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<p><b>Key results:</b></p> <ul style="list-style-type: none"> <li>Improved livelihoods opportunities and protection services for refugees, IDPs and host communities in the region.</li> <li>Host communities more stable and resilient, and displaced Syrians will have greater access to durable solutions in the future.</li> </ul> <p><b>Justification for support:</b></p> <ul style="list-style-type: none"> <li>Denmark's 2021 development strategy includes a priority for support to host communities and displaced severely impacted by crisis and conflict.</li> <li>A priority is to apply a humanitarian-development-peace nexus approach for the Syria region.</li> <li>The Strategy also prioritizes fighting for gender equality, including girls' women's access to rights.</li> </ul> <p><b>Major risks and challenges:</b></p> <ul style="list-style-type: none"> <li>The political context will remain volatile, and tensions between host communities and displaced people will persist. The Syria conflict will not find a lasting solution, and sustainable durable solutions will be difficult to achieve in the short- to medium-term.</li> <li>It will be increasingly difficult to work with Government authorities. Not only will it continue to be impossible to collaborate directly with government institutions and structures in Syria, but also in Lebanon.</li> <li>Donor funding to the Syria crisis may be reduced in general, and the Syria donor response may also become more fragmented.</li> <li>The crisis in Lebanon may lead to heightened social unrest and possibly even localized violence.</li> </ul>	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td><b>File No.</b></td> <td colspan="6">2021-29178</td> </tr> <tr> <td><b>Country</b></td> <td colspan="6">Jordan, Lebanon and Syria</td> </tr> <tr> <td><b>Responsible Unit</b></td> <td colspan="6">MNS and Beirut</td> </tr> <tr> <td><b>Sector</b></td> <td colspan="6">Humanitarian-development-peace nexus</td> </tr> <tr> <td></td> <td colspan="6" style="text-align: center;"><i>DKK million</i></td> </tr> <tr> <td></td> <td>202</td> <td>202</td> <td>202</td> <td>2024</td> <td>2025</td> <td>Total</td> </tr> <tr> <td><b>Commitment</b></td> <td>200</td> <td>200</td> <td>200</td> <td>-</td> <td>-</td> <td>600</td> </tr> <tr> <td><b>Projected</b></td> <td>100</td> <td>200</td> <td>200</td> <td>100</td> <td>-</td> <td>200</td> </tr> <tr> <td><b>Duration</b></td> <td colspan="6">36 months (commitments)</td> </tr> <tr> <td><b>Finance Act code.</b></td> <td colspan="6">06.32.02.10</td> </tr> <tr> <td><b>Head of unit</b></td> <td colspan="6">Marianne Kress</td> </tr> <tr> <td><b>Desk officer</b></td> <td colspan="6">Jakob Rogild Jakobsen/Thomas Thomsen</td> </tr> <tr> <td><b>Reviewed by CFO</b></td> <td colspan="6">Antonio Ugaz-Simonsen</td> </tr> <tr> <td colspan="7"><b>Relevant SDGs</b></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> <tr> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> <td></td> </tr> </table>	<b>File No.</b>	2021-29178						<b>Country</b>	Jordan, Lebanon and Syria						<b>Responsible Unit</b>	MNS and Beirut						<b>Sector</b>	Humanitarian-development-peace nexus							<i>DKK million</i>							202	202	202	2024	2025	Total	<b>Commitment</b>	200	200	200	-	-	600	<b>Projected</b>	100	200	200	100	-	200	<b>Duration</b>	36 months (commitments)						<b>Finance Act code.</b>	06.32.02.10						<b>Head of unit</b>	Marianne Kress						<b>Desk officer</b>	Jakob Rogild Jakobsen/Thomas Thomsen						<b>Reviewed by CFO</b>	Antonio Ugaz-Simonsen						<b>Relevant SDGs</b>																											
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### Objectives for stand-alone programme:

To generate improved, inclusive access to protection services and livelihoods for refugees, IDPs and host communities, enabling durable solutions when opportunities arise.

Thematic area 1: Access to protection and services	Partner	Total thematic budget: [mill.]
Strengthening the Social Protection System for Vulnerable Refugees and Lebanese through Community-based Protection (Lebanon)	UNHCR	50
2021 Call for Proposals (Jordan and Lebanon)	NGOs	90
<b>Total</b>		<b>140</b>

Thematic area 2: Access to livelihoods	Partner	Total thematic budget: [mill.]
Support to Syria Resilience Consortium (Syria)	Care Norway	50
Support to Land Reclamation and Water Reservoirs (Lebanon)	FAO	30
Support to Vulnerable populations in urban neighborhoods (Lebanon)	AFD	30
<b>Total</b>		<b>110</b>

Thematic area 1 and 2	Partner	Total thematic budget: [mill.]
RDPP Phase 3 (Lebanon and Jordan)	RDPP	200
Unallocated	t.b.d.	145
<b>Total</b>		<b>345</b>
	<b>Programme support</b>	<b>5</b>
	<b>Total</b>	<b>600</b>

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## 1. Introduction

*The conflict in Syria has entered its eleventh year and has developed into one of the most complex and protracted crises in the world. The Danish Finance Act for 2021 includes a budget line for Syria (§06.32.02.10) of 200 million DKK. This budget is dedicated to an agile, solution-oriented and coherent Danish development engagement across the humanitarian-development-peace nexus for refugees, internally displaced and affected host communities in and around Syria. It has been proposed to keep this level of funding for further initiatives in 2022 and 2023. The programme builds in particular on past and ongoing engagements supported in the previous years under the Syria neighbourhood assistance.*

\* \* \*

This programme document outlines the context, strategic framework and engagements for the 2021-2023 phase of Support to Syria and Syria's neighbourhood (3SN), with an emphasis on Lebanon and Jordan. The support is part of Denmark's continuing efforts to strengthen assistance in areas and countries neighbouring crisis and conflict, targeting internally displaced people (IDPs), refugees and affected local communities in accordance with the priorities in Denmark's 2021 development strategy and the Global Compact on Refugees of December 2018. The overall development objective of the programme hereby presented is to generate improved, inclusive access to protection, livelihoods and services for refugees and host communities, enabling durable solutions when opportunities arise.

The 3SN programme builds upon and complements other large-scale Danish engagements in the region, in particular the ongoing phase II of the Regional Development and Protection Programme (RDPP) covering Lebanon, Jordan and Iraq, the Danish-Arab Partnership Programme (DAPP), the Peace and Stabilisation Programme (PSP), covering Syria and Iraq, and the humanitarian assistance. The proposed support seeks continuity and complementarity where possible and relevant in respect of past and ongoing engagements. It incorporates lessons learned and strives to further increase the impact of the Danish portfolio in the region through strategic partnerships in Jordan, Lebanon and Syria. The latter includes the full incorporation of RDPP phase III in the 3SN programme.

The proposed engagements have been selected through a series of virtual meetings, a recent review of 3SN engagements, a thorough desk review of programme documents and a validation mission to Beirut and Amman. The implementing partners were chosen based on a series of key criteria, which include the track record of effectiveness and efficiency and the demonstrated capacity to adapt to contextual changes. Conflict sensitivity, environmental sustainability, human rights, good governance and gender equality were cross-cutting priorities guiding the selection of partners and are reflected in each of the chosen engagements.

## 2. Context, strategic considerations, rationale and justification

The context of the Syria conflict and its multifaceted protracted crises has continued to evolve over the past 18 months. On the face of it, limited territorial gains made in early 2020 point to the resurgence of Bashar al-Assad's government, albeit with heavy dependence on Russia and Iran. In substance, however, this reconstitution of the status quo ante cannot conceal that the repressive behaviour of the Syrian authorities remain the same. The foundational equation of instability in Syria therefore remains by and

large the same. Nevertheless, there are circumstantial changes at various levels that programming needs to consider, such as Covid-19.

The aim of this section is to provide an overview of the most relevant national trends as well as their implications for engagements to be selected, a list of the key stakeholders and an overview of Danish priorities and strategic considerations for the programme.

## Syria

The Syrian conflict is entering its eleventh year, with no foreseeable end to it. It is estimated that over 450,000 Syrians have lost their lives since March 2011, as the conflict has become militarized and regionalized with oppression and human rights violations by the Syrian authorities as one of the primary drivers. 6.7 million people have been displaced internally within Syria, having been forced to leave their homes and seek protection in other parts of the country. The conflict also resulted in over 5.6 million refugees, fleeing mostly to neighbouring countries, where the consequences of the conflict are also intensely felt. This includes the fragile economies of Jordan and Lebanon, which have registered over 855,000 and 669,000 Syrian refugees respectively, with additional de facto Syrian residents lacking refugee registration.<sup>1</sup>

Approaches for national, inclusive political change are deadlocked. Bashar al-Assad secured his fourth seven-year term as president in May 2021, emphasising that there will be no near-term changes to the political and security landscape in Syria. It remains a highly complex situation, with hostilities and violence expected to endure - at the time of writing, the biggest hotspots were the north-western region of Idlib, the largely Kurdish, north-east and south-west, notably Daraa. According to surveys conducted by UNHCR, only a very small percentage (2.4%) of Syrian refugees have any interest in returning to Syria within the next 12 months; however, 70% do have intentions to return to their home country one day. Safety, security, livelihoods, housing and basic services are the main deciding factors that Syrian refugees take into consideration when evaluating the possibilities of return.

