع الممولة وملخص عن النقاط الرئيسية المالية. ويحدد القسم الأخير أهداف الصندوق للعام 2025. تشمل الملاحق إطار عمل محدث للنتائج وبطاقات المشاريع التي تعطي نظرة عامة عن كل مشروع على حدة وكل المواد الإعلامية التي نُشرت عام 2024.



## CONTEXT

The LFF was established in December 2020 in response to an urgent need to pool and channel donor grant resources to finance the immediate socio-economic recovery of Beirut, catalyze much needed reform efforts and prepare the ground for medium-term reconstruction and recovery.

On August 4, 2020, a massive explosion at the PoB devastated the city, killing at least 217 people, wounding more than 6,000 and displacing around 300,000 individuals. The explosion caused widespread destruction to homes, businesses and infrastructure, and disrupted economic activity. The Beirut Rapid Damage and Needs Assessment (RDNA) conducted after the PoB explosion estimated damages between US\$3.8-4.6 billion.<sup>1</sup> The PoB explosion further exacerbated the impact of Lebanon's pre-existing economic and financial crisis. In response, the EU, the United Nations (UN), and the World Bank championed the 3RF<sup>2</sup>, launched in December 2020 as a platform for international support and increased engagement with civil society organizations (CSOs), with the LFF as its associated financing mechanism.

1 The RDNA is available at <https://www.worldbank.org/en/country/lebanon/publication/beirut-rapid-damage-and-needs-assessment-rdna---august-2020>.

2 The 3RF provides a costed and prioritized plan of key actions over 18 months across various sectors to support the recovery and reconstruction of Beirut. The 3RF also serves as a platform for stakeholder dialogue and lays out an engagement model emphasizing direct support to affected communities through people-centered recovery, while identifying a set of priority reforms as prerequisites for reconstruction.

**Lebanon has been under exceptional macro-financial duress for close to five years due to the country's most serious financial and economic crisis.** Lebanon's economic and financial crisis ranks among the worst crises globally since the mid-nineteenth century.<sup>3</sup> Real gross domestic product (GDP) has cumulatively contracted by 34% between 2018 and 2023, wiping out more than 15 years of economic growth.<sup>4</sup> The Lebanese pound has lost more than 98 percent of its value since the onset of the crisis, driving triple digit surging inflation. The banking sector remains insolvent, as financial losses in the banking system exceed US\$72 billion, equivalent to more than three times GDP in 2022. The systemic failure of Lebanon's banking system and the collapse of the currency has resulted in a large, dollarized cash-based economy, estimated by the World Bank at US\$9.81 billion or 45.7 percent of GDP in 2022.<sup>5</sup>

**Amid a prolonged political and institutional vacuum, the absence of consensus on a comprehensive and equitable resolution has left the most vulnerable segments of society to bear the brunt of economic adjustment.** By 2022, at least one-third of Lebanon's population had fallen into poverty.<sup>6</sup> The situation was further compounded by a presidential vacuum that lasted over two years, a caretaker government with restricted executive powers, an interim central bank governor, and limited legislative activity in parliament, all contributing to a grim outlook for sustainable economic recovery and reform.

**More recently, and as a direct spillover of the conflict in the Middle East, the conflict in Lebanon**

**has escalated sharply in September 2024, resulting in a devastating human toll, mass displacement, and widespread physical destruction.** The death toll of the conflict has exceeded 3,500, with more than 14,500 injured. The conflict has triggered one of the largest displacements in Lebanon's history, with nearly 1.2 million people—over a quarter of the population—displaced. The Lebanon Interim Damage and Loss Assessment published in November 2024 estimated the cost of physical damages and economic losses from the conflict at US\$8.5 billion, with damages to physical structures alone amounting to US\$3.4 billion, with almost 100,000 housing units partially or fully damaged.<sup>7</sup>

**The conflict has introduced yet another shock to Lebanon's already crisis-ridden economy and stalled political landscape.** It has cut real GDP growth by an estimated 6.6%. Economic activity is projected to contract by 5.7% in 2024 (compared to a 0.9% expansion under a no-conflict scenario).<sup>8</sup> Key sectors such as tourism, a pillar of Lebanon's economy, have suffered major losses in service exports. The destruction of capital stock and skilled labor migration further erodes Lebanon's economic potential, posing significant risks to long-term growth. The deepening economic contraction exacerbates unresolved macroeconomic challenges and highlights the urgent need for comprehensive reforms as the only viable path forward post-conflict. The post-conflict damages and needs are immense. In Lebanon's crisis-ridden environment, resources to address these urgent needs are severely limited.

3 World Bank. 2021. Lebanon Economic Monitor, Spring 2021: Lebanon Sinking: to the Top 3. <https://documents1.worldbank.org/curated/en/394741622469174252/pdf/Lebanon-Economic-Monitor-Lebanon-Sinking-to-the-Top-3.pdf?>

4 World Bank. Lebanon - A Systematic Country Diagnostic (English). Washington, D.C. : World Bank Group. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099092024170038879/bosib1db9263530b91b68b16e8047550793>

5 World Bank. 2023. Lebanon Economic Monitor, Spring 2023: The Normalization of Crisis Is No Road for Stabilization. <https://www.worldbank.org/en/country/lebanon/publication/lebanon-economic-monitor-spring-2023-the-normalization-of-crisis-is-no-road-for-stabilization>

6 World Bank. Lebanon Poverty and Equity Assessment 2024: Weathering a Protracted Crisis (English). Washington, D.C. : World Bank Group. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/09905224104516741/p1766511325da10a71ab6b1ae97816dd20c>

7 World Bank. Lebanon Interim Damage and Loss Assessment (DaLA): Assessment Report (English). Washington, D.C. : World Bank Group. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099111224112085259/p5063801c62fbc0c21beff1d0a436d07e02>

8 World Bank. 2024. Lebanon Economic Monitor, Fall 2024: Mounting Burdens on a Crisis-Ridden Country. <https://documents.worldbank.org/en/publication/documents-reports/documentdetail/099907512092469298/idu110c1abb314e71143a91b1241ea3b7ed68ff6?>



## THE LFF PORTFOLIO



The LFF serves to pool grant resources and strengthen the coherence and coordination of financing in support of the immediate socioeconomic recovery of vulnerable people and businesses impacted by the PoB explosion. The LFF three core focus areas are:

- Focus Area 1: Socioeconomic and business recovery
- Focus Area 2: Preparing for reform and reconstruction
- Focus Area 3: Coordination, monitoring, accountability and oversight

The LFF has a five-year horizon which recognizes the time needed to carry out the priorities set in the 3RF. It considers its potential role in supporting Lebanon's recovery and reconstruction over the medium term, beyond the 18-month period of the 3RF, depending on the government's progress with key reforms and continuous donor support.

In line with the Work Plan endorsed in 2023, four activities were approved and began implementation in 2024: Additional Financing for the B5 Fund, Budget Preparation and

Management, Supporting MOF & Customs IT Needs, and the Special Audit and Valuation of Banks. Disbursement rates reached 71 percent of total fund resources in 2024. This occurred in parallel to and despite a constantly evolving country context. Table 1 provides an overview of active, pipeline, and closed projects under the LFF's focus areas.

Across the proposed interventions, the LFF supports the cross-cutting priorities of gender, inclusion and transparency.<sup>9</sup> All projects consider gender-differentiated needs, women's participation and equal access to benefits, and the work plan includes targeted support for survivors of sexual and gender-based violence (SGBV) and for women-led businesses. Interventions also target vulnerable groups (including women, youth, people with disabilities, people with mental health challenges, old persons, migrants and refugees). Finally, all projects aim to promote transparency, citizen and community engagement and improved monitoring with dedicated support to strengthen public and social accountability and create new channels for citizen feedback and involvement.

<sup>9</sup> The Gender Approach Note developed for the LFF defines the processes in place to support the approach to considering gender-differentiated needs, women's participation and equal access to benefits throughout LFF-financed activities.

TABLE 1.  
PROJECT GRANT ALLOCATIONS AND DISBURSEMENTS AS OF 12/31/2024

Project ID	Grant Name	Implementation Modality	Status	Approval Date	Effectiveness Date	Closing Date	Grant Allocated (US\$ million)	Amount Disbursed (US\$ million) as of 12/31/24
<b>Focus Area 1: Socioeconomic and business recovery</b>							<b>56.00</b>	<b>46.43</b>
P176013	Building Beirut Businesses Back & Better (B5) Fund	Recipient Executed	Active	July 28, 2021	October 8, 2021	June 30, 2025	25.00	25.00
P181623	Building Beirut Businesses Back & Better (B5) Fund – Additional Financing	Recipient Executed	Active	June 27, 2024	July 24, 2024	June 30, 2025	3.00	1.00
P176622	Support for Social Recovery Needs of Vulnerable Groups in Beirut	Recipient Executed	Closed	December 23, 2021	April 4, 2022	April 30, 2024	5.00	4.97
P176577	Beirut Housing Rehabilitation and Cultural and Creative Industries Recovery	Recipient and Bank Executed*	Active	February 22, 2022	February 23, 2022	June 30, 2025	13.00	8.49
P176635	Beirut Critical Environment Recovery, Restoration and Waste Management	Recipient Executed	Active	May 12, 2022	May 18, 2022	June 30, 2025	10.00	6.97
<b>Focus Area 2: Preparing for reform and reconstruction</b>							<b>8.75</b>	<b>1.02</b>
P178520	Reconstruction with Integrity and Transparency	Bank Executed	Closed	January 20, 2022	N/A	December 1, 2024	0.50	0.45
P176271	Port of Beirut Reform and Reconstruction	Bank Executed	Closed	January 18, 2021	N/A	December 31, 2023	0.25	0.09
P181162	Budget Preparation and Management	Bank Executed	Active	June 27, 2023	N/A	August 31, 2025	0.50	0.02
P181155	Supporting MOF & Customs IT Needs <sup>3</sup>	Recipient Executed	Active	February 14, 2024	October 15, 2024	June 30, 2025	5.50	0.00
TBD	Conducting a Civil Service Survey	Bank Executed	Pipeline	TBD	N/A	TBD	1.00	0.00
P181162	Special Audit and Valuation of Banks	Bank Executed	Active	June 27, 2023	N/A	August 31, 2025	0.60	0.11
P173367; P180377	Establishing a Unified Social Safety Net Program	Bank Executed	Active	January 12, 2021; July 18, 2023	N/A	May 31, 2025	0.40	0.35
<b>Focus Area 3: Coordination, monitoring, accountability and oversight</b>							<b>1.86</b>	<b>1.77</b>
P177084	Strengthening 3RF Oversight, Engagement and Monitoring	Bank Executed	Active	August 20, 2021	N/A	June 13, 2025	0.91	0.82
P163476	COVID-19 Vaccination Third-Party Monitoring	Bank Executed	Closed	December 3, 2021	N/A	December 31, 2022	0.95	0.95
<b>TOTAL**</b>							<b>66.61</b>	<b>49.22</b>

\* Recipient Executed: US\$12.75 million and Bank Executed: US\$0.25 million.

\*\* These amounts only reflect the grant commitments and disbursements for LFF-funded projects. This excludes information on grants for project preparation and supervision as well as program management and administration, which are reflected in the Financial Highlights section below.



## LFF RESULTS AND HIGHLIGHTS

This section presents an overview of LFF results, implementation progress and challenges in each of the focus areas.



### FOCUS AREA 1: SOCIOECONOMIC AND BUSINESS RECOVERY

Since its inception, the **Building Beirut Businesses Back & Better (B5) Fund** has provided US\$17.4 million in grants to 3,587 MSEs impacted by the PoB explosion to support their rehabilitation and recovery. This number includes 1,076 women owned or led MSEs and 25 MSEs owned or led by persons with disabilities. The B5 Fund has also provided US\$4.9 million in grants to the three largest MFIs in Lebanon to sustain their operations over 18 months, ensuring their immediate to short-term sustainability and helping to avoid the complete collapse of the financial infrastructure for poor and low-

income households. This important support is helping to maintain the MFIs' capacity, lending operations, and retain a significant number of their employees. Through B5 support, more than 9,600 people have maintained their basic source of income. 213 women owned or led MSEs also received tailored training on crisis management, e-commerce awareness, and accessibility and legal awareness.

In June 2024, US\$3 million was approved in **Additional Financing to the B5 Fund** to support the three selected MFIs to resume lending to MSEs at a larger sale and offer much needed lending

to vulnerable groups. While the security situation led to delays in initiating disbursements, all preconditions have been met, including updating the Project Operations Manual and the execution of the subsidiary agreements between the implementing agency, Kafalat, and the MFIs. The on-lending by MFIs to MSEs started in December 2024. As a result of the Additional Financing, 1,350 additional MSEs across Lebanon are expected to have access to loans by June 30, 2025.

Despite the security situation in the country, the B5 project made significant progress in 2024. Key challenges related to security and restricted

mobility (such as MFI staff unable to reach their workplace or conduct field visits and women unable to attend training sessions) contributed to slower processing of grants to MSEs and MFIs and the need to postpone training sessions. Nevertheless, all activities were implemented as planned and all results have either been exceeded, achieved or are on track.

The initial grant funding for the B5 Fund (US\$25 million) has been fully disbursed. In addition, one third of the B5 Fund Additional Financing (US\$1 million out of US\$3 million) was disbursed in 2024.

## BOX 1. TESTIMONIALS OF B5 GRANT BENEFICIARIES

*"I overcame this nightmare when I received the grant. It enabled me to buy a new coffee machine and refrigerator, bringing my life back to normal."*

**- Vartan Kasbarian, Owner of a minimarket**

*"Unforgettable. Devastating moments. My life was completely destroyed. Nevertheless, my business got revived with the grant, as I was able to purchase basic equipment and buy new air conditioning units."*

**- Antoine Rached, Owner of an air-conditioning shop**

*"I was on the brink of losing hope. With the grant, I purchased essential materials for my father's shop that has been running for more than 40 years."*

**- Catherina Arakelyan, Owner of a plexi art shop**

*"This grant prevented me from shutting down my business. Through the support, I was able to buy new sewing machines, and I gave one of them to the home-based woman who used to work with me, who is in dire need to support her family."*

**- Habbouba Ishak, Self-employed**

*"What happened was devastating. Thanks to the grant, I managed to reopen my shop and hire a new worker, preserving what I had. Thank you for everything."*

**- Hanna Halayjian, Owner of a small bakery**

*"This grant gave me a boost to continue, particularly as I am single and have no one to support me. The B5 was the only support I received throughout my life."*

**- Bernadette Dagher, Self-employed**

*"My mother was looking thoroughly for someone to support us, and out of dozens of organizations and associations, the B5 grant was the fastest and most reliable. Through the financial support we received, we were able to buy a car inspection device and an air conditioner. In addition, to hiring two new employees."*

**- Tarfendeh Bedros Kochkerian, Mechanic**

*"I lost my eyes and hands, and I am still treating them until today. All the cosmetics products were destroyed. Thanks to this grant, it enabled us to at least start over."*

**- Mirna Haboush, Owner of a cosmetics shop**

*"I am very happy that you supported me after everything was destroyed. Today, I managed to get some groceries and a solar power inverter, especially since we suffer a lot from power outages."*

**- Sembat Sarkissian, Owner of a minimarket**

The **Support for Social Recovery Needs of Vulnerable Groups in Beirut** (Social Recovery Project) closed on April 30, 2024, having provided services to 9,011 direct beneficiaries via sub-grants to 11 unique non-governmental organization (NGO) partners through 15 sub-projects. This number includes 995 GBV beneficiaries receiving social and health services; 5,228 beneficiaries who received psychosocial services and support; and 2,778 older persons, persons with disabilities, and their families who received physical and psychosocial services under the project. The project also provided training to 846

NGO and care workers directly interfacing with prioritized vulnerable groups, delivered 4 public sensitization and awareness (PSA) campaigns, and contributed to material enhancements in the quality of services supported across sectors. See Boxes 2, 3 and 4 below for more details on project results.