Security and political challenges are coupled with ongoing economic collapse. The Syrian economy is severely weakened after eleven years of conflict, the impact of Covid-19 and repercussions of the crisis in Lebanon, resulting in a macroeconomic crisis. Authorities in Damascus have less funds and, due to the conflict, more interest in narrowing access to services. The World Bank has estimated that the conflict has led to a negative gross domestic product (GDP) growth of -12 percent on average over the period 2011-18, resulting in a GDP contraction to about one-third of the 2010 level. In 2020 the Syrian Pound suffered significant depreciation and there was a 236% increase in food prices, contributing to a record number of Syrians who are now food insecure.

The conflict in Syria and the country's economic deterioration also have a tremendous impact on the lives of women and girls. According to UNFPA, this impact presents itself in the form of gender-based violence, which includes forced marriages, domestic violence sexual harassment and sexual violence, all of which has become more and more normalized in Syrian society. This is combined with long-standing

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<sup>1</sup> <https://data2.unhcr.org/en/situations/syria>



unequal and restrictive gender norms, which restrain women from making important life choices, such as their partners, movements, education, and dress code.

The most likely scenario for Syria over the next couple of years is that the conflict with its constituent regional underpinnings will not end. With no political transition on the horizon, it is unlikely that any event or trend will lead to a significantly bigger number of sustained returns. There will be no negotiated settlement covering the whole country. There will be population movements, including some displaced people returning, but millions of people will remain displaced both within and beyond Syria. Further displacement cannot be ruled out. Given the deteriorating economic situation in host communities, continuing humanitarian and development support will be vital to prevent a further aggravation of vulnerabilities. The best conceptual focus for programming in Syria will be around resilience, i.e. flexibly taking opportunities at a local level to support capacities to respond to shocks, including by attaining sustainable livelihoods.

## **Lebanon**

Syria's crisis severely affects Lebanon. The initial consequence of revolution and war in Syria was an influx - according to Lebanese government estimates - of up to 1.5 million Syrian refugees. With 855,000 of them registered with UNHCR, Lebanon has on that measure the highest proportion of displaced people per capita in the world. Furthermore, Lebanon has served as a financial and logistics hub for the Syrian authorities and its regional backers, which has strained Lebanon's political economy – a political economy based on symbiosis between sectarian political actors, theoretically neutral state institutions and a banking sector marked by cronyism.

The emblematic disaster of the explosion in Beirut harbour in August 2020 highlighted a government with limited accountability to its citizens. It took the Civil War of the 20th Century to compel and exhaust political leaders into agreeing on the current constitutional framework, which has become a straitjacket on possibilities for political reform. As shocks and stagnation have piled up, it is hard to exaggerate how far the country has dropped into a financial, economic and political crisis, and the social impacts are clear to see. The sharp depreciation of the national currency, hyper-inflation, increased unemployment, mounting inter-communal tensions and rising food insecurity are just a few indicators of how catastrophic conditions have become. The World Bank has indicated that the current financial and economic crisis in Lebanon ranks among the three most severe crises that have happened anywhere since the mid-nineteenth century. Without a government in place and a real will to initiate vital economic reforms, the IMF is not able to provide much needed support for recovery.

Real GDP growth is estimated to have contracted by 20.3 percent in 2020, following a 6.7 percent contraction the year before. Tourism was one of the sectors most significantly hit in the period, given the travel restrictions implemented to contain the spread of COVID-19, and employment has also been significantly affected, with one in five workers losing their jobs since October 2019. The debt-to-GDP ratio has also been exacerbated and it was estimated at 174 percent in 2020, a 3 percentage point increase from the previous year. Among Lebanese, there has been an increase in emigration interest, to such an extent that there have been sporadic ventures to reach Cyprus by boat.

89% of Syrian refugees in Lebanon are below the extreme poverty line. UN estimates suggest a majority of Lebanese would now count as impoverished and extreme poverty is rising. These numbers are likely to grow, given the dramatic decline of households' purchasing power over the last two years. An assessment conducted by the World Food Programme during the Spring of 2021<sup>2</sup> highlighted that the number of families facing food shortages has increased reflecting a continuous deterioration in the ability of households to access food and other basic needs. This is partly linked to limited investments in agricultural productivity over the years as the structure of the economy has encouraged food imports.

The lack of job opportunities and poverty among refugees and Lebanese has generated worsening tensions, with localized incidents of violence on the rise. The national government has not taken centralized action to push Syrian refugees back to Syria, but tensions indicate a growing challenge of community acceptance towards refugees who are sometimes blamed as scapegoats for the political crisis in Lebanon. UNHCR's Gender-Based Violence Information Management System has also documented a continuing rise in incidents of child sexual abuse affecting both girls and boys, along with domestic violence and intimate partner violence since the Covid pandemic started affecting Lebanon.

International actors are underwriting a lot of services to refugees, some through government mechanisms and a lot through NGOs. The Lebanon Crisis Response Plan<sup>3</sup> provides a framework for this, covering a variety of sectors, ranging from basic assistance to social stability and livelihoods. It is clear the government will struggle to invest much in refugee services until there is budget reform and more political breathing space to focus on the issue.

Given these challenges, Lebanon is in no condition to pursue the 2030 Sustainable Development Goals (SDGs) nor the inclusive approaches to refugee response that are called for in the Global Compact on Refugees. UNDP suggests that the most realistic option for the time being is to try to maintain achievements under the Millennium Development Goals. The country should strive to keep poverty levels from increasing further and avoid further deterioration of the environment – one approach to this has been developed by Lebanon, the World Bank and the UN in the form of a Lebanon Reform, Recovery and Reconstruction Framework (3RF). As with many such plans, the challenge is in finding implementation mechanisms to achieve its aims; modalities that rely on the government are risky as public service morale has declined and many institutions have seen a de facto fall in available personnel.

The expected scenario for Lebanon over the next three years is that no major political reform will occur and the sectarian division of power will be maintained. The economic situation is expected to remain critical, with a continuous decline of household purchasing power, and regular and irregular migration outflows are likely to increase as a result of crises in the country. Though tensions at the community level are likely to remain or worsen, no official governmental action to push return for Syrian refugees is expected. There is likely to be slowly increasing reliance on service provision by some sectarian actors, including with ongoing sponsorship from Iran and potentially renewed support by countries in the Gulf. The emergence of social unrest or even armed conflict cannot be ruled out; there is a real risk of further national disintegration, which may lead to even greater vulnerabilities among refugees. Given the big,

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<sup>2</sup> WFP and WBG (April 2021). Lebanon m-VAM Vulnerability and Food Security Assessment.

<sup>3</sup> The Lebanon Crisis Response Plan is part of the Regional Refugee & Resilience Plan (3RP), developed by affected governments and the UN in response to the Syrian refugee crisis.

acute crises in Lebanon, the best programming approach is to alleviate immediate shocks and help protect from the worst threats, while working primarily with civil society and the private sector to develop medium-term foundations for economic growth and social cohesion.

## **Jordan**

The Syrian crisis has had big impacts on Jordan, including through the large influx of refugees. In August 2021, 669,497 Syrian refugees were registered with UNHCR in the country, 80% of whom are living outside of refugee camps. In 2015, the Government of Jordan collaborated with the UN and NGOs in developing the Jordan Response Plan (JRP), which like the LCRP is part of 3RP. The 2020-2022 version of the JRP has as its top priority to protect the dignity and welfare of Syrian refugees and vulnerable Jordanians impacted by the Syrian crisis. The plan presents a collective approach across all sectors, with diverse stakeholders from government ministries, donors, UN agencies, national and international NGOs with the objective of addressing core needs. It reflects that Jordan has adopted highly inclusive approaches to hosting refugees by allowing them to work in selected sectors jobs and to access health care and education services.

Jordan's economy, which already showed high unemployment and debt levels, was badly hit by the pandemic. The unemployment rate spiked to 23% in the second quarter of 2020, a 3.7% increase from the previous quarter. World Bank research in 2020 showed that 54% of businesses in Jordan report that they fell, or are soon expected to fall, into debt. Additionally, one third of Syrian refugees who were employed before the start of the pandemic have lost their jobs, increasing risks of a further drop in the income of refugee households.

Jordan has one of the youngest populations in the world, with 63% under 30 years of age. A country with this age structure needs rapidly expanding job opportunities, which Jordan is struggling to produce. Youth unemployment stands at 40%; among Syrian youth, unemployment is an even more dramatic 84%.

The probability of political or financial instability in Jordan has risen, but the most likely scenario is that the government maintains control and the economy does not significantly worsen. The government will remain highly dependent on foreign aid, including because of Covid-19 impacts. According to the World Bank, economic growth will remain subdued, given structural impediments. It is not likely that the government embarks on significant reform to its political economy, so the best programming approach is to support working government systems and seek opportunities to develop practical civil society innovations, particularly on protection.

### **Additional cross-cutting issues**

Gender-based violence is on the rise, reducing the safety of women and girls within their own households and communities, and access to the necessary specialised services is limited. The deteriorating economic situation and the inability to meet the most basic needs also appears to have encouraged a notable rise in child marriages, and a heightened risk of sexual exploitation and abuse. There have been local and international initiatives to respond in Lebanon, to a lesser extent in Jordan, and in Syria there have been formidable contextual constraints to responding. The 3SN programme will support efforts to shift this

development, both with safeguarding/mainstreaming approaches to project management and with projects that have GBV reduction as a specific objective.

In all three countries, the toll of crises and fragility can be seen in environmental degradation. All three countries suffer water scarcity overall and have pockets of great water stress among vulnerable communities. Greater poverty in parched areas makes it difficult for people to invest in mitigation or adaptation. Land use practices have tended towards neglect or unsustainability, including due to the constraints of conflict. Climate change impacts are not well-studied in the countries in the region, but their agricultural sectors generally lack resources to adapt. For the 3SN, the most likely opportunities to address climate change and environmental sustainability will be in livelihoods activity design; to a lesser extent there may also be opportunities to mitigate impacts through protection-focused activities.

## **Key Stakeholders**

### Government

Lebanon and Jordan are highly dependent on foreign aid but their governments have different capacities to engage with aid processes - for example. Jordan has stronger central planning and oversight capabilities, while Lebanon has a weak state with strong social components. Both governments struggle with the need to balance foreign support to Syrian displacement with their understandable focus on their own citizens' widespread poverty and issues of social cohesion. The government of Jordan and, to a lesser extent the government of Lebanon, have included Syrian refugees in their national plans as beneficiaries of specific types of service delivery. In Lebanon there is an expectation that Lebanese will be included as beneficiaries in programmes implemented by international actors. In Jordan, the policy is that any programme including Syrians should have a balance of 30% Syrians and 70% Jordanians.

When considering government stakeholders, due attention must be given to the sub-national territorial entities and administrative divisions, in order to anticipate challenges but also potential opportunities when dealing with national governments. This is important as large numbers of Syrian refugees live in host communities that range from smaller rural and urban settlements to larger agglomerations, notably around the capital cities. In this sense, responding to Syrian refugees' needs also implies proactively understanding the competencies and working mechanisms of the various administrative divisions, for example municipalities. In Lebanon, municipalities tend to have more authority vis-à-vis the central government, whereas Jordan's municipalities are somewhat more passive recipients of central government disbursements.

In line with EU consensus, the programme balance is for zero support to the Syrian authorities, limited direct or indirect support through Lebanese government channels, and somewhat more interest in Jordanian government systems given the greater level of legitimacy and capacity for absorption along with the inclusive approaches to the refugee response.

### Civil society

In Lebanon, Jordan and Syria, local and international NGOs are key actors on livelihoods and protection. The programme includes an emphasis on localization wherever possible. In Lebanon and Syria, NGOs are operating in politically unstable (and in parts heavily oppressive) systems, with deteriorating economic



circumstances and rising humanitarian needs. Syria's civil society has not been able to develop independently in areas controlled by Assad and in other areas there are heavy pressures to align with the authorities. There is a stronger tradition in Lebanon of boisterous civil society advocacy towards the government on issues such as gender-based violence and access to services, whereas advocacy is less advocacy in Jordan, and it is almost non-existent in Syria. This pattern is repeated in terms of broader civil society capacity: Lebanon contains strong, long-running, independent NGOs, including some that are rights-based, whereas Jordan's civil society primarily consists of charitable and developmental organizations with a stronger focus on service-provision.

The programme foresees significant investments in localization among Lebanese NGOs and with a narrower range of Jordanian NGOs. Localization and capacity-building among Syrian civil society is a much more fluid process and should be led by those Syrians who can do so with the necessary degree of independence.

### Multilateral organizations

One indicator of Lebanon and Jordan's dependence on aid is the presence of many, big delegations of UN agencies and the World Bank. In Syria, they have a much smaller presence.

The World Bank has struggled in Lebanon as the financial crisis has deepened, since government systems have weakened to an extent that makes it hugely risky to channel money in the way that the World Bank prefers. Further, the political stalemate has prevented the required parliamentary approval of agreements with the bank. However, it plays an important role in identifying options for the government to engage in big reforms, although this does not translate into major influence over the sectarian struggle to decide on whether to reform. In this context, the programme assumption has been that existing Danish investments in the World Bank facilities for Lebanon should not be expanded until there is better prospects for economic reform and government capacity.

Jordan has very large projects with the World Bank in various areas under the Country Partnership Framework agreed in 2016 for 2017–2022. It encompasses long-term development commitments as well as sector-specific engagements, such as health, education and social protection). Jordan is by far the largest recipient of funding under the Global Concessional Financing Facility, to which Denmark has been one of the biggest donors. There is a demonstrated capacity for Jordan to implement World Bank projects, including those with a concern for displaced Syrians.

UN agencies in Lebanon and Jordan play an important role channelling international donor funds into local activities. In principle and in practice, some agencies have an important role in advocacy on behalf of Syrian refugees, for example UNHCR. However, as in many other countries, UN mechanisms for implementation are not always effective at generating sustainable capacity among the recipient NGOs or government agencies. As one indicator, there are many UN programmes that include a capacity-building component for NGO implementing partners - and have done so for a decade or more. The 3SN formulation approach has been to assess UN programmes for comparative advantages that go beyond convenience as a recipient of Danish funds.

## Donors

Since the start of the Syrian crisis, large amounts of humanitarian donor funding has gone into the region in response to emergencies and displacement. Over the years and in particular since 2015, donors have been complementing humanitarian assistance with development aid, in order to increase resilience and longer-term solutions, in particular in the countries neighbouring Syria. Denmark has been at the forefront of this trend, and remains so with the 3SN. Further, it will generate alignment with other donors and international partners working in the region as has been the case with past and ongoing engagements in this area.

In Jordan, the USA is the biggest bilateral donor. Lebanon has a broader mix of significant donors, including the EU, Germany and the French Development Agency (AFD). The 3SN formulation process has included up-to-date coordination with EU and AFD project development processes, which has helped to ensure strategic alignment and broader coherence between this programme and other donor activities. Generally, the potential niches for Denmark are in topics that are less well-addressed by large donor programmes - for example gender-based violence and agriculture - as well as in innovating ahead of the curve on challenges like localization and resilience.

## **Danish Strategic Considerations**

The formulation process has carefully considered the strategic priorities described in Denmark's 2021 development strategy, including a particular interest in the humanitarian-development-peace nexus for the Syria region. Danish commitments in Syria and neighbouring countries are expected to amount to at least 700 million DKK in 2021. Denmark's efforts toward the Syria conflict and displaced Syrians in the region, which falls under the category of "poor, fragile countries and regions characterised by fragility", strive to address the following SDGs: 1) No poverty, 2) Zero hunger, 3) Quality education, 5) Gender Equality, 8) Decent work and economic growth, 16) Peace, Justice and Strong Institutions and 17) Partnerships for the goals.

The programme engagements described below are part of the Danish portfolio of engagements in the region, including the Peace and Stabilisation Programme, humanitarian assistance, the Danish-Arab Partnership Programme, instruments relevant to return and resettlement. The 3SN formulation occurred in parallel with steps to formulate a new Peace and Stabilisation Programme, which allowed the two teams to ensure coherence across their respective context analyses.

As described in Denmark's 2021 development strategy, Denmark will be fighting for gender equality, including girls' and women's access to rights. The formulation process identified multiple opportunities for Denmark to advance these objectives, noting that COVID-19 and the mitigation measures imposed by governments have severely impacted the wellbeing of women and girls in the region. Denmark will maintain its position as a strong global advocate of sexual and reproductive health and rights - the engagements have been reviewed for specific gender equality objectives as well as for cross-cutting sensitivity to gender in project design and implementation.

The "Government's Development Policy Priorities for 2021" outlines Denmark's interest in helping the host communities in the region, which have been severely impacted by the crisis. There are many

advantages to helping host communities to deal with refugee influxes as close to their country of origin as possible. This is a big challenge at present in the 3SN region, with Lebanon and Jordan facing big pressures and some indications of greater interest in onward movement by refugees and by people from the host communities themselves.

Denmark understands that the above goals cannot be achieved by the efforts of a single actor. Existing and new partnerships are at the core of the 3SN formulation, as they are key to strengthening Danish impact in the region. Denmark will work with other like-minded donors and organizations, favouring innovative and courageous partnerships.

**3. Programme or Project Objective**

The overall programme objective is to generate improved, inclusive access to protection, livelihoods and services for refugees and host communities, enabling durable solutions when opportunities arise. As described in the context analysis, there are two severe constraints on pursuing the programme objective - the lack of durable solutions in a formal sense and the deteriorating conditions in Syria, Jordan and Lebanon. The programming challenge is therefore to support effective partners who can adapt their services locally to address the needs and capacities of displaced people and host communities across a spectrum of humanitarian, development and peace activities.