The achievements of the Social Recovery Project are significant given the multiple obstacles faced during implementation. These included: (a) significant front-end transaction costs associated with successfully operationalizing an innovative

## BOX 2. RESULTS OF THE SOCIAL RECOVERY PROJECT

**Supporting the immediate social recovery needs of survivors and those at risk of GBV and at-risk boys:** The project financed the operating costs of nine NGO-run safe shelters as well as one safe shelter for boys under judicial protective orders. All safe shelters provided periodic, tailored psychosocial support to inhabitants. Case management services were available, with the project providing technical support to assure quality and improve alignment with national GBV Standard Operating Procedures (SOPs) and international best practice. Shelter intake numbers improved during the project support period. Additionally, the project financed the operation of an NGO-run GBV hotline and delivered capacity building training to call center operators of another national GBV hotline. A PSA campaign was developed and delivered with the objective of reducing societal stigma of GBV issues and survivors. An endline survey found that 94 percent of GBV beneficiaries receiving project-supported services demonstrated a significant improvement in their well-being.

**Supporting the immediate social recovery needs of persons facing mental health challenges:** Project financing ensured the continuity and expansion of the national mental health and suicide prevention hotline ("Lifeline"). Operating hours were extended from 21 to 24 per day, 7 days a week (24/7) and call volume increased by 12 percent. Use of the hotline promoted improved immediate wellbeing, with 90 percent of a sample of hotline users reported decreased stress by the conclusion of their call. The project also helped to enhance Step-by-Step, a self-help electronic mental health intervention for adults with depression, by supporting the development and roll-out of an updated, open-source application and a communications campaign to nationally disseminate information on the availability of the service. Self Help Plus (SH+), a toolkit developed by the World Health Organization (WHO) to support stress management, was also adapted for the country context and successfully piloted. Encountering strong demand, the SH+ methodology was adapted late in the sub-grant into a podcast, to promote increased accessibility. Finally, a curriculum was developed and rolled out on "Mental Health in the Workplace", which helped build capacity around these issues amongst managers/owners of 120 small businesses.

**Supporting the immediate social recovery needs of older persons and persons with disabilities:** The project also succeeded in increasing access to quality social and health services for older persons and persons with disabilities, exceeding top-line results targets considerably. Through NGO-operated Primary Healthcare Centers (PHCCs), Mobile Medical Units (MMUs) and Community Based Rehabilitation service centers, the project supported a tailored package of interventions, including physiotherapy, speech therapy, psychomotor therapy, the provision of assistive devices, medical consultations, diagnostic tests, and medicines, and mental health and psychosocial (MHPSS) support. It further supported livelihood opportunities, community-based outreach and in-home care, increasing access to education for children with disabilities, upgrading select public spaces and homes to improve accessibility, and capacity building of NGO frontline staff. Finally, the project developed and launched an online information and referral portal to enable individuals seeking care to more easily understand and access care opportunities ([cbr.idraac.org](http://cbr.idraac.org)).

project design and partnership in a fluid and fragile context; (b) the cancellation of State and Peacebuilding Fund (SPF) grant resources early in the implementation process, reducing the available resource envelope by US\$2.795 million; (c) leveraging a coordinated multi-stakeholder response, across multiple sectors and target groups, amid Lebanon's highly fragmented social services context; and (d) facing an aggressive implementation timeframe of two and a half years.

A second phase of the Social Recovery Project, funded by the Forced Displacement Trust Fund under the PROSPECTS Partnership Program (PROSPECTS) for US\$6 million, was launched in August 2024. This will see continued financing of critical social and health services through NGO providers, alongside further quality enhancements to select interventions, through June 2026. In addition, a new project that builds on the existing partnership with the International Rescue Committee (IRC)/Lebanon which was established under the Social Recovery Project

will be launched after securing financing from the Japan Social Development Fund (JSDF) for US\$5 million. This project aims to create an enabling environment for women's full and active participation in the workforce by ensuring access to quality childcare services, promoting decent work opportunities, fostering inclusive workplace culture, and engaging men as allies for advancing gender equality.

At closing, the project had disbursed US\$4.97 million (99%) of the US\$5 million grant.

The **Beirut Housing Rehabilitation and Cultural and Creative Industries Recovery Project** advanced rehabilitation activities for 12 buildings and completed 104 cultural and creative industries (CCI) projects, with 582 events held to date.

### BOX 3. THE SOCIAL RECOVERY PROJECT'S SUPPORT FOR MENTAL HEALTH: A STORY FROM EMBRACE "LIFELINE"

*The support of the Social Recovery Project enabled Embrace "Lifeline" (a National Mental Health and Suicide Prevention Hotline) to function on a 24/7 basis, expand operator capabilities and numbers, improve its digital infrastructure, and enhance its scientific/research capacities. Below is a success story from one caller ("J").*

*In the midst of life's darkest moments, Lifeline became a beacon of hope for one caller who found solace, support, and ultimately "a second chance at life" using his own words.*

*J, a 35-year-old individual, reached out to Lifeline in a time of profound despair. Struggling with intense emotions and a sense of hopelessness, he bravely dialed the Embrace helpline.*

*Upon connecting with one of Lifeline's operators, J found a compassionate ear, free of judgment. The operator skillfully navigated the conversation, allowing J to express his emotions, fears, and struggles openly. Through active listening and supportive dialogue, a bond was formed that became the catalyst for positive change.*

*Recognizing the severity of J's situation, the Lifeline operator, in collaboration with the supervisor, swiftly assessed the risk and provided immediate intervention. J was subsequently referred to a local mental health clinic, where he received tailored counseling and therapeutic support.*

*Over the course of several weeks, J maintained regular calls with Lifeline ensuring his continued progress and well-being. The collaborative effort between Lifeline and mental health professionals played a crucial role in J's recovery journey.*

*J's remarkable transformation should be celebrated. Not only did he survive the darkest chapter of his life, but he emerged with newfound resilience, hope, and a renewed sense of purpose. By reaching out to Lifeline, J received immediate assistance and was seamlessly connected to the professional help he needed to navigate the complexities of his mental health.*

*J's success story is a testament to the impact of a supportive community and the vital role Lifeline plays in providing critical support to those in need. It serves as a reminder that, even in the depths of despair, a single call can make all the difference and lead to a brighter, more hopeful tomorrow.*

### BOX 4. SOCIAL RECOVERY PROJECT'S SUPPORT FOR GBV SAFE SHELTERS: STORIES FROM ABAAD AND NUSROTO

*The Social Recovery Project financed the operating costs of nine NGO-run safe shelters for survivors and those at-risk of GBV and their dependents, and one safe shelter for boys under judicial protective orders. Below are stories from the ABAAD and Nusroto safe shelters.*

#### **ABAAD:**

*A 23-year-old Syrian woman, registered with the United Nations High Commissioner for Refugees (UNHCR), escaped severe abuse from her parents and sought independence. A friend promised her a job in a restaurant, but it turned out to be with a prostitution mafia that coerced her into sex work. Despite resistance, she was threatened into compliance. After two months, she confided in a client who helped her escape the mafia. She reached a safe shelter provided by ABAAD, where she received medical care and psychological support. Her self-esteem and mental stability improved during weekly sessions. Despite resettlement approval, she faced challenges, including a brief detention. The action plan focused on language skills, technology, and vocational training. Despite hurdles, she expressed gratitude, stating, "I faced death, and ABAAD gave me the last breath and changed my life."*

*A 26-year-old Syrian refugee and mother of three, facing severe physical abuse from her husband, sought help from ABAAD's hotline. She and her children were admitted to the shelter, lacking legal documents due to her husband's control. Initially struggling with low self-esteem and decision-making, she exhibited signs of fear and anxiety. ABAAD's multidisciplinary team worked on social, psychological, and legal levels to boost her self-esteem, help her set goals, and facilitate the recovery process. Legal representation helped regain her identification papers and initiate divorce and custody procedures. Following psychosocial support sessions, she demonstrated significant improvement, expressing satisfaction and empowerment. She left the shelter a few months later and moved to a protective family member where she underwent case management follow-up, secured divorce and custody, relocated to an independent house, and accessed cash for rent services. Currently employed, she provides for her family in a safe environment free from violence and threats.*

#### **Nusroto:**

*A minor (boy under judicial protective orders) supported through project financing at the Nusroto safe shelter and recovery services passes his official Lebanese exam, as shown in the picture below. This was possible as the SRP financed Basic Literacy and Numeracy education for children residing in the Nusroto shelter.*

The project continued to face significant challenges in meeting targets on housing rehabilitation. In addition to ongoing implementation delays (due to delays in obtaining municipal permits, disagreements between owners and tenants, lengthy procurement processes, delays in site clearance by beneficiaries, structural engineering issues), implementation has also been challenged by significant cost increases and misalignment between initial assumptions related to the level of damage and complexity of rehabilitation and what could realistically be achieved with the available budget. The security situation in 2024 led to further delays, with rehabilitation works paused for one month in October and resuming at the end of November. Rehabilitation activities for the 12 buildings are expected to be completed by project closing on June 30, 2025.

Security risks also led to temporary pauses in CCI recovery activities, affecting 38 pending grants. These activities have selectively been resumed, with a focus on projects not involving public events. It is now expected that all CCI activities will be completed by March 2025.

The project also underwent adjustments to mitigate delays and risks. The rehabilitation of six initially shortlisted buildings was canceled due to the high risk of non-completion. A restructuring is underway to align the results framework with the revised workplan for housing rehabilitation, and the UN-to-UN agreement supporting CCI activities has been extended to accommodate new timelines.



Celebration of the passing of the official Lebanese exam at the Nusroto safe shelter

As of December 31, 2024, disbursements totaled US\$8.49 million (65%) of the US\$13 million grant.

In 2024, the **Beirut Critical Environment Recovery, Restoration and Waste Management Program** initiated the rehabilitation of the Karantina Sorting Facility. The launching ceremony for the rehabilitation was held on April 5, 2024, with participation of the Minister of Environment, the Governor of Beirut, representatives from LFF donors, the World Bank and the United Nations Development Program (UNDP) as well as various other concerned stakeholders. Rehabilitation works began in June 2024 and are expected to be completed by June 2025. The facility will have a sorting capacity of 1,400 tons of solid waste per day to meet all the solid waste generation capacity needs of the Service Zone of Beirut and Matn caza, while also accounting for future population growth. The project team also agreed with UNDP to implement additional works at



CCI Recovery Activities

the facility that can be completed within the project's timeframe, namely the installation of a renewable energy system to reduce operational costs and contribute to greening of the facility.

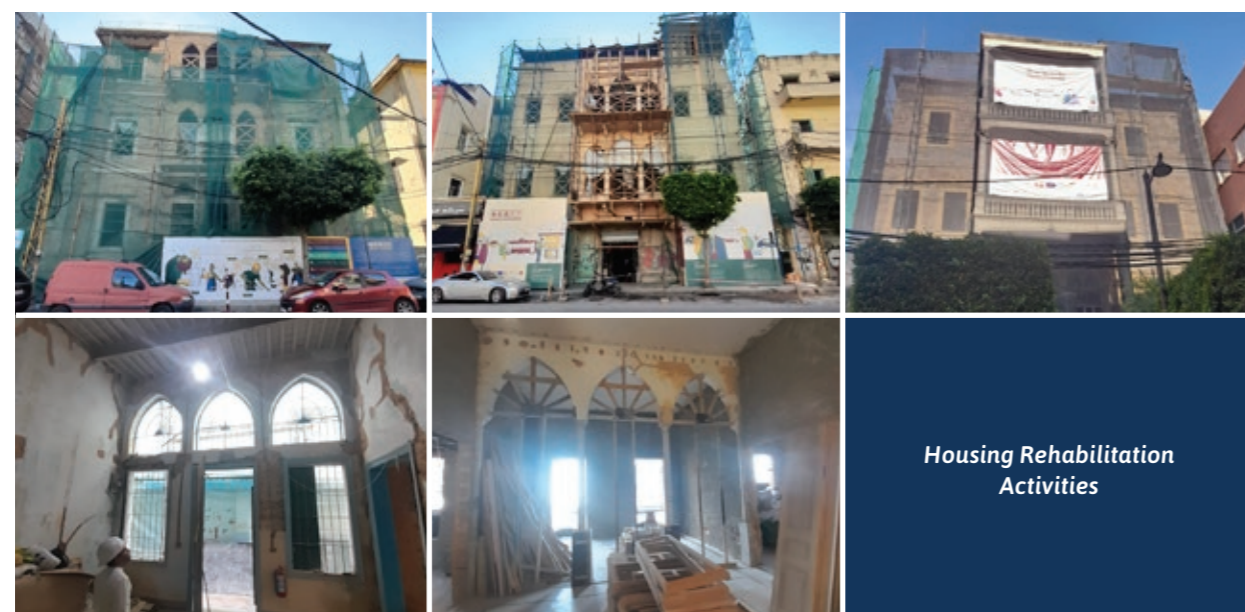
The project has also initiated all critical studies for the environmental restoration of Beirut City. These include the (i) Local Master Plan for solid waste management in Beirut and Matn, (ii) inventory of stockpiles of hazardous substances, (iii) accreditation of environmental laboratories for analyzing hazardous substances, and (iv) the action plan for greening Beirut reconstruction. These studies are progressing well and will be completed before the project's closing date of June 30, 2025.