**4. Theory of change and key assumptions**

Syrians will have better access to durable solutions in the future if they have access now to services that protect them, generate livelihoods and invest in their skills. Given the challenging context, if the programme wants displaced Syrians to succeed, it will have to support Jordanians and Lebanese too. In particular, the programme will need to invest in economic sectors that have a chance to generate incomes, support innovations that address social cohesion, not least for young people, and promote sustainable access to rights for all ages and genders.

Integrated theory of change at the programme level	
Output level	<i>If farmers reclaim land and increase agricultural productivity in Lebanon, while businesses and NGOs in urban areas support business and individual job opportunities, then there will be immediate benefits in livelihoods for Syrians and Lebanese, reduced economic drivers of community tension and a bigger base for economic expansion if national reforms occur.</i>
And	
	<i>If international actors support Lebanon and Jordan in making basic services available to refugees and host communities, while NGOs invest in innovation to make protection activities more sustainable and scalable, then there will be greater space to protect refugees and foster social cohesion.</i>
And	
	<i>If there is a flexible capacity to support resilience in Syria, this will deliver livelihoods, protection and social cohesion activities wherever opportunities arise at the community level, which will then preserve and expand space for lasting solutions as the context allows.</i>
And	

	<i>If there is a mechanism that localizes research, design, implementation, evaluation and advocacy capacities, then local NGOs will deliver more sustainable and responsive services to refugees and host populations.</i>
<b>Then</b>	
Outcome level	<i>If there are immediate livelihoods opportunities and protection services for IDPs, refugees and host communities, alongside investments to localize and innovate for medium term sustainability, then host communities will be more stable and resilient, while displaced Syrians will have greater access to lasting solutions in the future.</i>

The table below highlights assumptions surrounding the theory of change, as well as demonstrating how the focus may need to change if the assumptions do not hold.

Assumption	If this assumption is wrong...
Jordan: the government maintains the capacity to keep public order and there is no active armed conflict.	Engagements that depend on government systems may need review and there may be more need for humanitarian or stabilisation support. Gender inequalities may become worse.
Jordan and Lebanon: no steps are taken at a national level aims to return or reject Syrians seeking asylum in Lebanon.	Medium-term livelihoods support for Syrians would become less feasible and there would a greater risk of secondary movements to third countries outside the region. More advocacy and diplomatic engagement may become even more important, as would protection for returned Syrians and those in risk of being returned.
Jordan and Lebanon: the government is unwilling or unable to legislate change to strengthen protection of Syrians on issues such as labour rights.	Legislation, regulatory advice and advocacy to implement protections would become more valuable.
Jordan: the economic outlook remains difficult but does not deteriorate further, including because foreign donor support does not decline by more than 10% by the end of 2023.	Reduced prospects for medium-term livelihood outcomes, with a greater priority on humanitarian activities and gender inequalities.
Lebanon: subnational power-holders continue to see value in at least a weak national system. For example, there are no attempts to formally sever territory from a national regime.	Stabilisation and mediation support would become more important. Medium-term livelihoods outcomes may become more difficult in contested areas. Even less scope to rely on national government systems or support to reach all populations.
Syria: there continues to be zones that the current Syrian authorities control as well areas where other authorities are in control.	If the Syrian authorities expand its territorial control, there would be less scope for activities that NGOs are conducting with the cooperation of other authorities. If the Syrian authorities retreat, bigger support for activities within Syria may be justified.

Syria: Large-scale fighting does not resume.	Within Syria and in neighbouring countries, priorities may shift further to humanitarian assistance and peace-efforts, with greater need for attention to gender inequalities and other protection concerns.
Syria: Denmark will not contribute directly to reconstruction in regime-controlled areas.	Potential to develop activities at scale to rehabilitate areas of return, serve IDPs and invest in longer-term development.

## 5. Summary of the results framework

Draft note: results framework to be developed after engagement selection and the finalisation of formulation processes.

## 6. Inputs/budget

The programme budget is DKK 600 million, divided into three years of DKK 200 million each. The table below breaks down the budget by thematic priority and by year. Grants to implementing partners of the programme will be spent solely on activities leading to the expected outputs and outcomes as agreed between the parties. The implementing partner is responsible for ensuring that the funds are spent in compliance with the agreement and with due consideration to economy, efficiency and effectiveness in achieving the results intended.

### Programme budget in million DKK (commitments)

Engagement	2021	2022	2023	Total
<b>Thematic area 1: Access to protection and services</b>	<b>140</b>			<b>140</b>
UNHCR Lebanon	50			50
2021 Call for Proposals* (Lebanon and Jordan)	90			90
<b>Thematic area 2: Access to livelihoods</b>	<b>60</b>		<b>50</b>	<b>110</b>
Syria Resilience Consortium			50	50
FAO Land Reclamation and Water Reservoirs (Lebanon)	30			30
AFD Neighbourhood (Lebanon)	30			30
<b>Thematic area 1 and 2 (actual distribution t.b.d.)</b>		<b>200</b>		<b>200</b>
RDPP Phase 3* (Focus on Lebanon and Jordan)		200		200
<b>Total Planned Budget per Year</b>	<b>200</b>	<b>200</b>	<b>50</b>	<b>450</b>
<b>Unallocated funds**</b>			145	145
<b>Reviews, technical support</b>			5	5
<b>Total Budget Allocated</b>	<b>200</b>	<b>200</b>	<b>200</b>	<b>600</b>



## **Notes:**

\* The distribution of funds between Jordan and Lebanon roughly corresponds to the number of refugees hosted by the two countries. It does not reflect any binding planning assumptions. Actual division of future funding for the RDPP and the Call for Proposals will depend on contextual developments and needs.

\*\* Preliminary long-list for contributions from unallocated funds are discussed below

## **Unallocated funding**

The budget includes almost 25% or 145 million DKK of unallocated funding for 2023 in light of the volatile environment. The economic, political, conflict and pandemic context demands this flexibility. In late 2022, the programme will tender for a review of engagement options for 2023, starting with the performance of existing engagements and their potential to employ new funds effectively. Normal appraisal processes will be followed. There are a number of options to consider, shown under the “Summary of Projects” below.

## **7. Institutional and Management arrangement**

The arrangements here aim to ensure adequate reporting, dialogue, learning and timely decisions, including possible adaptations to ensure achievement of agreed outcomes. The approach is guided by Denmark’s “Doing Development Differently” ambition. In the context of Syria and neighbouring countries, there is a particular need to consider coherence and synergies across Danish instruments, such as humanitarian funding, the Peace and Stabilisation Programme and the Danish-Arab Partnership Programme (DAPP). This will be ensured through regular coordination meetings (quarterly or half-year), organised in a task force format. The context and the programme objective also demand flexible and adaptive management, given the certainty that new problems and opportunities will arise over a three-year period. To adapt well, programme managers will need the opportunity and readiness to consult with implementing partners and other stakeholders in the context, then turn this into policy dialogue and or administrative adjustments as relevant.

The Royal Danish Embassy (RDE) Beirut will lead the programme management. RDE Beirut will coordinate between this programme, MENA, MNS, centrally-supported humanitarian activities (HCE) and policy developments in the Danish Government. Coordination will be embedded in a Task Force that convenes stakeholders from relevant units, such as HCE, MENA, MNS and the Peace and Stabilisation Advisors.

## **8. Financial Management, planning and reporting**

The programme’s financial management will be done in accordance with the MFA’s regulations for financial management, including the Guidelines for Country Strategic Frameworks Programmes and Projects (2020), Guidelines for Financial Management of Development Projects (2018) and the General Guidelines for Accounting and Auditing of Grants channelled through Multilateral Organizations (2012).

Individual partner agreements will be multi-annual and include disbursement schedules and processes. 2021 disbursements, which are scheduled for December, are likely to be front-loading partner programmes for 2022 activities. Agreements are then likely to include annual disbursements, based on satisfactory performance and reporting. Partners will submit narrative and financial reports to RDE Beirut in line with reporting cycles included in individual agreements. The 2021 call for proposals to NGOs will include selection criteria related to financial management, and grant agreements will require adherence to Danish rules and guidelines on financial management.

In contexts such as the Syria region, there are significant risks of corruption and fraud. Field auditing and monitoring is also difficult and expensive. The programme therefore prioritises partners with effective financial management, fraud detection, internal accountability systems and transparent reporting on such risks. All agreements will contain an obligation on implementing partners to include stringent measures to control, mitigate and respond to misuse of funds. This includes a requirement to report cases of suspected misuse.

There are substantial financial risks in the programme; Annex 4 contains detailed risk assessment and describes responses in the event that fraud or misappropriation occurs. Generally, options include targeted audits and reclaiming funds from partners.

## 9. Risk Management

This section presents the preliminary risks that have been identified, their likelihood, impact and the possible mitigation measures. The table might need to be adapted in order to reflect contextual changes.