The project has not started managing asbestos-contaminated rubble at the Bakalian site. The recommended in-situ containment was rejected by local stakeholders, so no control measures have been implemented. The project team is working with the Ministry of Environment to find a feasible solution for the 150,000 tons of contaminated debris.

As of December 31, 2024, disbursements totaled US\$6.97 million (70%) of the US\$10 million grant.



Launching ceremony of the KSF on April 5, 2024, with participation of key stakeholders



Housing Rehabilitation Activities



Karantina Sorting Facility in 2020 prior to rehabilitation and in 2024 during dismantling of steel structure

## FOCUS AREA 2: SUPPORTING REFORMS AND PREPARING FOR RECONSTRUCTION

In 2024, the **Reconstruction with Integrity and Transparency Project** achieved progress in its reform efforts despite Lebanon's ongoing crisis. The project enhanced the capacities of the CoA and the NACC through forensic audit training and technical assistance. Activities were adjusted to prioritize immediate needs, including strengthening the CoA and NACC's oversight of emergency funds. This advancement is notable considering administrative and coordination challenges, limited resources and the impact of the crisis.

No work took place on the asset declaration system in 2024 due to insufficient funding. Activities related to Public Procurement and PIM were completed in 2023.

Assistance to the National Anti-Corruption Commission has been closely coordinated with UNDP who has taken the lead in standing up the Commission and providing it with its initial resources and support. The Bank has focused its resources on supporting UNDP's and the NACC's efforts to improve the operation of Lebanon's asset and interest declaration system. The project provided a workshop on Ukraine's experience in establishing an electronic asset declaration system with a focus on the legal and IT issues that should be addressed. The project also expanded the Commission's international experience by supporting its participation in the Bank's Anticorruption for Development Global Partnership in June 2023. UNDP is developing an action plan for the design and implementation of an electronic declaration system which is expected to take place from March through May 2025.

Although the **Port of Beirut Reform and Reconstruction Project** closed in December 2023, the project team focused on disseminating findings and recommendations in 2024. In June 2024, the final report summarizing the World Bank's technical assistance towards the reform of the port sector and the reconstruction of the PoB was published<sup>10</sup> and shared with the GOL. Findings were disseminated at an event in June organized by



PIM workshop with CSOs, development partners including LFF donors and MOF

<sup>10</sup> World Bank. 2024. Lebanon Port Sector Reform, Recovery and Development - Technical Assistance (English). Available online at: <http://documents.worldbank.org/curated/en/099060424153524555/P1762711ba9be70b41acd7133ac5dd1952f>



Dissemination event for the Lebanon Port Sector Reform

the American University of Beirut in partnership with the Issam Fares Institute for Public Policy and International Affairs and the Arab Center for Architecture (ACA) and attended by public and private sector stakeholders.

The main challenge in 2024 was coordination and alignment with the Ministry of Public Works and Transport (MPWT), Port of Beirut Management and other international partners on the recommendations for the reconstruction and development plan of the PoB. The main points of discussion were the location of the grain terminal and port/city integration.

As of project closing, about US\$88,000 (35%) of the US\$250,000 grant was disbursed, and the remaining funds have been returned to the trustee account.

Preparatory activities for the **Budget Preparation and Execution Project** are underway, including initial consultations with the MOF, IMF, and other donors to define support activities. In 2024, the project scope was adjusted to prioritize immediate crisis-response activities, including: (i) supporting the preparation of a crisis-responsive budget; (ii) enhancing transparency through citizen budget publication; (iii) introducing reforms to manage arrears and stabilize wage bill expenditures; and (iv) review of the Public Accounting Law (PAL).

During 2024, progress was made on designing the framework for imposing hard budget ceilings and consolidating current and capital budgets. The project team also worked closely with MOF and other development partners to ensure complementarity. Terms of reference (TORs) for the hiring of local macro fiscal and budget consultants were agreed with MOF and finalized, with hiring to take place in 2025.



Forensic Audit final workshop CoA

The project also supported an international expert to undertake a technical review of the PAL. Findings from the review were taken into consideration by the PAL committee chaired by the Deputy PM, and revisions were incorporated in an updated draft of the law, which is currently under discussion with relevant stakeholders. Additional feedback is expected to be provided by MOF and CoA on the revised draft law in early 2025.

Key challenges to implementation progress included severe shortages in MoF staffing, continuing macroeconomic instability (fluctuating exchange rates and inflation) that complicate budget preparation, limited availability of accurate fiscal and economic data, and persistent challenges in donor coordination and aligning technical assistance with immediate priorities. The security situation resulting from the recent conflict has further delayed progress on key milestones.

As of December 31, 2024, about US\$22,000 (4%) of the US\$500,000 grant had been disbursed. It is expected that disbursements will pick up in 2025 following the hiring of consultants and initiation of technical assistance.

Critical groundwork was laid in 2024 for the implementation of the **MOF and Customs IT Support Project**. An IT needs assessment was completed and a short-term action plan developed. Advance procurement for IT hardware and software was initiated and technical and financial evaluations were completed. Consultations with the IMF and United Nations Conference on Trade and Development (UNCTAD) are ongoing to align support for customs and revenue systems, including an Automated System for Customs Data (ASYCUDA). The scope of work for Customs IT support was completed in close coordination with Customs and UNCTAD.





In 2024, adjustments were made to the project to prioritize immediate crisis-response activities, such as: i) upgrading critical IT infrastructure to prevent revenue collection and salary processing failures; ii) renewing essential software licenses to sustain operations; and iii) enhancing customs operations to ensure revenue flow during the crisis.

Like the Budget Preparation and Execution Project, implementation of the MOF and Customs IT Support Project was delayed by severe staffing shortages in the MOF, macroeconomic instability, administrative hurdles in procurement and implementation processes, and challenges in coordination with international donors and aligning priorities of assistance. The conflict also delayed the responsiveness of the Customs team on the technical specifications for the Customs IT system. As a result of these delays, no funding has yet been disbursed from the US\$5.5 million grant.

As part of the **Special Audit and Valuation of Banks**, the World Bank team provided technical assistance to the BCC for the preparation of TORs for the audit and valuation of all commercial banks, in support of meeting one of the IMF's prior actions and in coordination with the IMF team.

While significant progress was made in 2024, the implementation of the audit and valuation in 2025 hinges on external factors, namely the adoption of banking resolution laws (the Law on Rebalancing the Financial System and the Law Governing the Resolution and Restructuring of the Banking Sector) by the Lebanese Parliament, which has stalled due to the prevailing political context.

As of December 31, 2024, \$107,000 (18%) of the US\$600,000 grant had been disbursed.

Regarding the **Civil Service Survey**, after the initial interest expressed by the GOL that led to the development of this activity, the World Bank team faced challenges in its implementation. The client informed the World Bank team that the civil service survey would need to be conducted by the client, rather than by a survey firm as originally planned to ensure compliance with the confidentiality clauses relating to sharing of information in relevant national regulations. This

was a significant deviation from the original plan, and given restrictions on expenditures that the LFF grant could fund, it required further investigation on how the survey could be conducted by an external survey firm while complying with national regulations. Despite intensive follow-up by the World Bank team, the caretaker GOL has not been able to commit to this activity as originally planned. In October 2023, the WB alerted LFF donors about these difficulties and proposed to drop the Census and to repurpose funds to other activities within the LFF work plan. LFF donors, however, requested to reintegrate the Census into the LFF workplan.

In 2024, the **Establishing a Unified Social Safety Net Program** succeeded in accomplishing its primary objective – establishing a unified SSN Program (AMAN) following the integration of the National Poverty Targeting Program (NPTP) and the Emergency Social Safety Net Program (ESSNP). The integration included the migration of the NPTP database into the digitized DAEM social registry, the harmonization of eligibility criteria and payment modality (through Money Transfer Operators), and effective monitoring and grievance. Analytics based on the latest national household data - notably a targeting assessment - were completed to inform design improvements. This analysis will be presented to the GOL and translated into a comprehensive report – the State of Social Protection in Lebanon – that will identify policy, programmatic and operational gaps in the provision of social protection programs and articulate priority reforms and investments going forward.

Implementation of the project experienced minor delays related to the conflict situation, which postponed consultations on the State of Social Protection report, and due to the technical complications of migrating a huge database into a digitized social registry. The report is back on track and its scope is being revised to take into account the implications of the conflict in terms of the rise in vulnerability and demand for social protection services and programs.

As of December 31, 2024, US\$349,000 (87%) of the US\$400,000 grant had been disbursed.

### FOCUS AREA 3: COORDINATION, MONITORING, ACCOUNTABILITY, OVERSIGHT

Progress on the implementation of the **Strengthening 3RF Oversight, Engagement and Monitoring project** has continued in 2024, albeit at a moderate pace given the crisis and conflict context. The LFF continued to support the operating costs of the 3RF partnership, including through funding for staff and consultants that provide technical assistance to members of the Independent Oversight Body (IOB) members, support 3RF communications, and support coordination with the UN and EU 3RF Technical Teams.

There has been limited progress towards developing and deploying a Citizen Engagement platform that would allow citizens to provide feedback on the progress of the 3RF and related activities. The platform is planned to be incorporated on the 3RF website and include a live dashboard “reform tracker” to monitor the progress of GOL reform commitments.

A draft guidance manual on the management and redressal of citizen feedback and grievances is being finalized and should be available in March

2025. The manual will outline standards, processes and responsibilities for uptake, processing, investigation, redressal and response to 3RF program-level feedback, including grievances, queries, suggestions and compliments. It will include templates for recording, reporting and analyzing data on feedback and outlines procedures for sharing data on feedback with the IOB and the 3RF Consultative Group on a timely and regular basis, as well as guidance on publishing summary statistics of the feedback that is received from citizens.

Given the current context and evolution of the 3RF, the preparation of a guidance note on community monitoring of 3RF project implementation will be dropped from the project's planned deliverables. No resources were utilized for this activity.

As of December 31, 2024, nearly US\$822,000 (91%) of the \$905,000 grant had been disbursed. Funding has primarily been used for staff and consultant costs, website development and hosting, and events and publications.



# OPERATIONAL UPDATES

## LFF PROGRAM MANAGEMENT

In August 2024, Matthias Mayr assumed the role of the LFF Program Manager for the LFF, succeeding Mouna Couzi, bringing a wealth of experience to the position and committing to advancing the LFF’s mission of supporting Lebanon’s recovery efforts.

## DONOR AND STAKEHOLDER ENGAGEMENT

In November 2024, the LFF PC convened for a strategic discussion to address the challenges faced by the country and their implications for the LFF program. The meeting brought together donors, government representatives, and CSOs. Several critical issues were identified for further deliberation among the partners, including the future of the LFF. Subsequently, a technical meeting between the World Bank team and donor representatives took place on December 18, 2024, at the World Bank office, resulting in an agreement on an action plan and next steps for 2025.

Following the PC meeting in November 2024, a series of technical sessions was initiated. These sessions aimed to highlight the key achievements of LFF activities, provide a comprehensive status update considering the complex situation, discuss suggestions for the way forward, and present the ongoing reform efforts that the World Bank is undertaking with the GOL in various sectors. The sessions facilitated in-depth discussions among development partners, government representatives, and CSOs, promoting a collaborative approach to addressing Lebanon’s ongoing challenges and advancing the LFF’s objectives.

Technical session projects and themes	Date
1. Special audit and valuation of banks 2. B5 Fund	November 20, 2024
1. The Civil Service Census Project 2. The Beirut Critical Environment Recovery, Restoration and Waste Management Program 3. The Beirut Housing Rehabilitation and Cultural Heritage and Creative Industries Recovery Project	November 27, 2024
1. Social Protection 2. Public Financial Management	December 5, 2024

## MONITORING AND REPORTING

In 2024, the LFF updated its results framework to capture indicators for projects that were endorsed and added to the workplan in December 2023 and subsequently launched in 2024. This update is crucial for tracking the progress of these activities and ensuring that the entire portfolio is accurately reflected in the results framework. The updated indicators were shared with development partners during the LFF PC meeting held on November 7, 2024, facilitating transparency and collaborative monitoring and evaluation efforts among all stakeholders.

**Independent Oversight Body (IOB).** As part of the overarching architecture of the 3RF, the IOB serves as an independent mechanism for civil society representatives to provide broad oversight on 3RF implementation and hold 3RF stakeholders – including government, development partners, and implementing agencies – accountable for overall progress. The IOB was set up in June 2021 and its membership was expanded from three to six members in 2022, to include representatives of: Kulluna Irada, Lebanese Transparency Association, Maharat Foundation, Nusaned, Lebanese Center for Human Rights, and the Lebanese Association for Taxpayers’ Rights. In August 2023, the mandate of Kulluna Irada, the Lebanese Transparency Association and Maharat Foundation ended. The remaining three organizations are fulfilling the required tasks.

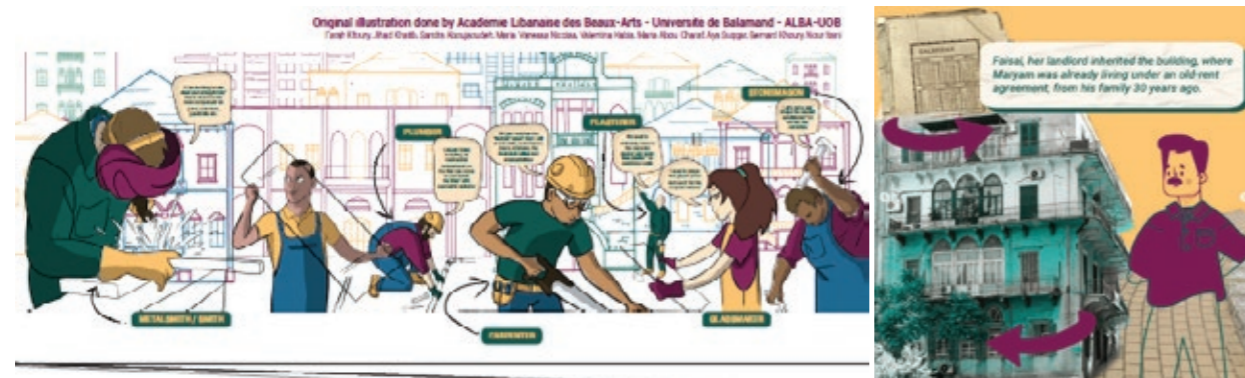
## COMMUNICATIONS

Throughout the past year, and despite the challenging context and security situation, the PMT has continued to prioritize communications and outreach activities to showcase results under the various projects in close and continuous coordination with the various LFF Project Management Units (PMUs).

Under **the B5 Fund**, the promotion of grant beneficiary stories and testimonial videos continued on the project’s social media channels. In addition, the project website and dashboard continued to provide real time information about grant applications (numbers, sizes, distribution by industry, etc.) and disbursements, as well as information about project objectives, eligibility criteria, and application process.