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
(Lebanon and Jordan) Increased tensions between the host community and Syrian refugees leads to governmental action to start deporting displaced Syrians.	Unlikely	Major	More advocacy and diplomatic engagement may become more required, as would the implementation of protection mechanisms for returned Syrians along with those in risk of being returned.	Significant - Tensions are most likely to remain	Jordan seems to have accepted the presence of Syrians for a longer while than anticipated.  Social tensions are already a factor of concern in Lebanon, given the country's dire scenario.
(Syria) Contextual changes lead to an increased number of returns and	Very unlikely	Major	If needed and politically feasible, unallocated funds might be used inside Syria on projects to support returnees.	Minor - host country governments might see an opportunity to increase pressure	Only a very small percentage of Syrian refugees want to return to Syria soon. Jordan and Lebanon do not

shifting needs in the region.				on Syrian refugees for return.	appear to have an appetite to force this.
(Regional) Other donors reduce funding such that programme engagements are affected.	Likely	Major	Renegotiate partner agreements where feasible to maintain a useful impact. Otherwise, cease and reallocate funds..	Minor - likely that programme objectives can continue to be served even with a substantial reduction of other donor funds.	Donors to the Syria response are showing signs of fatigue, even while more people are facing poverty and refugees face greater insecurity.
(Lebanon) Political context will remain unstable within the next few years, imposing barriers to effective implementation of projects that require governmental approval.	Likely	Major	Ensure that government-focused activities are able to address municipal authorities. Maintain continuous communication to relevant ministries.	Minor - Little chance that projects will rely on national authorities and be significantly delayed or become unfeasible.	Government currently in care-taker mode waiting for a new government to be formed.  Lebanon's government has failed to deliver the most basic services for years, and the disagreements between different sects have put the country in a paralysis when it comes to decision making. Multiple organizations have reported struggles when collaborating with the national government.
(Syria) Shrinking or rapidly varying space for operating partners reduces their effectiveness.	Likely	Major	Agreements assume that partners will need to adapt. Select partners with a track record of effective adaptation.	Major - still likely that effectiveness will be reduced by shifting pressures. Also possible that work must stop in some areas.	Partners have been forced to adapt frequently, undermining continuity and effectiveness.

## 10. Closure

Closure processes are specified at the engagement level. For the programme overall, an exit or transformation strategy will depend heavily on how circumstances develop in Syria and Lebanon. If sustainable returns or greater engagement with Syrian authorities becomes possible, then the programme could evolve into more direct support into Syria. If Lebanon stabilises and sets a foundation for reform, then Danish interests may be served through supporting governance initiatives. Jordan seems more stable and the programme itself is aiming to increase sustainability through localization and government capacity-building.

## 11. Short summary of projects

The formulation of the 3SN programme included a long-listing and assessment of over 45 potential vehicles for cooperation and a shortlisted review of 28 engagements that appeared most relevant, assessed against criteria such as partner track record and strategic relevance to the portfolio. The shortlist is shown in Annex 10.

### Regional Development and Protection Programme (RDPP) Phase 3

A phase 3 of the RDPP will deliver further advances in partnering with and supporting local capacities in order to generate livelihoods and protection to displaced people and host communities. This includes a comprehensive approach to decent, economically viable, and sustainable livelihoods through collaboration with the private sector to generate complementary supply and demand, supporting skills development with job placement and mentoring for more sustainable employment, and creating jobs through supporting start-up businesses or to existing business to expand to employ targeted vulnerable populations participating in skills development. Further, the focus for protection will remain on addressing sexual and gender-based violence, social cohesion, combatting child labour and promoting work on decent jobs. Youth, women and girls will be prioritized target groups.

The theory is that a mechanism dedicated to localizing research, design, implementation, evaluation and advocacy capacities will deliver more sustainable and responsive services to refugees and host populations. The documented comparative advantage of the RDPP is strong and clear. It is one of the few mechanisms in the region dealing with displaced people that creates a partnership between donors and local organizations in a way that supports them to innovate and develop in line with their strengths. The RDPP will have a dedicated focus on capacity development of local partners, strengthening their institutional and organizational capacities beyond direct project implementation. Localization will be the core engagement principle, in line with the World Humanitarian Summit commitment to be 'as direct as possible'.<sup>4</sup>

The RDPP's strength has been particularly obvious in co-creation processes with implementing partners that shape project designs to be more innovative and to move ambitions from immediate outputs to

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<sup>4</sup> In the current phase of the RDPP, two-thirds of partnerships are directly with local civil society actors. The other third focus on building the capacities of local partners.

longer-term outcomes. This is one of Denmark's best examples of implementing a localization agenda and emphasising a solutions orientation to displacement responses.

The programme contribution to the RDPP will be 200 million DKK from the 2022 budget. The overall budget for the programme will depend on commitments from other donor, but the aim is for 400-500 million DKK. MNS and RDE Beirut are still negotiating with the EU to confirm the third phase. Known potential donors include the EU, Austria, Sweden, Netherlands, Ireland, and France. Geographically, the focus is on Lebanon and Jordan, but negotiations with donors and the EU may include consideration of continuing in northern Iraq. The project span will be 3-4 years. RDPP would be managed by a team in RDE Beirut, with continued advisory support in Jordan if possible.

#### Protection through UNHCR Lebanon

The overall goal of UNHCR in Lebanon is to preserve a dignified protection space for refugees. The theory of the engagement is that supporting service delivery and staff capacity in government-linked service centres maintains a protection space now, which is also a prerequisite for finding lasting solutions when opportunities arise. Continued support from Denmark in a new phase to the 2018 support to UNHCR's project on "Strengthening the Social Protection System for Vulnerable Refugees and Lebanese through Community-based Protection", including support to Community Development Centres (CDCs) and Social Development Centres (SDCs). The project will further advance access to shelter, options for legal residency and vocational skills. A particular strength of the CDCs and SDCs is visible in their case management approach, which allows targeting of refugees with specific needs, persons at risk and survivors of GBV, encompassing both prevention and response.

As Lebanon faces soaring vulnerability and poverty levels, the key project outcome to provide essential services to 35,000 Lebanese and refugees, comes at a critical time. Alongside direct service provision, the centres act as the nucleus for a network of volunteers; close to 1000 volunteers promote and enhance social cohesion activities, provide updated information on centre services and act as a feedback mechanism to UNHCR on needs and solutions.

Denmark's commitment to UNHCR will be 50 million DKK to strengthen capacities of the 267 CDCs and SDCs and staff. Donors who are contributing now and into 2022, include Germany, Norway, Japan and Sweden. The monitoring, evaluation and learning of the project will include research into movements across the border with Syria, to better inform options for programming and policy dialogue. Maintaining a partnership with UNHCR is also strategically useful to monitor protection issues in the country and with relevance to return options in the future.

#### FAO Land Reclamation and Water Reservoirs (Lebanon)

The contribution to FAO will be 30 million DKK from the 2021 budget. The theory is that by supporting Lebanese small farmers' investments in land reclamation and water reservoirs and providing the necessary training and support for them to make their lands productive, they will employ Syrians and low-skilled Lebanese on a seasonal basis, ultimately boosting the size and quality of Lebanon's agricultural output, which can help to make the economy more sustainable and give more Lebanese access to income from a primary industry. Notably, 60% of Lebanese have some rural land and the current crisis has encouraged



many people to consider improving its productivity as a food, employment and income coping strategy. The opportunity from this grim situation is to develop the agricultural sector in such a way that it will deliver economic benefits to Lebanon well beyond the current period of crisis.

The primary mechanism of the engagement is a grant programme accessible to small farmers. Grants are for up to 70% of costs in preparing land and reservoirs. Donors such as the EU and the Netherlands have contributed to this mechanism and an impact evaluation found it to be effective. The project is implemented in partnership with the Green Plan, an agency under the Ministry of Agriculture. However, FAO retains full control of the grant selection process and pays directly to farmers in USD after verifying that agreed works have been completed. 25-40% of successful applicants are women farm owners or women farm managers. FAO has a track record of delivering the grant programme efficiently, as well as providing strong monitoring and evaluation evidence.

The core outputs of the grant programme are increased productivity and profitability of over 900 small-scale farmers by reclaiming about 400 ha and constructing water infrastructure. These farmers are expected to plant 250,000 fruit trees which, upon maturity (3-5 years), will produce about 13,000 tons/year. Approximately 70,000 person-days in short term employment for unskilled workers will be created, in addition to circa 75,000 person-days per year of sustainable jobs for seasonal workers. Around the grant programme, FAO will also develop Farmer Business Schools to localize agricultural training for farmers - these will provide a mixture of business skills and technical knowledge. In Lebanon, this model has not been well-tested, but it is a relatively low-risk investment in developing greater cross-sector productivity around the core grant programme that generates sustainable benefits for a large number of individuals.

FAO's programme will contribute to social cohesion and reduced tensions between host communities and displaced Syrians, which become more critical as the economic situation deteriorates. The project aligns well with the programme's theory of change and is the engagement that most directly advances environmental objectives, such as through sustainable harvesting of rainwater and reducing erosion.

#### AFD's Neighbourhood Approach

The programme allocates 30 million DKK to "Support for vulnerable populations in urban neighbourhoods in crisis in Lebanon". The project has a total budget of 70 million DKK (10 million Euro), of which Denmark will finance 40%. The purpose is to work in acutely vulnerable and tense urban communities with an area-based approach.