The **Beirut Housing Rehabilitation and Cultural and Creative Industries Recovery project, BERYT**, sustained its communications and outreach efforts across its two components. Under the housing rehabilitation component, the United Nations Human Settlements Program (UN-Habitat) announced in a press release in February 2024 the initiation of physical rehabilitation works on an initial batch of four residential buildings of heritage value that were severely damaged by the Beirut Port explosion. Further to the collaboration with the *Académie Libanaise des Beaux-Arts (ALBA)* for the design of fences for the buildings under renovation, the project produced and installed full fencing designs illustrating information about Beirut’s built heritage next to each building under renovation in the spirit of an “open air museum”. Appropriate additional signage for all confirmed buildings was also installed. In July 2024, the project launched an awareness raising campaign about Housing, Land and Property rights (HLP) through a series of animated visuals promoted on social media.

Under the CCI component, the United Nations Educational, Scientific and Cultural Organization (UNESCO) Beirut Office stepped up efforts to raise awareness about the project’s impact through a series of short videos and beneficiary testimonials about the CCI grantees promoted on the project’s social media channels. The project also actively disseminated its activities and events through the BERYT weekly newsletter distributed by email to a long list of stakeholders. The newsletter provides updates on public cultural events including workshops, performances, and exhibitions throughout the neighborhoods impacted by the PoB blast. In addition to the weekly calendar, audiences can consult upcoming BERYT activities on the dedicated<sup>11</sup> up to two months in advance.



11 Available at <https://www.unesco.org/en/node/158577?hub=802>.



Following the completion of all activities under this component, the PMU has embarked on the development and production of a video documenting project activities and impact. The video is scheduled for completion in Spring 2025.

Under the **Social Recovery Project**, a dissemination event for the SH+ project implemented by the Institute for Development, Research, Advocacy and Applied Care (IDRAAC) with the National Mental Health Program and the technical support of the WHO, and in collaboration with the IRC, was organized in February 2024. As part of the Mental Health in the Workplace project, a video featuring interviews and testimonials was produced and disseminated in April 2024 on social media platforms. The video targets employees and employers and aims to help to build a stronger community network of supporters for positive mental health at the workplace. As part of a suicide prevention PSA campaign, the project supported in May 2024 the development and dissemination of Embrace’s **Lifeline 1564** campaign: the National emotional support and suicide prevention hotline in Lebanon, operated by Embrace in collaboration with the National Mental Health Program. Over the last 8 years, Lifeline has received more than 47,000 calls providing emotional support and suicide prevention services to individuals experiencing emotional distress and suicidal ideations. The campaign encompassed social media ads on Embrace’s social media platforms, a TV campaign with 2 videos, in addition to radio spots and radio interviews, especially targeting blue-collar workers and the elderly who may

not be on social media. Moreover, the campaign included an SMS campaign to also reach people who are not online.

Under the **Critical Environment Recovery, Restoration and Waste Management Program**, the launch of the rehabilitation of the Karantina Sorting Facility was announced in April in an event attended by all sector stakeholders and donor representatives. The launch event included a visit to the Karantina Sorting Facility premises damaged by the PoB explosion. The launch and visit were covered by local media and promoted via a Press release and on social media.

Under the Technical Assistance provided to the Port sector, the World Bank team presented and discussed the findings of the technical assistance to support the development of a new legal framework, a national vision for the port sector and a master plan in a seminar organized by the Beirut Urban Lab at the School of Architecture and Design in the Maroun Semaan Faculty of Engineering and Architecture at the American University of Beirut, in partnership with the Issam Fares Institute for Public Policy and International Affairs, and the ACA. The event was attended by representatives from the public sector, private sector, civil society, academia and donors.

Under the 3RF website, the LFF has a dedicated webpage. The LFF page provides information about the trust fund’s objectives, activities and results stories, governance structure, development partners, and key outputs, including knowledge products, project documents, and media material.



## FINANCIAL HIGHLIGHTS

**Total Contributions:** As of December 2024, the LFF has received total contributions amounting to approximately US\$ 69.98 million from EU, Canada, Germany, Denmark, France (Ministry of Economy, Finance and Recovery, and the *Agence Française de Développement* (AFD)), and Norway. These contributions have been paid in full, with no outstanding amounts due (see Table 2).

TABLE 2.  
FUNDS CONTRIBUTED AND RECEIVED FROM DONORS

Donors	Contributions (local currency)	Contributions (US\$ million)	Paid in (US\$ million)
EU	28 EUR	30.73	30.73
Canada	20.0 CAD	15.90	15.90
Germany	10.0 EUR	11.27	11.27
Denmark	37.5 DKK	6.10	6.10
France (AFD)	2.3 EUR	2.53	2.53
France (Ministry of Economy, Finance, and Recovery)	2.5 USD	2.50	2.50
Norway	8.3 NOK	0.95	0.95
<b>TOTAL</b>		<b>69.98</b>	<b>69.98</b>

Table 3 provides a snapshot of the financial status of the LFF as of December 31, 2024. It reflects contributions, investment income, administrative fees, disbursements, commitments, and the available fund balance.

**Investment Income and Administrative Fees:** The Fund has generated US\$4.5 million in investment income as of December 31, 2024, which is deposited into the trustee level Trust Fund account and is available for downstream commitments to fulfill the development objective of the Trust Fund. Additionally, the Fund has levied US\$2.95 million in administrative fees for the management of RE Trust Funds.

**Disbursements:** In 2024, the LFF disbursed nearly US\$12 million. As of December 31, 2024, the LFF had disbursed a total of US\$51.12 million, or 71% of total fund resources. This includes US\$46.36 million for RE projects, US\$2.85 million for BE projects, US\$1.19 million for project preparation and supervision grants, and US\$0.72 million for program management and administration costs.

TABLE 3.  
TRUST FUND RESOURCES  
AS OF DECEMBER 31, 2024

(+) Total Contributions Paid-in	US\$ 69,980,254.36
(+) Investments Income	US\$ 4,502,525.77
(+) Other Income	-
(-) Admin Fee	US\$ 2,949,999.96
(-) Disbursements	US\$ 51,124,102.65
<b>Fund Balance</b>	<b>US\$ 20,408,677.52</b>
<b>Outstanding Commitments</b>	<b>US\$ 15,261,201</b>
<b>Funds Available for New Grants</b>	<b>US\$ 3,895,352.29<sup>12</sup></b>

<sup>12</sup> This figure includes the US\$1 million allocated for the Civil Service Survey project.

## LOOKING FORWARD

During its final year of implementation, the LFF will focus on expediting delivery, improving engagement with development partners, and ensuring the efficient use of remaining funds.

The LFF PC will meet in early 2025 to discuss the future of the LFF. This discussion will be informed by findings from a lessons learned exercise launched by the PMT in 2024 in response to requests from development partners to take stock of the Fund's successes and challenges and summarize lessons on managing and operating the LFF. The LFF will ensure these lessons are taken on board during its final year.

The PC will also consider the likelihood that the Fund will not deliver all its planned activities by closing in December 2025, given the political and economic context and significant implementation challenges and delays. Based on different funding scenarios, the PC will explore options for the use of remaining funds.

The PMT has begun organizing bi-weekly project team updates in response to requests from partners to improve communication and information sharing and will continue this practice in 2025. Given the renewed sense of urgency to deliver for Lebanon, the PMT will also continue to follow closely the country's developments to identify opportunities for the LFF to provide support during its final year.



# ANNEX 1. RESULTS FRAMEWORK

Summary of material changes since December 2023: Indicators have been added for the projects endorsed in December 2023 and that started implementation in 2024.<sup>13</sup>

	Unit of Measure	Baseline	End Target	Status
<b>Development Objective:</b> The Lebanon Financing Facility (LFF) seeks to support the immediate socio-economic recovery of vulnerable people and businesses following the explosion in Beirut on August 4, 2020, and to build the foundation for medium-term recovery and the sustainable reconstruction of the Port of Beirut and affected neighborhoods.				
<b>FOCUS AREA 1: SOCIOECONOMIC AND BUSINESS RECOVERY</b>				
<b>1.1 Supporting Beirut's Immediate Social Recovery Services</b>				
<b>Development Objective 1.1:</b> To support the immediate social recovery needs of vulnerable groups following the port of Beirut explosion.				
<b>Outcome A:</b> Increased access to services for GBV survivors, people with mental health challenges, older persons and persons with disabilities			Target end date: 2024	
<b>Indicator(s)</b>				
A1: Number of direct project beneficiaries (disaggregated by GBV, mental health and persons with disabilities and older persons programs, and by gender)	Number	0	8,187	9,011
			GBV: 837	GBV: 995 (88 percent female)
			Mental health: 6,200	Mental health: 5,228 (64 percent female)
			Older persons and persons with disabilities: 1150 (Older persons: 350; Persons with Disabilities: 800)	Older persons and persons with disabilities: 2,778 (1,022 persons with disabilities; 1,756 older persons) (54 percent female overall)

13 (i) Special Audit and Valuation of Bank; (ii) B5 Additional Financing; (iii) Establishing a Unified Social Safety Net Program; (iv) Budget Preparation and Management; (v) Supporting MOF & Customs IT Needs

	<b>Unit of Measure</b>	<b>Baseline</b>	<b>End Target</b>	<b>Status</b>
<b>Intermediate Indicator(s)</b>				
A2: Total sub-projects signed with recipient NGOs	Number	0	15	15
<b>Outcome B:</b> Increased quality of services for GBV survivors, people with mental health challenges, older persons and persons with disabilities			Target end date: 2024	
<b>Indicator(s)</b>				
B1a: GBV survivors receiving case management services based upon quality SOPs and guidelines who demonstrate an improvement in their psychosocial well-being	Percentage	0	85	94
B1b: Mechanisms and tools for the management of high-risk persons with mental health conditions which have been improved	Number	0	3	3
B1c: Mechanisms and initiatives for providing quality services to older persons and persons with disabilities which have been developed or improved	Number	0	4	4
<b>Intermediate Indicator(s)</b>				
B2: Number of NGO/care workers benefitting from project-provided training (disaggregated by gender)	Number	0	596	846 (86 percent female)
B3: Public Sensitization Awareness campaign modules on GBV, mental health and disability and old age supported by the project	Number	0	3	4
<b>1.2 Environmental Recovery, Restoration and Waste Management</b>				
<b>Development Objective 1.2:</b> To support emergency environment control measures in Beirut City from impacts of the August 2020 explosion and support planning for longer term environmental restoration efforts				
<b>Outcome C:</b> Rehabilitation of damaged solid waste management infrastructure and management of asbestos-contaminated debris generated due to the PoB explosion			Target end date: June 2025	
<b>Indicator(s)</b>				
C1: Contaminated construction and demolition waste at selected storage sites safely managed in line with defined control measures (site securing, containment measures, disposal or treatment)	Total tons	0	150,000	0 (Options identified, to be implemented when hazardous waste cell is identified)
C2: Waste management capacity of the solid waste infrastructure rehabilitated by the project contributing to ISWM in Beirut City	Total tons/day	0	400	1,400 (Contract for rehabilitation awarded covering waste from Beirut and Matn Caza and work will be completed by June 2025)

	Unit of Measure	Baseline	End Target	Status
<b>Intermediate Indicator(s)</b>				
C3: Municipal solid waste management infrastructure damaged due to the explosion is rehabilitated	Yes/No	No	Yes	No (Rehabilitation works for Karantina waste sorting facility have been initiated)
<b>Outcome D:</b> Policy and institutional support for greening Beirut's Reconstruction Agenda			Target end date: June 2025	
<b>Indicator(s)</b>				
D1: People affected by the explosion benefitting from improved urban living conditions	Number	0	350,000	850,000
Of which number are women	Number	0	175,000	425,000 (Results to be measured at the end of the project, Beirut and Matn Caza will benefit from Karantina sorting facility)
<b>Intermediate Indicator(s)</b>				
D2: Strategic plan for greening Beirut reconstruction developed in consultation with the collaborative stakeholder platform established through the project	Yes/No	No	Yes	No (Action Plan will be completed by June 2025)

### 1.3 Beirut Housing Rehabilitation and Cultural Heritage and Creative Industries Recovery

**Development Objective 1.3:** To: (i) support the rehabilitation of cultural heritage residential buildings and the access to sustainable rental solutions for vulnerable households directly affected by the Port of Beirut explosion; and (ii) support the recovery of the cultural production in Beirut.

<b>Outcome E:</b> To pilot the rehabilitation of a select number of severely damaged residential heritage buildings			Target end date: 2025	
<b>Indicator(s)</b>				
E1: People benefiting from resilient rehabilitated residential units	Number	0	150	0
Of which are members of female-headed household	Percentage	0	15	0
Owners benefiting from resilient, rehabilitated residential units	Number	0	75	0
Tenants benefiting from resilient, rehabilitated residential units	Number	0	75	0
Beneficiaries reporting satisfaction with project activities	Percentage	0	75	0
<b>Intermediate Indicator(s)</b>				
E2: Residential units rehabilitated according to resilience standards	Number	0	65	0
Of which are female-headed households	Percentage	0	15	0



	<b>Unit of Measure</b>	<b>Baseline</b>	<b>End Target</b>	<b>Status</b>
E3: Rental contracts signed for rehabilitated units	Number	0	40	0
Of which, are signed with renters previously living in the target area	Percentage	0	25	0
Of which, are signed with newcomers	Percentage	0	75	0
E4: People benefitting from trainings or knowledge sharing activities related to technical rental support	Number	0	100	60
Of which, are female	Percentage	0	50	40
E5: DGA, PCH, OEA, Makassed, legal and engineering firms, and municipal staff trained on providing support to vulnerable households	Number	0	20	16
Of which, are female	Percentage	0	50	50
E6: Person-days of temporary employment created under the project	Number	0	200,000	33,000
<b>Outcome F:</b> To provide emergency support to creative entities and practitioners			<i>Target end date: 2025</i>	
<b>Indicator(s)</b>				
F1: Direct beneficiaries of cultural production work	Number	0	1,300	4,602
Of which are female	Percentage	0	50	56.5
Of which are youth	Percentage	0	40	52.7
Cultural entities supported in cultural production work	Number	0	60	60
Cultural practitioners supported in cultural production work	Number	0	80	107
Beneficiaries reporting satisfaction with project activities	Percentage	0	75	0
<b>Intermediate Indicator(s)</b>				
F2: Grants disbursed to cultural actors	Number	0	140	139
F3: Grants achieving objective	Percentage	0	95	68.5
F4: Indirect beneficiaries from cultural productions (disaggregated by gender)	Number	0	10,000	42,938
<b>1.4 Building Beirut Businesses Back Better (B5)</b>				
<b>Development Objective 1.4:</b> Support the recovery of targeted micro and small enterprises (MSEs) and sustain the operations of eligible MFIs.				
<b>Outcome G:</b> Support the recovery of MSEs <i>Target end date: 2025</i>				
<b>Indicator(s)</b>				
G1: Share of Micro and Small beneficiary enterprises that are operational for at least 12 months after receiving the grants	Percentage	0	80	93
Of which are women owned or led	Percentage	0	30	30