The project concept is based on a theory that participatory local development planning and delivery, alongside psychosocial services and mediation, will lead to sustainable improvements in living conditions and social stability. The project takes a conflict sensitive approach and incorporates a multi-confessional aspect into the participatory processes while having a particular focus on creating space for including youth in local governance and hence supporting their abilities to be actors of positive change.

The project targets 4-6 neighbourhoods in 1-3 cities that are characterised by a prevalence of rental housing, high levels of community tension, and a significant presence of Syrian refugees. Such neighbourhoods typically see rising unemployment, drug abuse, exacerbated gender inequalities and

domestic violence, and an increased propensity for migration abroad. Public services are scarce and of low quality.

A consortium of international and national NGOs will be selected in a competitive process to implement the programme in partnership with AFD over the 3-4 year project span. The initial phase will place an emphasis on rapid delivery of tangible benefits, for example garbage and waste removal through employment intensive investments, housing rehabilitation, psychosocial support, legal assistance etc. While on the middle term it will develop more complex interventions such as basic services, structural repairs to housing, public green spaces and sports fields.

The engagement is a useful component in the portfolio because it targets urban communities, with a focus on women and young people. It also fits strategically in providing a practical partnership with AFD, which has worked well before in operational and political terms. AFD is still formulating the project design through to the end of 2021. Denmark will make the commitment in December 2021, in an exchange of letters with AFD supporting the project design at that point, and confirming a delegated cooperation arrangement.

#### Syria Resilience Consortium (SRC)

The SRC is an INGO-consortium led by CARE and with the Danish Refugee Council, Humanity and Inclusion, International Rescue Committee, Mercy Corps and Norwegian Refugee Council as additional members. Combined, they cover all regions of Syria. Delivery is through a mixture of direct implementation and partnerships with Syrian NGOs. The theory of this engagement is that a consortium of NGOs with complementary geographic access and service strengths can support livelihoods, protection and social cohesion wherever opportunities arise, and if activities are designed with a resilience framework, this will preserve and expand space for lasting solutions as the context allows.

Denmark has contributed to SRC's strategy for 2019-2022, alongside Sweden, Norway and Canada. Reporting so far suggests that the SRC has succeeded in flexibly delivering services across the humanitarian-development-peace nexus, with positive local benefits in terms of agricultural productivity, building community resilience to the negative compounding impacts of climate change, access to services and inclusive development planning. The recent review of the 3SN programme found SRC to be an important and relevant intervention in a very difficult context. It indicated that the SRC has a significant positive impact on social cohesion at the community level. Community cohesion in turn is a critical contribution to overall peace and (with time) to sustainable returns. SRC is right now in the midst of its own mid-term evaluation.

The programme allocates 50 million DKK to the SRC from the 2023 budget, with a number of preparatory steps required. First and foremost, the evolution of needs and the political context in Syria may increase or decrease the relevance of the SRC approach. At the engagement level, the Programme Team will push SRC for more evaluative analysis in 2022 and will consult with SRC on the design of a follow-on strategy for 2023 and thereafter. The contribution will be assessed as part of the mid-term review and subject to appraisal alongside the suggested projects to be funded by the unallocated budget.

### 2021 Call for Proposals

In both Lebanon and Jordan, civil society actors are of clear and increasing importance in addressing protection concerns among both refugees and vulnerable members of host communities in the face of mounting political, economic and social challenges. On this background, the programme will issue a Call for Proposals (CfP) among relevant civil society partners with a particular focus on supporting transformative activities that address vulnerabilities and support capacities for change among youth and women through conflict sensitive, rights-based approaches with a clear focus on sustainable outcomes that are scalable.

The overall amount made available under this CfP is DKK 90 million and it will result in a maximum of 3-5 grants, each amounting to DKK 10-35 million and lasting 24-48 months. Activities could be in one or both countries. The process will include a prequalification stage involving submission of a concept note, followed by a project development stage for shortlisted applicants.

Specific evaluation criteria are to be further developed. They will include requirements related to a solid context and stakeholder analysis, a satisfactory description of the resulting theory of change along with criteria and processes for beneficiary screening and selection in support of the overall objective of the Call for Proposal.

### Unallocated budget

At this stage, the context justifies holding some resources as unallocated in the 2023 budget. The formulation process has identified a number of options that the Programme Team will explore through 2022 to consider for 2023 allocations.

### **Jordan Health Fund for Refugees (JHFR)**

Denmark has an existing commitment to the JHFR, some of which remains unspent and is expected for use in 2022. The JHFR appears to have been effective at opening up access to health services for Syrian refugees while supporting the Jordanian government developing its broader health system. There has been a recurring concern at sparse reporting, which has made it difficult to verify and evaluate the fund's activities. The Programme Team will be in monitoring mode for the JHFR in 2022. Depending on the need and strategic fit of health service access in 2023, the programme may consider an allocation from the 2023 budget.

### **UN Joint Programme on Urban and Rural Resilience in Syria (UNJP Syria)**

The UNJP Syria is a planning and monitoring platform for six UN agencies. Among international institutions, it is the only joint programme and the only pooled fund mechanism in Syria for non-humanitarian funding at present. The UNJP plans entered a first implementation phase at the end of 2020, prioritising locations in two governorates for participatory planning with a total of \$28m available to implement. As an alternative or in a complementary fashion to SRC, the Programme Team will maintain contact with the UNJP through 2022 to assess whether its initial phase has demonstrated effectiveness and whether it fits into the portfolio for 2023 allocations.

## **Lebanon NGO crisis management (Shabake 2)**

Denmark has supported AFD's Shabake project in Lebanon; given the pandemic challenge and local crises that the project has faced, it has worked well operationally and it has worked as expected in generating a useful partnership with France. The theory is that dedicated capacity-building for Lebanese NGOs, including through service delivery and organizational management reforms, will strengthen civil society's effectiveness at crisis preparation and crisis response, which will reduce the impacts of crises and improve the recovery. The project is likely to continue being delivered through Expertise France and with a series of operational plus management development grants to Lebanese NGOs.

The launch of Phase 2 is likely to occur in quarter 3 of 2022. The Programme Team will work with AFD on the design process and will review 2022 monitoring and evaluation results before finalising a commitment.

AFD expects to have a preliminary project design to share in September 2021. Close coordination and collaboration is established and well-functioning between the AFD/Expertise France and RDPP teams in Lebanon.

**Annexes:**

**Annex 1: Context Analysis**

**Annex 2: Partner Assessment**

**Annex 3: Theory of Change, Scenario and Result Framework**

**Annex 4: Risk Management**

**Annex 5: Budget Details**

**Annex 6: List of Supplementary Materials**

**Annex 7: Plan for Communication of Results**

**Annex 8: Process Action Plan for Implementation**

**Annex 9: Quality Assurance Checklist or signed table of appraisal recommendations and follow-up actions taken, depending on whether the appraisal has been conducted by a development specialist**

**Annex 10: List of Engagements Assessed**

**Annex 11: List of existing engagements supported earlier under Syrian neighbourhood**



**Annex 1: Context Analysis**

## **Annex 2: Partner Assessment**

## **Annex 3: Theory of Change, Scenario and Result Framework**

## Annex 4: Risk Management

### Contextual risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
<b>Political</b>					
(Lebanon and Jordan) Increased tensions between the host community and Syrian refugees leads to governmental action to start deporting displaced Syrians.	Unlikely	Significant	More advocacy and diplomatic engagement may become more valuable, as would the implementation of protection mechanisms for returned Syrians.	Significant - tensions are most likely to remain	Jordan seems to have accepted the presence of Syrians for a longer while than anticipated.  Social tensions are already a factor of concern in Lebanon, given the country's dire scenario.
(Lebanon) Political context will remain unstable within the next years, imposing barriers to effective implementation of projects that require governmental approval	Likely	Significant	Ensure that government -focused activities are able to address municipal authorities. Maintain continuous communication to relevant ministries.	Minor - Little chance that projects will rely on national authorities and be significantly delayed or become unfeasible.	Government currently in care-taker mode waiting for a new government to be formed.  Lebanon's government has failed to deliver the most basic services for years, and the disagreements between different sects have put the country in a paralysis when it comes to decision making. Multiple organizations have reported struggles when collaborating with the national government.
<b>Societal</b>					
(Syria) Contextual changes lead to an increased number of returns and shifting needs in the region	Very unlikely	Significant	If needed and politically feasible, unallocated funds might be used inside Syria on projects to support returnees.	Minor - host country governments might see an opportunity to increase pressure on Syrian refugees to return.	Only a very small percentage of Syrian refugees want to return to Syria soon. Jordan and Lebanon do not appear to have an appetite to force this.
<b>Security</b>					
(Lebanon) Security situation deteriorates such that programme activities can not be carried out safely.	Unlikely	Significant	Ongoing observation of security and political climate.	Major - project implementation becomes impossible.	Lebanon is ranked a low number 147 out of 163 countries in the global peace index. The absence of a fully functioning executive authority threatens already dire socio-economic conditions and fragile social peace.

(Syria) Armed conflict spreads to larger parts of the country such that activities can be carried out safely.	Likely	Significant	Ongoing observation of security and political climate.	Major - project implementation becomes impossible.	Syria is ranked 161 out of 163 countries in the global peace index and the civil war is unlikely to end in the near future.
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### **Programmatic risks**

<b>Risk Factor</b>	<b>Likelihood</b>	<b>Impact</b>	<b>Risk response</b>	<b>Residual risk</b>	<b>Background to assessment</b>
(Lebanon & Jordan) Political will to engage in projects may fluctuate and some activities are dependent on cooperation with authorities	Unlikely	Significant	Continued communications and engagement with authorities.	Minor. Authorities no longer support or become adversaries to the project and it is not possible to complete the implementation	Some Lebanese political elements have been critical of work that supports Syrian refugees in Lebanon. While the Jordan government has presented an ambitious health reform plan, political momentum could potentially diminish over time.
(Syria) Shrinking or rapidly varying space for operating partners reduces their effectiveness	Likely	Significant	Agreements assume that partners will need to adapt. Select partners with a track record of effective adaptation.	Major - still likely that effectiveness will be reduced by shifting pressures. Also possible that work must stop in some areas.	Partners have been forced to adapt frequently, undermining continuity and effectiveness.
(Regional) Other donors reduce funding such that programme engagements are affected	Unlikely	Significant	Renegotiate partner agreements where feasible to maintain a useful impact. Otherwise, cease and reallocate funds..	Minor - likely that programme objectives can continue to be served even with a substantial reduction of other donor funds.	Donors to the Syria response are showing signs of fatigue, even while more people are facing poverty and refugees face greater insecurity.
(Syria) Shrinking or rapidly varying space for operating partners reduces their effectiveness	Likely	Significant	Agreements assume that partners will need to adapt. Select partners with a track record of effective adaptation.	Major - still likely that effectiveness will be reduced by shifting pressures. Also possible that work must stop in some areas.	Partners have been forced to adapt frequently, undermining continuity and effectiveness.
Increased tension between host communities and refugees making it harder to involve refugees and host communities in the programs.	Unlikely	Major	The planned engagements are to provide both host and refugees with services, which alleviates tension and sense of unfairness,	Major - tensions continue as perceptions that refugees get an unfair share of the support.	Social tensions are rising in Lebanon, as the quality of public services decline and economic pressures increase.



### Institutional risks

Risk Factor	Likelihood	Impact	Risk response	Residual risk	Background to assessment
(Lebanon and Jordan) Partners are politically affiliated. Dependency on private funders makes them vulnerable to being used for political purposes.	Unlikely	Major	Partner selection will involve a thorough screening process. Ongoing programme monitoring of partners and activities.	Minor. Affiliations lead to bias in targeting beneficiaries.	In the past there was limited international funding for NGOs in Lebanon and Jordan. This led to reliance on political or sectarian groups for funding. However, the Syrian crisis led to an increase in available funding and as a result this risk is considered unlikely.
(Lebanon & Jordan) Corruption and/or financial mismanagement. Both local and international organisations may have inadequate financial management structures and controls	Unlikely	Minor	Implement high-quality financial controls, ensure that partners understand auditing, reporting and transparency expectations. Prioritise partners who already have thorough financial management systems in place	Minor. Minor fraud goes undetected. Reputational risk.	In Lebanon corruption is considered to be widespread across all levels of society and the country ranks 137 out of 180 in the Transparency Corruption Perception Index 2017.  Jordan ranks 48 in the same index.
(Syria) Corruption, aid diversion, and/or financial mismanagement. Organisations may have inadequate ability to monitor and track flow of funds in Syria.	Unlikely	Major	Implement high-quality financial controls. Constantly improve long-distance monitoring in collaboration with the EU, UN and bilateral partners.. Prioritise implementing partners who already have thorough financial management and monitoring systems in place	Reputational risk. Aid diversion may have major consequences for ability to build resilience in Syria.	Syria is a high-risk environment.

Annex 5: Budget Details

Programme budget in million DKK - ongoing and new phase (commitments - typically of 36 months duration each)																
Engagement	2018-2020			2021			2022			2023			Sub-totals		Total	
	Jordan	Lebanon	Syria	Jordan	Lebanon	Syria	Jordan	Lebanon	Syria	Jordan	Lebanon	Syria	Lebanon	Syria		
<b>Thematic programme 1: Access to protection and services</b>																
UNHCR Lebanon	110,0	81,5	10,0	30,0	110,0								140,0	191,5	10,0	341,5
AFD DRM		58,0			50,0									108,0		
UNDP Lebanon		20,0											20,0			
JHFR	110,0	3,5												3,5		
UNDP Syria			10,0							110,0					10,0	
2021 Call for Proposals*				30,0	60,0								30,0	60,0		
<b>Thematic programme 2: Access to livelihoods</b>																
Syria Resilience Consortium	-	37,5	90,0		60,0							50,0		97,5	140,0	237,5
FAO Land Reclamation and Water Reservoirs (Lebanon)			90,0									50,0			140,0	
					30,0									30,0		

AFD Neighbourhood (Lebanon)				30,0										30,0					
WBG Lebanon Finance Facility			37,5											37,5					
<b>Thematic programme 1 and 2 (actual distribution t.b.d.)</b>														<b>373,3</b>					
RDPP Phase 2 and 3* (Jordan, Lebanon and Iraq)	175,0	240,0	-	-	66,7	133,3								241,7	373,3				615,0
MADAD																			
AFD SHABAKE (Lebanon)	72,0	143,0			66,7	133,3								138,7	276,3				
GCOFF (Jordan)	33,0	67,0												33,0	67,0				
<b>Total Planned Budget per Year</b>	285,0	359,0	100,0	30,0	170,0	-	66,7	-	-	-	-	145,0	50,0	381,7	662,3	150,0			1.194,0
Unallocated funds**															145,0				145,0
Reviews, technical support		12,0													5,0				5,0
<b>Total Budget Allocated</b>		756,0			200,0							200,0			1.356,0				1.356,0

Notes:  
 \* The distribution of funds between Jordan and Lebanon roughly corresponds to the number of refugees hosted by the two countries. It does not reflect actual accounting figures, nor any binding planning assumptions. Actual division of future funding for the RDPP and the Call for Proposals will depend on proposals, contextual developments and needs.  
 \*\* See the main programme document "Summary of projects" for a preliminary long-list for contributions from unallocated fund

## **Annex 6: List of Supplementary Materials**

**Annex 7: Plan for Communication of Results**

## **Annex 8: Process Action Plan for Implementation**

**Annex 9: Quality Assurance Checklist or signed table of appraisal recommendations and follow-up actions taken, depending on whether the appraisal has been conducted by a development specialist**



## **Annex 10: List of Engagements Assessed**

1. RDPP Phase 3
2. UNHCR Lebanon Social Protection
3. UNHCR Lebanon Capacity Building and Livelihoods
4. UNHCR Jordan Livelihoods
5. Syria Resilience Consortium
6. UN Joint Programme on Urban and Rural Resilience in Syria
7. AFD Neighbourhood Approach
8. AFD Shabake
9. AFD Basatine
10. World Bank Global Concessional Financing Facility
11. UNICEF Lebanon Youth and Adolescent Development Programme
12. UNICEF Lebanon Social Assistance Programme
13. UNICEF Lebanon Child Protection and Gender Based Violence Programme
14. NRC Jordan ICLA
15. UNDP Lebanon Tension Monitoring and Social Cohesion
16. FAO Lebanon Land Reclamation and Water Reservoirs
17. FAO Lebanon and Jordan, Enhancing resilient livelihoods and food security
18. ILO Jordan, COVID-19 Emergency Unemployment and Employment Stabilization Fund
19. ILO Jordan PROSPECTS
20. DRC Lebanon Integrated Research
21. DRC Jordan Strengthening the Protection Environment in Jordan
22. LINKED Consortium
23. UNFPA Jordan Gender Equality and Women's Empowerment
24. UNFPA Lebanon Adolescents and Youth
25. UNFPA Lebanon Sexual and Reproductive Health
26. WBG Lebanon Financing Facility for Reform, Recovery and Reconstruction
27. Jordan Health Fund for Refugees
28. WFP Lebanon Livelihoods Programme

## **Annex 11: List of existing engagements supported earlier under Syrian neighbourhood**

### **The Support to Syria and Syria's neighbourhood – Lebanon and Jordan (3SN) Programme**

The 3SN gradually emerged in 2018 when it was decided to bring together Danish development engagements targeting displaced people, refugees and host communities into one “single/comprehensive” programme with an overall common objective. This was done in recognition of the protracted nature of the conflict and associated need to continue and reinforce medium-term approaches. This approach was strengthened even further in 2019 when a dedicated budget line was introduced in the Danish Finance Act with a provision covering 2020 as well. The overall objective is to *“Achieve sustainable solutions for refugees, internally displaced and affected host communities in and around Syria.”*

So far, the 3SN has consisted of the following ten engagements:

#### **1. Syria Resilience Consortium (SRC) through Care Norway**

The SRC was formed in 2016 with strategic and financial support from Denmark. In 2019, the SRC renewed its strategy, and the 3SN contributed 90 million DKK to a multi-donor fund (MDF) for a three-year period up to December 2022. Other donors are Sweden and Norway, which have contributed similar amounts. The SRC consists of six INGOs, namely Care, Danish Refugee Council, Humanity & Inclusion, International Rescue Committee, Mercy Corps, and Norwegian Refugee Council. The SRC takes a HDP nexus approach and strives to equip individuals, families and communities in Syria with the tools and skills for a better future. Irrespective of geography, until and after reconstruction begins it supports Syrians seeking livelihood opportunities. The nature of the SRC puts beneficiary need before organisational construct.