	<b>Unit of Measure</b>	<b>Baseline</b>	<b>End Target</b>	<b>Status</b>
<b>Intermediate Indicator(s)</b>				
G2: Number of Micro and Small enterprises receiving grants	Number	0	3,500	3,587
Of which are women owned or led	Percentage	0	30	30
G3: Amounts of funds disbursed to Micro and Small Enterprises	Amount (USD)	0	17,800,000	17,400,000
G4: Number of jobs maintained within 6 months of receiving the grants	Number	0	7,600	9,600
G5: Share of Micro and Small women owned or led enterprises receiving business support training	Percentage	0	50	20
G6: Beneficiary Engagement: Share of women owned or led beneficiary firms who reported being satisfied with technical support offered	Percentage	0	75	Not yet due
<b>Outcome H: Sustain the operations of MFIs</b>			<i>Target end date: 2025</i>	
<b>Indicator(s)</b>				
H1: Number of Microfinance Institutions operational for at least 24 months after receiving support or by project closing date (whichever comes later)	Number	0	3	Not yet due
<b>Intermediate Indicator(s)</b>				
H2: Number of MFIs receiving financing for OPEX	Number	0	3	3
H3: Amount disbursed to Microfinance Institutions for OPEX	Amount (USD)	0	4,900,000	4,900,000
H4: Employment Capacity of Microfinance Institutions maintained	Percentage	0	70	70
H5: Number of micro and small businesses benefitting from financial services	Number	0	1,350	0
Of which are women owned or led	Percentage	0	30	0
H6: Number of jobs maintained at beneficiary businesses	Number	0	1,350	0
Of which are for women	Percentage	0	30	0
H7: Improved capacity for one MFI	Yes/No	No	Yes	No
H8: Time-bound capitalization plans developed for MFIs participating in the B5	Number	0	4	Not yet due

**Unit of Measure    Baseline    End Target    Status**

## FOCUS AREA 2: PREPARING FOR REFORM AND RECONSTRUCTION

### 2.1 Reconstruction with Integrity and Transparency – Proposed Governance Activities (Phase 1)

**Development Objective 2.1:** To begin to establish a transparent, accountable, and inclusive policy and institutional framework for Lebanon’s reconstruction and recovery.

**Outcome I:** Improved capacity to conduct audits in compliance with international standards and good practices *Target end date: 2024*

**Indicator(s)**

I1: Peer review of forensic audit for quality assurance and training delivered.	Yes/No	No	Yes	Yes
I2: Plan for centralized asset and interest declaration system prepared	Yes/No	No	Yes	Partly Achieved <sup>14</sup>

**Outcome J:** Initial basis established for improved PIM practices and implementation of the public procurement reform to manage scarce resources efficiently and effectively for reconstruction and recovery *Target end date: 2023*

**Indicator(s)**

J1: PIM Action Plan formulated and approved by key stakeholders	Yes/No	No	Yes	Yes
J2: Internal Manuals, Staffing TORs, Organizational Circulars developed for Public Procurement Agency and for Procurement Review Body	Yes/No	No	Yes	Yes <sup>15</sup>

### 2.2 Reforming Lebanon’s Port Sector

**Development Objective 2.2:** To support port sector reform in Lebanon to pave the way to rebuild a better, modern and digital Port of Beirut.

**Outcome K:** Detailed port reform road map delivered and consulted upon *Target end date: 2024*

**Indicator(s)**

K1: Detailed port reform road map delivered and consulted upon	Yes/No	No	Yes	Yes
K2: Collaborative platform for stakeholders’ engagement on the port sector established and operational	Yes/No	No	Yes	Yes

14 The World Bank has contributed to the asset declaration system by bringing in the international experience and capacity strengthening, while UNDP has taken the lead in developing a plan for the electronic declaration system.

15 Finalized the framework for the Public Procurement Agency (PPA). The decrees related to the operationalization of the PPA were approved by the COM. No progress observed on the Procurement Review Body (PRB).

	Unit of Measure	Baseline	End Target	Status
<b>2.3 Budget Preparation and Execution</b>				
<b>Development Objective 2.3:</b> To enhance fiscal management and restore fiscal controls through improved budgeting for macroeconomic fiscal planning.				
<b>Outcome L:</b> An effective budget supporting fiscal policy execution, strengthened by efficient expenditure management and fiscal controls			Target end date: 2025	
<b>Indicator(s)</b>				
L1: Hard budget ceilings imposed on ministries during budget preparation inter alia to stabilize wage bill expenditure (based on annual workforce planning process for the public sector and wage bill spending targets)	Yes/No	No	Yes	No (in progress)
L2: Revisions made to the Public Accountancy Law (PAL)	Yes/No	No	Yes	Yes (Partially - Revised draft PAL under discussion with concerned Government Stakeholders)
<b>2.4 MOF and Customs IT Needs</b>				
<b>Development Objective 2.4:</b> To enhance the capacity and resilience of revenue management systems in tax and customs administration by restoring, upgrading, and maintaining essential ICT infrastructure and capabilities.				
<b>Outcome M:</b> Improved functionality, efficiency, and sustainability of the tax and customs ICT systems, leading to increased accuracy and effectiveness in revenue collection, streamlined e-filing and e-declaration processes, strengthened risk management at Customs, and improved capability of staff to manage and maintain these upgraded systems.			Target end date: 2025	
<b>Indicator(s)</b>				
M1 Improved interoperability of PFM IT platforms:	Number	0	3	0
M2: Increase in the number of risk-based desk and premise post-clearance audits for Port of Beirut customs	Number	0	45	0
M3: System-generated reports show reduced time for reviews of Payment documents for third parties and pension payments	Number of days	0	30	30

**Unit of Measure    Baseline    End Target    Status**

## 2.5 Special Audit and Valuation of Banks

**Development Objective 2.3:** To support the commencement of banking sector reforms and their initial stages of implementation.

**Outcome N:** Banking sector reforms informed by a solid evidence base developed through the WB’s analytical work, the reform implementation support, as well as a terms of reference aligned with international good practice for the audit/valuation of banks. *Target end date: 2025*

**Indicator(s)**

N1: TOR for banks’ special audit and valuation developed.	Yes/No	No	Yes	Yes
N2: Advisory support provided on: the implementation of the audit and valuation; legal and regulatory framework for bank resolution; banking sector restructuring strategy; revision of banking supervision framework.	Yes/No	No	Yes	No
N3: Ad-hoc technical inputs for the banking sector reform initiatives provided.	Yes/No	No	Yes	Yes

## 2.6 Establishing a Unified Social Safety Net Program

**Development Objective 2.6:** To provide technical assistance for the integration of the existing social safety net programs, with the objective of reducing duplication and fragmentation and improving effectiveness and efficiency.

**Outcome O:** A unified SSN Program supported by a robust system for improved effectiveness and efficiency. *Target end date: 2025*

**Indicator(s)**

O1: Number of integrated SSN Programs.	Number	0	2	2
O2: Improvements identified for the DAEM social registry to enhance the delivery of SSN programs.	Yes/No	No	Yes	Yes
O3: Analytical notes/reports to inform design improvements to the SSN programs.	Number	0	2	2
O4: Number of capacity building workshops, knowledge exchange tours, and regional courses	Number	0	3	0

	Unit of Measure	Baseline	End Target	Status
<b>FOCUS AREA 3: COORDINATION, MONITORING, ACCOUNTABILITY AND OVERSIGHT</b>				
<b>3.1 Coordination, Monitoring, Accountability and Oversight</b>				
<b>Development Objective 3.1:</b> To support the establishment and functioning of the 3RF institutional arrangements with dedicated support to strengthening citizen engagement, monitoring and communications across the 3RF.				
<b>Outcome P:</b> The 3RF institutional arrangements for transparent, inclusive, and accountable program implementation have been established and are functioning.			Target end date: 2023	
<b>Indicator(s)</b>				
P1: The Independent Oversight Body has been established and is functional (i.e., IOB issues policy and technical recommendations to the 3RF Consultative Group and/or Secretariat)	Yes/No	No	Yes	Yes
<b>Outcome Q:</b> An inclusive and responsive citizen engagement approach for the 3RF has been established and is operational.			Target end date: 2025	
<b>Indicator(s)</b>				
Q1: 3RF beneficiaries reporting satisfaction with citizen engagement processes and transparency of information-sharing (disaggregated by gender and age)	Percentage	0	70	0
<b>Intermediate Indicator(s)</b>				
Q2: Program level feedback addressed and responded to within a publicly stipulated timeframe (disaggregated by gender and age)	Percentage	0	90	0
<b>3.2 COVID-19 Vaccination Third-Party Monitoring</b>				
<b>Development Objective 3.2:</b> To conduct independent third-party monitoring of the rollout of World Bank-financed COVID-19 vaccines in Lebanon to ensure safe, effective and equitable vaccine deployment.				
<b>Outcome R:</b> Vaccine supplies are managed according to established standards at vaccination sites				
<b>Intermediate Indicator(s)</b>				
R1: Percentage of sites visited where vaccines are stored correctly	Percentage	0	>75%	100%
R2: Percentage of sites visited where safety boxes are used for safe disposal of syringes and needles	Percentage	0	>75%	95%
<b>Outcome S:</b> Vaccines are administered as per international and NDVP standards				

	<b>Unit of Measure</b>	<b>Baseline</b>	<b>End Target</b>	<b>Status</b>
<b>Intermediate indicator(s)</b>				
S1: Percentage of sites visited where correct injection technique was used	Percentage	0	>75%	100%
S2: Percentage of interviewed vaccine recipients who are satisfied with the vaccination process	Percentage	0	>75%	97%
S3: Percentage of interviewed vaccine recipients who are aware of complaint mechanisms	Percentage	0	>75%	17%
S4: Percentage of sites visited where no interruption in the national electronic registration system occurred for more than 30 minutes	Percentage	0	>75%	99% of monitoring visits

	<i>Unit of Measure</i>	<i>Baseline</i>	<i>End Target</i>	<i>Status</i>
<b>TRUST FUND PERFORMANCE AND MANAGEMENT</b>				
<b>DEVELOPMENT OBJECTIVE 4: TO SUPPORT EFFECTIVE TRUST FUND MANAGEMENT</b>				
<b>Outcome T:</b> The LFF is managed and implemented effectively.				
<b>Indicator(s)</b>				
T1: Total amount of grant contributions raised	US\$ million	0	US\$150	US\$69.98 (2020-2024)
T2: Disbursement ratio of active RE projects <sup>16</sup>	Percentage	0	Year 1: 15-20 Year 2: 30-40 Year 3: 45-60 Year 4: 60-80 Year 5: 75-100	Year 1: 17 Year 2: 30 Year 3: 68 Year 4: 76
T3: Timeliness of disbursements for RE projects	Average number of months between project effectiveness to initial disbursement	N/A	3-4 months	2.83 months <sup>17</sup>
T4: Portfolio quality	Percentage of active LFF RE projects rated moderately satisfactory or higher	0	75	100 <sup>18</sup>
T5: Partnership Council meeting frequency	Number of meetings with agenda circulated in advance and minutes circulated promptly	N/A	2 meetings per year	2021: 2 meetings 2022: 1 meeting 2023: 2 meetings 2024: 1 meeting
T6: Communications and Visibility Plan (CVP)	Number of unique visitors to the 3RF website per year	0	500	2021: N/A 2022: N/A 2023: 1,811 2024: 327
T7: Share of RE projects that are gender-tagged <sup>19</sup>	Percentage	0	100	100

16 This is based on the amount of funds disbursed of the total funds that have been allocated (not of total contributions). In total, from LFF's establishment to December 31, 2024, US\$46.36 million was disbursed from RE grants out of a total US\$61.25 million allocated for RE grants.

17 This result is based on the time between project effectiveness and initial disbursement. For the B5 Fund, this was 3 weeks; for the B5 AF, this was 4 months, for the Social Recovery project, this was about 4.2 months; for the Housing Rehabilitation project, this was about 3 months; and for the Environmental Recovery project, this was about 2.3 months.

18 Based on the ratings of "Progress towards achievement of PDO" included in RE projects' latest Implementation Status Reports (ISRs). The B5 Project and the Social Recovery Project were rated "Satisfactory" as of July 2024 and December 2023, respectively, and the Housing Rehabilitation Project the Environment Recovery Project were rated "Moderately Satisfactory" as of November 2024.

19 For a project to be considered gender tagged, it needs to (i) clearly identify gender gaps in the area of project influence based on evidence; (ii) incorporate into the project design actions that directly aim to close the identified gaps, accompanied by adequate resources; (iii) include indicator(s) with specified targets, to allow the measuring of progress towards the closing of the gap. This Theory of Change needs to be clearly articulated, and will be assessed by the WBG MENA Gender Team.





## BEIRUT HOUSING REHABILITATION AND CULTURAL AND CREATIVE INDUSTRIES RECOVERY

**Project Code:** P176577

**Type of Grant:** Recipient-Executed and Bank-Executed

### STATUS

**Active**



### TIMEFRAME

**2022 – 2025**

(Approved: February 2022;  
Closing: June 2025)



### FINANCING

**US\$12.75 million**  
(Recipient Executed);

**US\$0.25 million**  
(Bank Executed)



### OBJECTIVE

To support the rehabilitation of prioritized historical housing for the most vulnerable people, and to provide emergency support to creative practitioners and entities in areas affected by the PoB explosion.



### BRIEF DESCRIPTION

The project responds to critical needs on the ground in terms of emergency reconstruction of severely damaged residential buildings and emergency support to the Cultural and Creative Industry (CCI) sector, while establishing the basis for medium term reconstruction and resilient recovery for the city. The project is structured as follows: 1A) the rehabilitation of severely damaged residential heritage buildings; 1B) the provision of technical assistance for rental support; 2) support to cultural entities and practitioners through the provision of grants for cultural production; and 3) project management. The project supports the medium-term recovery and reconstruction planning of the areas of Beirut affected by the blast through LFF-funded technical assistance to local and national government institutions to strengthen their planning, coordination, and citizen outreach capacity, and provide a platform for in-depth consultations with government, civil society, and donors.



### ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillars:** Improving Services and Infrastructure; and Social Protection, Inclusion and Culture



### CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

- Gender equality: This project factors in gender considerations as a cross-cutting sectoral approach throughout all analysis, prioritization, and sequencing of recovery and reconstruction activities. It is expected that at least 25 percent of female headed households will benefit from housing rehabilitation under component 1, and 50 percent of direct beneficiaries under component 2 will be women.
- Targeting the most vulnerable populations: The project is carefully select housing and CCI structures that are operated by and inhabited by populations that are most at risk. Special attention will be paid throughout the project in the outreach to cultural practitioners who are persons with disabilities, elderly, LGBTIQ+, refugees, displaced people, and migrants.
- Citizen and community engagement: The World Bank project team, together with UN-Habitat and partners, has been consulting with CSOs, academia, private sector and NGOs in Beirut to ensure their participation in the design and implementation of the project at all stages.



### COMPONENTS

- Component 1:** Housing Recovery
- Component 2:** Emergency Support for CCI Recovery
- Component 3:** Project Management and M&E



### INTENDED BENEFICIARIES

The direct beneficiaries under Component 1 will be approximately 91 people (initial end target: 150) benefitting from resilient rehabilitated residential units, and for Component 2, approximately 4,602 cultural actors (end target: 1,300). The project is expected to rehabilitate around 45 residential units (end target: 65) from 12 buildings (end target: 18 buildings) of cultural heritage value.

Technical assistance will be offered to the tenants and wider community to support sustainable rental solutions. Other beneficiaries would include professionals working in engineering, architecture, construction sectors, cultural artisans, equipment suppliers, construction and engineering firms, and other service providers. Indirect beneficiaries are the inhabitants of the restored neighborhoods that may benefit from the enhanced historic built environment.

Regarding Component 2, direct beneficiaries are self-employed cultural practitioners, workers within cultural entities and additional cultural workers involved in the roll out of cultural productions financed with the grants. Proposals are prioritized based on their alignment with criteria emphasizing inclusivity and recovery, such as revitalizing neighborhoods within a 5-kilometer radius of the Port of Beirut explosion, fostering economic opportunities for vulnerable groups (e.g., women, youth, and displaced individuals), and enhancing social cohesion through collective benefits for local communities. Indirect beneficiaries are members of the local community that will benefit from the roll out of cultural productions and the overall economic value added by increased tourist potential.



### IMPLEMENTATION ARRANGEMENTS

The project is implemented by UN-Habitat through direct implementation. Component 2 is implemented by UNESCO through a subsidiary agreements with UN-Habitat. A Technical Advisory Committee with representation from the municipal and governorate authorities, civil society, World Bank, UN-Habitat, UNESCO provides strategic level advice on project implementation to support integration and synergies amount the activities of the components.

## ANNEX 2. PROJECT CARDS

# BUILDING BEIRUT BUSINESSES BACK & BETTER (B5) FUND

**Project Code:** P176013  
**Type of Grant:** Recipient-Executed

## OBJECTIVE

To support the recovery of targeted MSEs and ensure the sustainability of eligible MFIs.

## BRIEF DESCRIPTION

To support the immediate recovery of viable MSEs affected by the explosion and sustain the microfinance sector operations, the World Bank established the Building Beirut Businesses Back & Better (B5) Fund financed by the LFF as immediate support to the private sector. The B5 Fund provides grants to MSEs to cover immediate recovery needs and grants to MFIs. The fund will also provide technical assistance to damaged Women Owned or Led (WOL) businesses, as well as businesses led by persons with disabilities, to help them build back better. The fund will specifically target WOL businesses affected by the crisis.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillar:** Jobs and Economic Opportunities

**Priority area:** Restore business activities and preserve jobs (People-centered Recovery Track)

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

- The design of the B5 Fund promotes inclusion, through targeting vulnerable groups, such as MSEs including those that operate in the informal sector, as well as women and people with disabilities.
- It is expected that at least 30 percent of grant beneficiaries will be women-led or -owned. In addition, the B5 Fund will aim to address barriers faced by women and complement financing support with non-financial, technical advisory support, also targeting MFIs. Technical support will also be accessible to people with disabilities.

**STATUS**  
**Active**



## TIMEFRAME

**2021 – 2024**  
(Approved: July 2021;  
Closing: June 2025)



**FINANCING**  
**US\$25 million**



## COMPONENTS

**Component 1:** Grants to Micro and Small Enterprises

**Component 2:** Grants to Microfinance Institutions

**Component 3:** Project Management and Gender Support

## INTENDED BENEFICIARIES

3,500 businesses and/or entrepreneurs will benefit from the project financing (revised from 4300 to 3500 during midterm review), of which 30 percent will be WOL businesses. A maximum of 3 eligible MFIs will benefit from the grant support up to their respective market shares.

## IMPLEMENTATION ARRANGEMENTS

Kafalat is both the recipient and project implementing agency. Kafalat is responsible for establishing a PMU and maintaining it throughout project implementation.

# BUILDING BEIRUT BUSINESSES BACK & BETTER (B5) FUND – ADDITIONAL FINANCING

**Project Code:** P181623  
**Type of Grant:** Recipient-Executed

## OBJECTIVE

To support the recovery of targeted MSEs and sustain the operations of eligible MFIs.

## BRIEF DESCRIPTION

The US\$3 million additional financing supports selected MFIs in designing and deploying financing solutions to MSEs and households and to sustain the operations of MFIs.

### Additional Allocation of US\$2.7 million to Component 2 - Grants to MFIs

The US\$2.7 million grant will allow the three B5 selected MFIs (Al Majmoua, Vitas, and Ibdaa) to design and deploy new financing products based on market needs and demand. The funds will be disbursed to the three MFIs in accordance with their current market share, with a minimum allocation of US\$150,000, and based on demand schedule for loans for each MFI and on the utilization. The additional funds will allow the deployment of around 1,350 new USD loans. It is expected that 30 percent of micro borrowers will be women. The funds will also allow the provision of Technical Assistance to one MFI to help strengthen their strategy, controls, and business plan.

### Additional Allocation of US\$300,000 to Component 3 - Project Management and Gender Support

The additional funds will help maintain part of the PMU established at Kafalat until the updated closing date of the project.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillar:** Jobs and Economic Opportunities

**Priority area:** Restore business activities and preserve jobs (People-centered Recovery Track)

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

- The design of the B5 Fund promotes inclusion, through targeting vulnerable groups, such as MSEs including those that operate in the informal sector, as well as women and people with disabilities.
- It is expected that at least 30 percent of grant beneficiaries will be women-led or -owned, and 30 percent of micro borrowers to be women-owned or led. In addition, the B5 Fund will aim to address barriers faced by women and complement financing support with non-financial, technical advisory support, also targeting MFIs.

**STATUS**  
**Active**



## TIMEFRAME

**2024 – 2025**  
(Approved: June 2024;  
Closing: June 2025)



**FINANCING**  
**US\$3 million**



## COMPONENTS

**Component 1:** Grants to Micro and Small Enterprises

**Component 2:** Grants to Microfinance Institutions

**Component 3:** Project Management and Gender Support

## INTENDED BENEFICIARIES

1,350 MSEs are expected to benefit from financial services supported by the project, of which 30 percent will be women owned or led.

## IMPLEMENTATION ARRANGEMENTS

Kafalat is the project implementing agency. It is responsible for the overall implementation, management, selection of intermediaries, M&E, with functions, staffing and responsibilities satisfactory to the World Bank and donors. Kafalat has already entered into grants agreements with three selected MFIs (Al Majmoua, Vitas, Ibdaa). Upon receipt of the funds, MFIs will in turn finance/ on-lend eligible micro borrowers over the life of the project.

# SUPPORT FOR SOCIAL RECOVERY NEEDS OF VULNERABLE GROUPS IN BEIRUT

**Project Code:** P176622  
**Type of Grant:** Recipient-Executed

## OBJECTIVE

To support the immediate social recovery<sup>1</sup> needs of vulnerable groups<sup>2</sup> following the PoB explosion

## BRIEF DESCRIPTION

The project was implemented by IRC which contracted NGOs to provide social services to vulnerable groups affected by the crises including: (i) survivors of GBV; (ii) those suffering from deteriorated psycho-social wellbeing; (iii) and persons with disabilities and OPs facing limitations related to their disabled or elderly status. Given the crosscutting nature of their vulnerability, refugees and migrant domestic workers were targeted across these beneficiary groups. The project supported nongovernment stakeholders that are engaged and have a track record in social recovery services by improving their capacity to participate in the broader social recovery and reconstruction processes.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillar:** Social Protection, Inclusion and Culture

**Priority area:** Social Cohesion, Inclusion, and Gender

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

- Its target beneficiaries are considered the most vulnerable among the Lebanese population, including women, children/youth, persons with disabilities, older persons, migrant domestic workers and refugees.
- The delivery of services is being done through NGOs and community-based organizations (CBOs) to ensure strong citizen and community engagement; a feedback mechanism is in place.

- "Immediate social recovery" refers to meeting the short-term needs directly associated with the reasons for vulnerability of groups, who, due to pre-existing exclusion, stigma and service delivery gaps have been less resilient to shocks and more prone to harm following them. The project therefore conceives of "immediate social recovery" as a necessary emergency intervention that precedes later reform efforts, which in turn will address the systemic social drivers of vulnerability.
- For the purposes of this project, vulnerable groups include women, men and children survivors and at risk of GBV, people with mental health disorder challenges, persons with disabilities and older persons. These groups may also include migrants and refugees working as domestic workers in Beirut, and who cut across the previously described groups.

**STATUS**  
**Closed**



## TIMEFRAME

**2022 – 2024**  
(Approved: December 2021;  
Closed: April 2024)



**FINANCING**  
**US\$5.00 million**



## COMPONENTS

**Component 1:** Support for social services for vulnerable groups affected by the explosion

**Component 2:** Capacity Building and Project Management

## INTENDED BENEFICIARIES

Vulnerable groups specifically supported by the project include women and children survivors and at risk of GBV, people facing mental health challenges, persons living with disabilities and older persons, as well as migrant domestic workers and FDPs.

## IMPLEMENTATION ARRANGEMENTS

IRC Lebanon is the Grant Recipient and Implementing Agency. IRC has formed a PMU to implement activities through sub-grants to local NGOs. IRC assumes fiduciary supervision of the sub-contracted NGOs, develops and monitors reporting standards for partner NGOs, implements capacity building of sub-grantees, and facilitates independent audits.

# BEIRUT CRITICAL ENVIRONMENT RECOVERY, RESTORATION AND WASTE MANAGEMENT PROGRAM

**Project Code:** P176635  
**Type of Grant:** Recipient-Executed

## OBJECTIVE

To support immediate environment control measures from the impacts of August 2020 PoB explosion and planning for longer-term environmental restoration efforts in Beirut City.

## BRIEF DESCRIPTION

The environmental interventions of the project are urgent measures aimed at controlling the most urgent public health and environmental impacts that resulted from the PoB explosion. The interventions are based on the needs identified under the Beirut RDNA and sectoral assessments conducted by key partners. The project activities have been selected to ensure maximum public health and environmental risk reduction, given the limited funds available for the project. The selection of project interventions was also informed by other environmental restoration activities being implemented by other donors active in Lebanon.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillar:** Improving Services and Infrastructure

**Priority areas:** Environment under 3RF Port Sector and "Urban Services Pillar" strategic priority

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

- The activities will strengthen the needed reform in the waste sector as the investments and technical assistance support the implementation of the National solid waste management strategy and which is based on the waste hierarchy, starting from segregation at source, reducing and recycling, and ensuring a sustainable and inclusive system of waste management in collaboration with Central/ Local Governments as well as participation of NGOs and the private sector
- The management of asbestos-contaminated debris resulting from the PoB explosion and the assessment of hazardous waste which are conducted under the project, and which constitute the root cause of the PoB explosion, provide an opportunity to address risks related to the weak management of hazardous waste in Lebanon. The project will establish a clear roadmap for responding to legal, institutional as well as infrastructure needs to respond to this issue and avoid similar incidents in future.
- The operation will establish a participatory action plan for greening the reconstruction agenda by focusing on environmental priorities and will identify appropriate communication and outreach tools, noting that this will be closely coordinated with the overarching Beirut Urban Recovery Strategy.

**STATUS**  
**Active**



## TIMEFRAME

**2022 – 2025**  
(Approved: May 2022;  
Closing: June 2025)



**FINANCING**  
**US\$10 million**



## COMPONENTS

**Component 1:** Rehabilitation and operationalization of damaged solid waste management infrastructure and management of asbestos-contaminated debris generated due to PoB explosion

**Component 2:** Policy and Institutional support for greening Beirut's Reconstruction Agenda

**Component 3:** Project Management

## INTENDED BENEFICIARIES

The investment activities will directly benefit the population of Beirut and Matn Caza by rehabilitating the waste management infrastructure affected by the PoB explosion and managing the asbestos-contaminated debris in Beirut. In addition, the policy and institutional support interventions will indirectly benefit the entire population of Lebanon.

## IMPLEMENTATION ARRANGEMENTS

UNDP is the intermediary implementing agency supporting the implementation of the project activities in close coordination with public and private stakeholders.

# SPECIAL AUDIT AND VALUATION OF BANKS

**Project Code:** P181162  
**Type of Grant:** Bank-Executed

## OBJECTIVE

To support the Lebanese authorities to conduct the Special Audit and Valuation of the banking sector and to provide a complementary support relevant for the banking sector reform through the provision of technical assistance and capacity building.

## BRIEF DESCRIPTION

The World Bank will provide technical assistance to the financial sector authorities for the design and implementation of the special audit and valuation process in close coordination and cooperation with the IMF. The activity also includes capacity building on the legal and regulatory framework underpinning this exercise and other related reforms.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillars:** Improving Governance and Accountability; Jobs and Economic Opportunities

**Priority area:** Restoring business activities and preserving jobs

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

A granular picture of banks' exposures and risk profiles is essential to adequately value banks' assets, liabilities, and off-balance sheet exposures to define appropriate actions to restore banking stability and support a broader economic recovery in Lebanon. A functional banking sector will also improve access to finance for women and the most vulnerable segments of population.

## STATUS

Active



## TIMEFRAME

2024 – 2025

(Approved: June 2023;  
Closing: August 2025)



## FINANCING

US\$0.60 million



## COMPONENTS

**Component 1:** Technical Assistance and Capacity Building for the Special Audit and Valuation of Banks.

- **Activity 1.1:** Support the preparation of TORs for hiring reputable international firms to conduct bank-by-bank audit and valuation.
- **Activity 1.2:** Monitor the implementation of the special audit and valuation exercise.
- **Activity 1.3:** Provide ad-hoc support with technical tasks relevant for the banking sector reform.

## INTENDED BENEFICIARIES

The functional banking sector benefits all segments of the population through access to finance and facilitating private sector investments. Hence it plays a critical role for economic recovery, restoring business activities and generating jobs.

## IMPLEMENTATION ARRANGEMENTS

This component is implemented by the World Bank project team. All activities are closely coordinated with the IMF and include consultations with other relevant stakeholders, as needed.

# BUDGET PREPARATION AND MANAGEMENT

**Project Code:** P181162  
**Type of Grant:** Bank-Executed

## OBJECTIVE

To support budget preparation and execution and to lay the foundation for broader reforms to public finances and budget management that would transform the budget into an effective instrument for fiscal policy.

## BRIEF DESCRIPTION

Due to significant shortages in staff, there is an urgency to assist the Government in preparing a credible, balanced, and structurally transformative annual budget. For Lebanon, future budget needs to articulate fiscal adjustment and reflect a clear vision on how to emerge from the current crisis. The budget further needs to be anchored in a coherent and comprehensive macroeconomic framework. The fiscal adjustment will require a number of difficult choices as discussed in a recent Technical Assistance report prepared by the IMF. Support for the preparation of the budget responds to a direct request from the Government. Specific support activities will be defined in close consultation with the MOF and in close cooperation with the IMF and other donors that currently provide Technical Assistance to MOF. In terms of the budget process, initial support is needed: (a) to impose hard budget ceilings to ministries during budget preparation inter alia to stabilize wage bill expenditure (based on annual workforce planning process for the public sector and wage bill spending targets); (b) to prepare a budget in a highly volatile environment with macroeconomic uncertainties; (c) for the consolidation of current and capital budgets via closer integration of budget preparation and public investment management processes; (d) the immediate stoppage of arrears' build-ups, and limits to carry-forward of expenditures. The project will also support reforms to the Public Accounting Law to strengthen the overall budget preparation process. The budget should finally be prepared in a transparent manner that ensures citizens' access to budget information<sup>1</sup>.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillar:** Improving Governance and Accountability

**Priority areas:** PFM, Effectiveness and Efficiency of Public Spending, Transparency

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

The operation will serve the needs of the whole population to preserve core functions of the State. The operation aims also to promote transparency and accountability by improving PFM processes, publication of citizen budget, and e-governance. Gender and inclusion, and climate are addressed in this grant to the extent that these priorities are reflected in the budget, and through updated gender-mapping informed by the civil service survey.

<sup>1</sup> Refer to new ATI Law No 28 adopted on 19 January 2017 and to Lebanon commitment to Global Forum towards greater tax transparency (12 May 2017), in order to ensure the implementation of the internationally agreed standards of transparency and exchange of information in the tax area.

## STATUS

Active



## TIMEFRAME

2024 – 2025

(Approved: June 2023;  
Closing: August 2025)



## FINANCING

US\$0.50 million



## COMPONENTS

**Component 1:** Budget Preparation and Management

## INTENDED BENEFICIARIES

The project supports the government, businesses and citizens at large.

## IMPLEMENTATION ARRANGEMENTS

This is a Bank executed activity that is managed by the respective WB task teams.

# SUPPORTING MOF AND CUSTOMS IT NEEDS

**Project Code:** P181155  
**Type of Grant:** Recipient-Executed

## OBJECTIVE

To safeguard the function of MOF IT systems in the short term.

## BRIEF DESCRIPTION

The IT Department at MOF is the backbone that supports the Ministry's services, which range from internally used applications to cross-institutional systems and public-oriented interactive platforms. Before the current staffing crisis, the department was one of the primary drivers of innovation, including in the field of e-services. According to a recent assessment of the IMF, due to drastic cuts in investment in recent years, the IT system at the MOF is failing. This could lead to a total collapse in revenue collection (many taxes are paid online), the processing of public sector salary payments, and fiscal data production (the latest fiscal tables are from February 2022 and after that only basic cash data is available). Critical investments include the upgrading of the current hardware platform, the replacement of the existing budget management and accounting platforms and the renewal of some key licenses.

The objective of support under this activity is to maintain the critical IT functionalities via hardware and software replacements, upgrades and maintenance. This activity will be Recipient-Executed and finance the purchase and implementation of key hardware equipment and specialized software modules to support budget management and accounting functions of the MOF. Revenue systems and customs applications will also be supported under this component. This will help restore critical operations for collection of import taxes and support implementation of a risk-based approach to customs audits focusing on cases with higher revenue potential. Stabilizing and strengthening automation of operations through this support would improve efficiencies; and strengthen collection, exchange and analysis of relevant data, which in turn can improve customs revenue collection.

**Status:** MoF IT procurement in final stages. Expected contracts signature end of December 2024/ Beginning of Jan 2025, for full implementation and installation by end of April 2025.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillar:** Improving Governance and Accountability

**Priority areas:** PFM, Effectiveness and Efficiency of Public Spending, Transparency

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

The operation will serve the needs of the whole population to preserve core functions of the State. The operation aims also to promote transparency and accountability by improving PFM processes, publication of citizen budget, and e-governance. Gender and inclusion are addressed in this grant to the extent that these priorities are reflected in the budget, and through updated gender-mapping informed by the civil service survey.

## STATUS

Active



## TIMEFRAME

**2024 – 2025**  
(Approved: Feb 2023;  
Closing: June 2025)



## FINANCING

**US\$5.50 million**



## COMPONENTS

**Component 1:** Supporting MOF and Customs IT Needs

## INTENDED BENEFICIARIES

The project supports the government, businesses, citizens at large.

## IMPLEMENTATION ARRANGEMENTS

MOF is the implementing agency and has provided a waiver to allow for direct payment from the LFF for Recipient-executed activities.

# ESTABLISHING A UNIFIED SOCIAL SAFETY NET PROGRAM IN LEBANON

**Project Code:** P173367, P180377  
**Type of Grant:** Bank-Executed

## OBJECTIVE

To support the GOL to (a) plan and execute the integration of existing SSN programs with the objective of reducing duplication and fragmentation; and (ii) introduce design and systems enhancements to improve inclusion, effectiveness and efficiency.

## BRIEF DESCRIPTION

**Activity 1:** Support to the integration planning and execution: The Fund supported the hiring of technical and operational consultants who played a significant role in expediting the integration process of existing programs. A Senior Information and Communication Technology expert worked extensively with government counterparts and the firm handling the migration to help overcome technical hurdles and provide guidance and hands-on support for execution. A Social Protection Coordinator led the full organization (coordination, agenda, input material, minutes drafting and follow-up) of the technical working group meetings during which progress and issues were discussed among stakeholders. This was in addition to the staff time dedicated to this exercise since its launch in early 2024.

**Activity 2:** Analytics to inform design improvements to the unified SSN program for improved efficiency and impact: Following the completion of the Lebanon Household Survey (LHS), analytical work was conducted to inform program design improvements, including targeting mechanisms, coverage targets, and benefit adequacy. A data analysis expert in poverty and social protection was hired to support this effort. The update of the PMT using LHS data was completed and will be documented in a report. In addition, the analysis from LHS data will be translated into a comprehensive report – the State of Social Protection in Lebanon – which will identify policy, programmatic and operational gaps in the provision of social protection programs, and articulate priority reforms and investments going forward.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillars:** Improving Governance and Accountability; Social Protection, Inclusion and Culture; Improving Services and Infrastructure

**Priority area:** Social Protection

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

The main goal of integrating ESSNP and NPTP is to reduce duplication and fragmentation and to improve effectiveness and efficiency of SSNs through easily accessible channels to achieve the highest level of inclusion and transparency. In addition, having a unified SSN program minimizes inclusion/exclusion errors and maximizes the coverage of the intended populations. A digitized system with high data protection and security standards contributes to the program's transparency, and promote inclusion in various programs. As such, any individual/household who resides in Lebanon regardless of their nationality, sex, religion, location of residence (including underserved and remote areas), etc. will be able to apply to the programs through the unified platform and only households/individuals who satisfy the program rules will be eligible to ensure inclusiveness and non-discrimination. In addition, the recommendations that will be provided based on relevant analytics will result in improved coverage of those in need.

## STATUS

Active



## TIMEFRAME

**2024 – 2025**  
(Approved:  
December 2023;  
Closing: May 2025)



## FINANCING

**US\$0.40 million**



## COMPONENTS

**Component 1:** Support to NPTP/ ESSNP Integration

**Component 2:** Poverty and SP Analytics

## INTENDED BENEFICIARIES

MOSA as direct beneficiary, and poor and vulnerable households as indirect beneficiaries, including socially vulnerable groups such as women, elderly, female-headed households, and people with special needs.

## IMPLEMENTATION ARRANGEMENTS

The activity is led by the World Bank team in collaboration with MOSA and other partners such as the ESSNP implementing agency (Presidency of the Council of Ministers), the implementing partner (WFP), and the firm developing the DAEM registry (SIREN).

# PORT OF BEIRUT REFORM AND RECONSTRUCTION

**Project Code:** P176271  
**Type of Grant:** Bank-Executed

## OBJECTIVE

To support port sector reforms in Lebanon to pave the way to rebuild a better Port of Beirut.

## BRIEF DESCRIPTION

As part of the global effort to build back better the PoB, the activity supported the coordination of a group of experts from the donor community to develop an action plan for the way forward for the Port. The final report summarizing the World Bank's technical assistance towards the reform of the port sector and the reconstruction of the Port of Beirut was published on June 5, 2024 and shared with the Government of Lebanon on June 6, 2024.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillar:** Improving Services and Infrastructure

**Priority area:** Port

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

- Reforming the Lebanese port sector aims at establishing a sound and transparent framework. This entails the adoption of the laws and regulations required to enable ports to: (i) deliver the most cost-effective services; (ii) support national economic development; and (iii) create the enabling environment to attract more private sector investment. This approach meets the demands and aspirations of all stakeholders with a direct interest in the efficient functioning of ports, including Customs and trade facilitation and the Lebanese population overall. To restore trust, the framework comprises the establishment of a new independent Port Authority focusing on good governance and safe port operations, while creating added value for the Lebanese community.
- The activities contribute to building this new framework based on the following 3 principles that are paramount to promote a different way of working and promote transparency and accountability in the sector:
  - » **Clear delineation of mandates:** with separation of commercial and technical regulatory functions in a Port Authority, and separation of responsibilities for port technical and economic regulation.
  - » **Governance:** Port tariff setting transparency (informed by cost accounting principles); Port Manager (or GM, MD) professional criterion spelled out; Port Board qualifications, responsibilities and accountabilities spelled out.
  - » **Transparency:** Transparency in identification and nomination of Port Boards, their terms and replacements; nominations from both public sector and private sector associations; annual independent audit of port accounts and annual port sector report made publicly available, giving transparency to port operational activities and plans, with publication of key performance indicators.

**STATUS**  
**Closed**



## TIMEFRAME

**2022 – 2024**  
(Approved: January 2021;  
Closed: December 2023)



## FINANCING

**US\$0.25 million**



## COMPONENTS

**Component 1:** Development of a Reform Roadmap

**Component 2:** Collaborative platform for stakeholder engagement

## INTENDED BENEFICIARIES

Youth; women; refugees, IDPs and returnees

## IMPLEMENTATION ARRANGEMENTS

The activity was implemented by the World Bank team.

# RECONSTRUCTION WITH INTEGRITY AND TRANSPARENCY

**Project Code:** P178520  
**Type of Grant:** Bank-Executed

## OBJECTIVE

To begin to establish a transparent, accountable, and inclusive policy and institutional framework for Lebanon's reconstruction and recovery.

## BRIEF DESCRIPTION

The activities will initiate the implementation of reforms in the Lebanon 3RF Governance Pillar jointly developed with the UN and EU in response to the August 2020 Lebanon Port Blast. The activities will be implemented in a phased approach supported by available funding from the LFF. The activities in this Pillar will encompass building capacity and providing technical assistance to support: Public Investment Management (PIM), the operation of key accountability institutions such as the Court of Accounts (CoA), the creation of a new Anticorruption Commission and laying the foundation for the creation of new public procurement bodies, PPA and Procurement Review Body.

**Status:** PIM report and dissemination of recommendation were completed in Dec 2023. Forensic Audit training, manuals development, and workshop completed in June 2024.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillar:** Improving Governance and Accountability

**Priority areas:** PFM and public procurement; and anticorruption

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

- **Transparency and accountability:** Component 1 activities specifically focus on strengthening existing and new accountability institutions by ensuring that they have improved tools and enhanced capacity to monitor reconstruction and recovery activities and hold implementing bodies accountable (Forensic Audit). Component 2 activities will help create a framework to ensure that future Lebanese Governments make best use of public investments (PIM) through an open and accountable investment management system. The same is true for the public procurement activities under Component 3 which will help to ensure that government purchases are done through a transparent process, with a complaint handling institution that can hold government officials responsible for their procurement decisions and actions.
- **Gender:** While the proposed activities do not directly promote gender equality, all activities will be designed to ensure that they are gender neutral. Where possible, capacity building activities will ensure equal gender representation. For example, training on forensic audit will be provided to all eligible CoA judges which currently enjoys balanced gender staffing with women in a number of senior positions.

**STATUS**  
**Closed**



## TIMEFRAME

**2022 – 2024**  
(Approved: January 2022;  
Closed: December 2024)



## FINANCING

**US\$0.5 million**



## COMPONENTS

**Component 1:** Establish Accountability to Build Trust

**Component 2:** Building an Effective PIM System

**Component 3:** Institutionalizing a new Public Procurement Framework

## INTENDED BENEFICIARIES

In addition to the Lebanese citizens affected by the port explosion and ongoing socio-economic crises, direct beneficiaries of the grant activities include key government accountability institutions (e.g., CoA and NACC), as well as policymaking and implementing governmental bodies (e.g., Central Tender Board, IOF and OMSAR Anticorruption Task Forces).

## IMPLEMENTATION ARRANGEMENTS

This activity is implemented by the World Bank team.

# STRENGTHENING 3RF OVERSIGHT, ENGAGEMENT AND MONITORING

**Project Code:** P177084  
**Type of Grant:** Bank-Executed

## OBJECTIVE

To support the establishment and functioning of the 3RF institutional arrangements, and provide dedicated support to strengthening citizen engagement, monitoring and communications across the 3RF.

## BRIEF DESCRIPTION

This project is helping to operationalize the 3RF institutional arrangements and strengthen citizen engagement, monitoring and communications across the 3RF. It includes three components: supporting the 3RF Secretariat and the Independent Oversight Board (IOB); establishing a citizen engagement initiative to promote transparency and accountability, which features a Digital Citizen's Portal, Feedback/Grievance Mechanism, and Community-Based Monitoring; and supporting the 3RF Secretariat's functions related to progress monitoring and reporting and strategic communications.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

This grant directly supports the operationalization of the institutional, monitoring and accountability arrangements proposed under the 3RF (see 3RF section 5, pp. 60-64). It will also help operationalize key cross-cutting principles of the 3RF related to e.g., citizen engagement, transparency and accountability and two-way communications.