#### **2. UNDP Syria - The Social Cohesion and Cultural Heritage Project**

The project is a 10 million DKK, two-year engagement, running from January 2020 to December 2021. The project takes a conflict sensitive, participatory approach to help communities come together around cultural heritages, tangible and intangible, and do mapping and small community heritage projects, such as traditional cooking events with dishes from the participants' home areas, improvement of green common areas, transplanting flower, story telling, planning, community houses etc. The project pilots an approach, which is used and integrated into the wider UN Syria system in conflict sensitive programming. It also produces context sensitive analyses and heritage map.

#### **3. AFD Lebanon - SHABAKE Strengthening Resilience of Lebanese Civil Society to Improve Crisis Prevention and Management**

The project is a 70 million DKK delegated partnership of which Denmark finances 30 million DKK, i.e. 40%, and AFD the rest. It runs from January 2019 to May 2022, and will be followed by a SHABAKE II. It is implemented by Expertise France. The project has four components: 1) building capacity of Lebanese organizations, 2) letting the organizations practice new capacity through mini projects, 3) integrating the organizations into the aid ecosystem, and 4) helping the organizations respond to the Beirut blast. SHABAKE works with seven originally selected organizations, added two after the blast, and still plans to add 4-5 more.

#### **4. AFD Lebanon - Community-Based Disaster Risk Management (DRM) in Lebanon**

The project is a 90 million DKK delegated partnership of which Denmark finances 20 million DKK, i.e. 22%, and AFD the rest. It runs from June 2020 to June 2024. It is implemented by a NGO consortium consisting of Solidarité Internationale (SI), Lebanese Red Cross (LRC) and French Red Cross (FRC). SI is the consortium lead. The project supports communities and municipalities to set up DRM committees in two river basins in Lebanon, which suffer from frequent flooding. Additionally, it implement rapid

rehabilitation work of water ways and public spaces to support the communities in the same two river basins. All interventions build on careful diagnosis and analysis.

#### **5. UNHCR Lebanon - Strengthening the Social Protection System / Community-Based Protection**

The project was a 58 million DKK, 2-year project, completed in December 2020. It aimed at 1) increase the effectiveness of the refugee birth registration system through MoSA and the Social Development Centers (SDCs) and 2) engaging refugees and host communities in training courses, networking and counselling in the NGO-driven Community Development Centers (CDCs). The project had a reserve fund of 15% of the total budget, which could help Syrians return if a large scale return would have started. As this did not happen, the reserve fund was allocated to child protection and psychosocial support to victims of the port explosion in Beirut.

#### **6. UNDP Lebanon – Tension Monitoring System (TMS)**

Three and a half (3½) million DKK was committed from the unallocated funds to support UNDP Lebanon's TMS. The support covers a two-year period from January 2021 to December 2021. After the Beirut blast and due to economic crisis tensions are rising in Lebanon, not only Syrian-Lebanese, but also Lebanese-Lebanese and community-state tensions. The TMS monitors tensions through frequent surveys and data collection and builds capacity of other UN agencies and NGO partners for conflict sensitive programming and implementation.

#### **7. WBG Lebanon – Lebanon Financing Facility (LFF)**

Denmark has contributed 37½ million DKK from the unallocated funds to the LFF. The LFF is a WBG umbrella fund, which was established in December 2020 and runs to end 2025. It works as the financing arm of the Reform, Recovery and Reconstruction Framework (3RF) for Beirut, a donor architecture set up after the Beirut blast with the aim of supporting Lebanon rebuild and recover. Denmark was the first country signing a contract with the LFF. Later France, Germany, the EU and Canada have contributed as well. The first project was signed off in August 2020. It supports small business and MFIs in the blast area. Other projects will follow in 2021 to clean up hazardous waste from the port, rehabilitate traditional buildings and provide social support to victims.

#### **8. Jordan Health Fund for Refugees (JHFR)**

Denmark committed 60 million DKK in 2018 and 50 million DKK in 2019 to the JHFR. The JHFR is set up inside the Jordanian Ministry of Health. The aim of the fund is to shoulder Jordan's attempt to include refugees in public health services – an attempt which is unique among refugee hosting nations. Other donors are USAID, GAC and Qatar. The JHFR is providing health infrastructure and services. Jordan's Covid-19 response and vaccination campaign was financed, among others, by the JHFR.

#### **9. MADAD EU Trust Fund**

Since 2015 Denmark has contributed a total of 400.7 million DKK to the MADAD EU Trust fund. The latest contribution was 100 million DKK committed in 2019. The MADAD covers countries affected by the Syria crises, including Lebanon, Jordan, Iraq, Turkey and Egypt. MADAD has a list of almost 100 projects, many of which fund large UN agency interventions in education, health and agriculture, as well as specific projects to support children, youth and women. MADAD closes in December 2021 as the new NDICI program will be established by the EU.

#### **10. The WBG's Global Concessional Financing Facility (GCFF)**

Since 2015, Denmark has contributed a total of 507.1 million DKK to the GCFF, thereby funding 11% of the total GCFF budget. The latest contribution was 70 million DKK given in 2020 and earmarked to Jordan. The GCFF is a financial intermediary fund established to help middle-income countries affected by refugees to borrow on same concessional terms as low income countries. The GCFF was established in 2016 and runs up to end of 2023. Preparations for a next phase is on the table. Ninety percent of the GCFF's budget is used around the Syria crisis in Lebanon and Jordan. The last ten percent is used around the Venezuela crisis. Projects are funded through a combination of loan and grants and are mainly large infrastructure and health projects. GCFF has, for example, funded the Covid-19 response and vaccine rollout in Lebanon.

#### **11. The Regional Development and Protection Programme (RDPP) Phase II**

RDPP II is a three-year programme starting in 2018, but a no-cost extension has been requested to allow the programme to run an additional year until 2022. RDPP is funded through joint multi-donor engagement with a total budget of approximately 54.1 million EUR committed by the Czech Republic, Denmark, European Union, Ireland, and Switzerland. Denmark currently manages the programme on behalf of the contributing donors and is overall responsible for the implementation of the RDPP.

The programme aims to support *refugees and host populations living in displacement affected communities to access their rights, and are safe and self-reliant, while also supporting refugees to avail themselves of a durable solution*. RDPP implements through direct funding to selected partners in Lebanon, Jordan and KRI programming around three thematic areas to address both short- and long-term needs of displacement affected communities, while also establishing a an evidence base on which RDPP partners and others can develop programming and policies for a conducive environment for durable solutions: 1) *livelihoods towards durable solutions*, 2) *upholding and expanding protection space* for vulnerable refugees, IDPs and host communities, and 3) *applied research and advocacy* to contribute to a more conducive environment for durable solutions.

## Engagements in Danish Development Aid in and around Syria

#	Programmes	F2. no	Area	Mill DKK	2018		2019		2020		2021		2022		2023		2024		2025		Closing	
					H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2	H1	H2		
1	RDPP II	2017-29370	Jor+Leb+Ir	215																		Dec-22
2	Syria NBH Grant	2018-37158	Jor+Leb	150																		Jun-22
3	Syria NBH Eng	2019-35320	Syr+Jor+Leb	391*																		Dec-25
#	Projects under 3SN	F2. no	Area	Mill DKK	2018		2019		2020		2021		2022		2023		2024		2025		Closing	
1	SRC	2019-40507	Syria	90																		Dec-22
2	UNDP Syria	2019-40508	Syria	10																		Dec-21
3	AFD SHABAKE	2018-43470	Lebanon	30																		May-22
4	AFD DRM	2020-20505	Lebanon	20																		Jun-24
5	UNHCR Lebanon	2018-43472	Lebanon	58																		Dec-20
6	UNDP Lebanon	2020-42486	Lebanon	3%																		Dec-22
7	WBG LFF Lebanon	2020-42434	Lebanon	37%																		Dec-25
8	JHFR	2018-43475	Jordan	110																		Dec-21
9	MADAD	2015-48522	Jor+Leb	100																		Dec-21
10	GCFF	2016-47646	Jor+Leb	70																		Dec-23

\* The programme had originally 400 M DKK, but 9 M DKK was transferred to the humanitarian portfolio (NGO call for Lebanon 2020)

Color legend:

<span style="color: blue;">■</span>	2017-29370
<span style="color: red;">■</span>	2018-37158
<span style="color: green;">■</span>	2019-35320
<span style="color: yellow;">■</span>	Syria
<span style="color: cyan;">■</span>	Lebanon
<span style="color: magenta;">■</span>	Jordan
<span style="color: orange;">■</span>	Past time

H = Half Year

Updated on: 19/08/2021