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

While the grant was designed to support the operational aspects of the 3RF partnership, it does aims to promote gender equality, support vulnerable populations, enhance citizen and community engagement, and ensure transparency and accountability in Beirut's recovery efforts. Key approaches include:

- **Gender Equality:** Collaborating with female-represented NGOs/CSOs, ensuring equal gender representation, and addressing gender-based violence (GBV) through feedback mechanisms.
- **Vulnerable Populations:** Using inclusive approaches for information sharing and engagement, making data accessible in Arabic and English, and tailoring feedback channels for various groups.
- **Citizen Engagement:** Supporting citizen monitoring and public feedback to oversee project implementation, with regular analysis by oversight bodies.
- **Transparency and Accountability:** Promoting transparency in recovery planning and implementation, supporting social accountability, and leveraging technology for openness and innovation.

**STATUS**  
**Active**



**TIMEFRAME**

**2021 – 2025**  
(Approved: August 2021;  
Closing: June 2025)



**FINANCING**

**US\$0.905 million**



## COMPONENTS

**Component 1:** Supporting the 3RF Secretariat and establishment of the IOB

**Component 2:** Establishing and Operationalizing a Citizen Engagement Initiative for the 3RF

**Component 3:** Supporting 3RF Strategic Monitoring and Communications

## INTENDED BENEFICIARIES

The primary grant beneficiary is the 3RF partnership, the IOB and the 3RF secretariat. Indirect beneficiaries of grant activities are the Lebanese public with a focus on people affected by the Beirut port-explosion. Grant activities will also aim to support and inform members of the 3RF institutional arrangements, notably members of the IOB.

## IMPLEMENTATION ARRANGEMENTS

This grant is managed by the World Bank team working closely with the 3RF Secretariat and EU and UN counterparts from the 3RF technical team.

# COVID-19 VACCINATION THIRD PARTY MONITORING

**Project Code:** P163476  
**Type of Grant:** Bank-Executed

## OBJECTIVE

To conduct independent third-party monitoring (TPM) of the rollout of World Bank-financed vaccines in Lebanon to ensure safe, effective and equitable vaccine deployment.

## BRIEF DESCRIPTION

The project aimed to verify the compliance of the vaccine rollout with the National Deployment and Vaccination Plan (NDVP), international standards, and World Bank requirements, with respect to supply chain management and administration of COVID-19 vaccines at: (i) key points in the supply chain; and (ii) vaccination sites from the technical, environmental, and social safeguards perspectives. Through a team of 18 field monitors, the International Federation of Red Cross and Red Crescent Societies (IFRC) monitored the arrival of vaccine shipment to the airport and central storage, as well as a sample of fixed and mobile vaccination sites in the national network on a weekly basis. During monitoring visits, field monitors conducted interviews with a sample of vaccine recipients and health care providers and collected data on vaccine stock on a sampling basis. IFRC also monitored social media platforms. Monitoring activities started on February 14, 2021, one day following the arrival of the first shipment of Pfizer vaccines to Lebanon and ended in July 2022. The findings of the monitoring were shared through reports with the World Bank, the Joint Monitoring Committee (composed of UNICEF, WHO, UNRWA, UNHCR, and IOM and chaired by the World Bank), the MOPH, the National Vaccination Committee and the Vaccine Executive Committee. A summary of findings was also shared with the general public using a bi-weekly infographic. Additionally, any observation of deviation from standards requiring immediate attention was shared with the MOPH in real-time through short incident reports for corrective action. Monthly score cards for each vaccination site were also prepared and shared with the MOPH.

## ALIGNMENT WITH 3RF PILLAR AND PRIORITY AREA

**Pillar:** Improving Governance and Accountability

## CROSS-CUTTING PRIORITIES: GENDER, INCLUSION AND TRANSPARENCY

The main goal of TPM was to increase transparency and public trust in the COVID-19 vaccination rollout in Lebanon. This was done through regular monitoring of key steps in the vaccination cycle from arrival of vaccines to deployment, in addition to monitoring of social media platforms. This was also done through sharing of key findings with the public and collecting feedback from vaccine recipients and service providers (through dedicated questionnaires used by field monitors). The COVID-19 vaccination plan aimed to be inclusive and non-discriminatory as the NDVP clearly states that all persons residing in Lebanon will have access to COVID-19 vaccination regardless of nationality, sex, religion, etc. One of the objectives of TPM was to verify that this commitment was applied in practice through the verification of the vaccine rollout across vaccination sites. TPM covers vaccination sites in all areas of Lebanon, including underserved and remote areas, to ensure proper levels of inclusion.

**STATUS**  
**Closed**



**TIMEFRAME**

**December 2021 –  
December 2022**



**FINANCING**

**US\$0.95 million**



## COMPONENTS

**Component 1:** TPM contract value

**Component 2:** World Bank TPM supervision

## INTENDED BENEFICIARIES

All beneficiaries of the COVID-19 vaccination plan, including youth; women; people with disabilities; refugees, IDPs and returnees.

## IMPLEMENTATION ARRANGEMENTS

The IFRC was the TPM agent undertaking this task. The scope of IFRC's TPM was limited to vaccines financed by the World Bank. In addition to contracting IFRC as the TPM agent, the World Bank was also responsible for the overall supervision of the project's implementation. The World Bank ensured quality control of IFRC deliverables and acted as a link between IFRC and relevant stakeholders (including the MOPH, the National Vaccination Committee, the Vaccine Executive Committee and others) to ensure sharing of findings and implementation of corrective measures as needed.



# ANNEX 3.

## LFF PRESS RELEASES

### *UN-Habitat initiates rehabilitation of four residential heritage buildings under the BERYT project*

**Beirut, 27 February 2024:** The United Nations Human Settlements Programme (UN-Habitat) has begun physical rehabilitation works on an initial batch of four residential buildings of heritage value that were severely damaged by the Beirut Port explosion. This activity is part of the Beirut Housing Rehabilitation and Cultural and Creative Industries Recovery project, also known as **BERYT**, funded by the **Lebanon Financing Facility**, a multi-donor trust fund administered by the World Bank.

The housing recovery and rehabilitation component of the BERYT project is centred on restoring the liveability, safety and architectural heritage of several residential buildings within a 5km radius of the epicentre of the Beirut Port explosion.

The four buildings undergoing rehabilitation are namely buildings 679, 694, 710, and 425 in Rmeil. They are among a list of buildings that have been assessed and are under design. To preserve their historical identity, the original architectural designs of these buildings are being used as a reference. Furthermore, rehabilitation works will use construction materials and techniques that seek to restore the buildings' original character.

The residential buildings to undergo rehabilitation were selected based on an extensive multifaceted selection process. The process assesses the level of structural damage and heritage value; the housing, land and property ownership status; and future usage plans of owners once the building is rehabilitated. The selection also takes into consideration the socioeconomic vulnerabilities of the building residents and households.

Under the project, 15 additional buildings are expected to be contracted for renovation until June 2025. These buildings are undergoing final verifications and assessments and will be announced in due course.

Through the rehabilitation of these buildings, BERYT aims to bring people who are still displaced, back home, improve the quality and affordability of Beirut's heritage housing stock, lay the foundation for longer term housing reform and recovery, and propose tangible solutions to the complex housing, land and property landscape in the city, while reviving the urban cultural and social vibrancy of Beirut.

-ENDS-

### **About the Beirut Housing Rehabilitation and Cultural and Creative Industries Recovery – the BERYT Project**

The Beirut Housing Rehabilitation and Cultural and Creative Industries Recovery Project, BERYT, is a two-component project led by UN-Habitat and funded by the **Lebanon Financing Facility** (LFF) a multi-donor trust fund administered by the World Bank. The BERYT project will rehabilitate severely damaged residential buildings of heritage value and provide grants to creative and cultural actors in the areas most heavily affected by the Port of Beirut blast, while promoting an urban recovery approach. **UN-Habitat** oversees the implementation of the housing recovery and rehabilitation activities, while **UNESCO** oversees the implementation of the cultural and creative industries revitalization component of the project.

### **About the United Nations Human Settlements Programme (UN-Habitat)**

UN-Habitat works in over 90 countries supporting people in cities and human settlements for a better urban future. Working with governments and local partners, its high impact projects combine world-class

expertise and local knowledge to deliver timely and targeted solutions. The 2030 Agenda for Sustainable Development includes a dedicated Goal on cities, SDG 11 – to make cities inclusive, safe, resilient and sustainable.

### **About the Lebanon Financing Facility (LFF)**

The **Lebanon Financing Facility (LFF)** is a multi-donor trust fund administered by the World Bank to kickstart the immediate socio-economic recovery of vulnerable populations and businesses affected by the Port of Beirut explosion of August 2020 and to support the Government of Lebanon catalyze reforms and prepare for medium-term recovery and reconstruction. The LFF is kindly supported by the governments of Canada, Denmark, France, Germany, Norway and by the European Union.

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### Launching of Rehabilitation Works of Karantina Sorting Facility

**Beirut, Friday April 5, 2024:** The rehabilitation of the Karantina Sorting Facility (KSF) will soon commence and is expected to be completed in 12 months to effectively serve Beirut City and the Matn Caza. The facility had been severely damaged and rendered completely out of service following the Port of Beirut explosion. Its rehabilitation is undertaken under the Beirut Critical Environment Recovery, Restoration, and Waste Management Program, implemented by UNDP and financed by the Lebanon Financing Facility (LFF)—a multi-donor trust fund administered by the World Bank.

The announcement was made at an event organized by the Ministry of Environment and UNDP in Mer'ab-Karantina, in the presence of H.E. the Minister of Environment, Dr. Nasser Yassin, Beirut Governor Judge Marwan Abboud, representatives of donors of the Lebanon Financing Facility (LFF), Mr. Jean-Christophe Carret, World Bank Country Director for the Middle East Department, and Ms. Elina Silen, representing the Resident Representative at UNDP, alongside members of parliament and other distinguished guests. Following the opening remarks and a presentation of the project, attendees visited the rehabilitation site of Karantina Sorting Facility to examine the extent of the damages before the commencement of the works.

Following the Port of Beirut explosion on 4 August 2020, the Karantina Solid Waste Sorting Facility and the Coral Composting Facility in Borj Hammoud area, which are an integral part of the solid waste management system for Beirut and its surroundings were significantly damaged. As a result, both facilities have not been operational since then and all the waste generated in Beirut, the Matn Caza and Kesrouan Caza now go directly to the Jdeideh sanitary landfill, without any sorting or treatment. This is leading to large quantity of waste being disposed in the landfill which will reach its capacity much faster than originally planned.

Rehabilitating these facilities is crucial so that the waste is sorted and recycled, ensuring sound environmental practices and reducing the amount of waste going to landfills.

Upon completion of rehabilitation the works, the Karantina facility will have a capacity to sort 1,000 tons of solid waste per day, which is equivalent to the total quantity of waste currently generated in Beirut and Matn Caza. The sorting facility is an important step for adopting an integrated solid waste management system in Beirut and Matn Caza, which will be established based on a comprehensive Solid Waste Master Plan under preparation.

In his speech, H.E. Dr. Nasser Yassine, Minister of Environment of Lebanon, emphasized the significance of launching the rehabilitation works of the sorting facility in Karantina. “This facility”, he said, “will accommodate the sorting of 1000 tons of waste per day from the city of Beirut and the Metn district, marking a crucial milestone in integrated solid waste management in Beirut”. Dr. Yassine highlighted that this project aligns with a new guideline for waste management in the capital, developed in collaboration with the municipality, explaining that this plan “will also include the construction and equipment of 8 or 9 collection centers distributed in Beirut neighborhoods as well as the rehabilitation of the composting plant in Borj Hammoud.”

He affirmed: “Beirut deserves every effort, as it is the capital, the economic and educational center, and an incubator for everyone. Beirut deserves to be the cleanest, greenest and most sustainable city.”

Judge Marwan Abboud, Governor of Beirut, emphasized the importance of source sorting and integrated waste management, stating that this project is “a vital and essential initiative for the city of Beirut to avoid the environmental issues that result from the accumulation of waste,” and warned of the danger of accumulating waste in landfills at an accelerated pace.

“The rehabilitation of the Karantina Waste Facility responds to a real challenge the solid waste sector is facing”, said Jean-Christophe Carret, World Bank Country Director for the Middle East Department. “Given the scarcity of land in Lebanon, it is critical to reduce waste going to landfills and adopt a circular economy approach starting with sorting of the waste and ensuring adherence of the people to the principles of integrated waste management.”

Elina Silen, representing the Resident Representative at UNDP, expressed hope that “the rehabilitation of Karantina sorting facility can be completed quickly so that it can support improvement of solid waste management scenario in Beirut.” She emphasized the importance of coupling rehabilitation efforts with sector reforms, governance improvements, and cost recovery initiatives to address the waste crisis effectively.

#### About the Lebanon Financing Facility (LFF)

Established in December 2020 in the aftermath of the August 4 Port of Beirut explosion disaster and following the launch of the [Reform, Recovery and Reconstruction Framework \(3RF\)](#), the LFF is a 5 year multi-donor trust fund that pools grant resources and strengthens the coherence and coordination of financing in support of the immediate socio-economic recovery of vulnerable people and businesses impacted by the explosion. To date, the LFF has received contributions and pledges from the governments of Canada, Denmark, France, Germany, and Norway and from the EU. Subject to the commitment of all Lebanese stakeholders to critical reforms, the LFF will build the foundation for medium-term recovery and the sustainable reconstruction of the Port of Beirut and affected neighborhoods. The LFF prioritizes three focus areas of interventions: 1) Socioeconomic and business recovery; 2) Preparing for reform and reconstruction; and 3) Strengthening coordination, monitoring, accountability and oversight of the 3RF. The LFF benefits from the World Bank’s high fiduciary standards, through the application of its fiduciary framework for financial management, procurement, and environmental and social safeguards. The LFF also ensures that programs promote gender equality and community engagement that target women, youth and vulnerable populations.

#### About UNDP:

UNDP is working in Lebanon since 1986 as a development partner supporting economic recovery, including working with municipalities to deliver basic services to host communities, promoting clean energy and solid waste management, strengthening governance and rule of law, providing support to elections, and working on empowering women and youth.

#### For more information, please contact:

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[www.lebanon3rf.org/lebanon-financing-facility](http://www.lebanon3rf.org/lebanon-financing-facility)



Would you like to share any feedback or complaints related to the project?  
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