

# IMPACT LEBANON

## Disaster Relief for the Beirut Explosion

Needs assessment and fund allocation strategy



August 26, 2020

[impactlebanon.org](http://impactlebanon.org)



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## ABOUT IMPACT LEBANON



Impact Lebanon is a not-for-profit organisation based in the UK. It was founded by members of the Lebanese diaspora in London following the Beirut uprising of October 17th, 2019; and was incorporated on December 11th, 2019. Impact Lebanon's mission is to act as a **social incubator** for initiatives that deliver positive impact for Lebanon.

Impact Lebanon started as a series of initiatives aimed at raising awareness about Lebanon, and has developed over 20 initiatives to date. Our process is to encourage the brainstorming of ideas, to promote the sharing of knowledge, resources and expertise, and to build strong teams that turn ideas into successful initiatives.

Since August 4th, 2020, we have redirected most of our efforts towards fundraising for disaster relief following the Beirut explosion.

## SOME IMPACT INITIATIVES

**Environment Academy** | Environmental sector in partnership with the American University of Beirut Nature Conservation Center

**Dikkeni** | E-Commerce promoting Lebanese talents abroad

**Thawra Chronicle** | Awareness documenting the Lebanese revolution

**Seminars, Webinars & Debates** | Awareness partners include Coffee&Politics, Lebanese Transparency Association

**Mentorship Program** | Education in partnership with Jobs4Lebanon

## TEAM BEHIND THE STUDY

### Maya M.

3 years Strategy Consulting  
MIT, Bain & Company, World Food Programme

### Ibrahim N.

4 years Strategy Consulting  
London Business School, Booz Allen Hamilton

### Beatrice E.H.

6 years Strategy Consulting & 2 years Retail Strategy and Operations  
Harvard Business School, Bain & Company, Harvard University, Booz&co., Sephora, Walmart

### Myriam N.

2 years Supply Chain & 2 years Marketing and e-Commerce  
ESCP Business School, Amazon, Shiseido

### Christina T.

6 years Transport & City Planning  
UCL, Atkins

### Contact us:

For volunteering opportunities:  
[volunteer@impactlebanon.org](mailto:volunteer@impactlebanon.org)

For press enquiries:  
[press@impactlebanon.org](mailto:press@impactlebanon.org)

For enquiries about the fundraiser:  
[fundraising@impactlebanon.org](mailto:fundraising@impactlebanon.org)



Picture: @flohuseint

## THE CONTEXT

On August 4th, 2020, an enormous explosion ripped through Beirut and caused unimaginable destruction in the space of a few minutes. The cause is most likely 2,750 tonnes of ammonium nitrate that exploded after being stored in a warehouse without any safety measures in place. The resulting damages were colossal: At least 220 lives were lost, 7,000 people were injured, and the homes of 300,000 people were destroyed.

Impact Lebanon launched a crowdsourcing fundraiser shortly following the explosion, with the aim of providing disaster relief for Beirut. It was still too early to measure the scale of the damage, but there was already a palpable need for substantial help. We immediately began receiving generous donations from supporters worldwide, and the funds grew rapidly. We have currently raised over £6.2 million and are working towards a target of £7.5 million.

It is important to us to ensure that all raised funds are disbursed to trustworthy and proficient NGOs in Beirut. We therefore swiftly established a rigorous NGO nomination and vetting process in collaboration with 3QA, a specialised third-sector quality assurance social enterprise based in Beirut.



Five NGOs have so far been confirmed and a strong pipeline of funding requests is being reviewed. We have capped the amounts to \$200K per NGO while we work towards a more detailed needs assessment.

We are now in the third week following the blast and a strategic approach needs to be implemented in order to proceed efficiently. Funds must be deployed tactically, based on a clear funding gap view and a detailed needs assessment. The purpose of this report is to provide a description of our funding strategy, based on the thorough evaluations that we are conducting.

## KEY INSIGHTS

- The fund aims at providing **immediate to medium-term** relief to people who are most affected by the blast, during the first and second recovery phases (crisis and early recovery)
- The funding gap remains immense: the extent of the damage is estimated to be 4 to 6 times greater than the total amount of aid pledged to Lebanon so far
- The adopted approach for fund allocation identifies funding gap areas, prioritises need based on urgency, accounts for corruption and political risk and maximises economic spillover effects
- This is why, Impact Lebanon's Disaster Relief For the Beirut Explosion fund will focus on gap areas with lowest corruption risk and highest impact. This includes residential rehabilitation (50-60%), medical body relief (~15%), micro and small businesses relief (~10%), livelihoods (~10%) and medical and mental health support (~5%)
- Funds will only be allocated to vetted NGOs in order ensure transparency and monitoring through an 11-to-20-day process involving Impact Lebanon, 3QA, Qudurat and LIFE, and leading to MOU signing
- The timeframe of fund disbursement will be aligned with the need timeline and sourcing of NGO projects
- The fund strategy is flexible and accounts for needs assessment updates when more granularity becomes available in the next weeks

## POST-DISASTER RELIEF PHASES

**What is Post-Disaster Relief?** Post-disaster relief is usually divided in phases during which a community rebuilds after a disaster occurs. Research shows that the recovery period after a disaster of such scale comes in three phases.

### CRITICAL OR CRISIS PERIOD

Rescue & safety operations, livelihood assessment

- Highest needs and urgency
- Less organised
- Less coordinated
- Information gathering

**The crisis period lasts for the first few weeks following the event.** Immediately after the disaster, the needs on the ground are at their highest and most urgent. The main focus is saving lives through fast efforts. Time does not allow for detailed organisation or coordination, but information gathering is essential at this stage to solidify the following two periods.

During this phase, Impact Lebanon has been focusing on rapid, reactive efforts. The scale of the damage was not yet clear but there was an evident need for urgent help. NGOs have presented us with project proposals based on which they requested specific amounts. We have set a ceiling of \$200k per NGO to ensure that funds are allocated in a comprehensive manner. This ceiling will increase as NGOs conduct more thorough needs assessment.

### EARLY RECOVERY PERIOD

Restoring livelihoods

- Needs still high
- Response still urgent
- More organised
- Better information about impact of disaster

**The early recovery period lasts up to a year following the event.** We are currently entering the early recovery period. Needs are still high and urgent, but efforts are now more organised. Clarity over the disaster's effects is increasing.

During this phase, Impact Lebanon will focus on a more thorough needs assessment process and on defining ways to strategically transfer funds. We can now aim to evaluate larger-scale scope projects and create long-term reports as needs on the ground will remain high for many months to come.

### PROLONGED RECOVERY PERIOD

Sustainable livelihood and risk reduction

- Developing resilient livelihoods
- Focus on risk reduction

**The prolonged recovery period lasts up to two years following the event.** The strategies needed at this stage are broader and aim for long-term results and more general development including helping people affected by the crisis to become independent and self-sufficient.

The Disaster Relief For the Beirut Explosion Fund does not cover this period. However, Impact Lebanon will investigate ways to support residents through this phase in the future.

Impact Lebanon's Disaster Relief for the Beirut Explosion will be **entirely allocated to the first two periods** - the crisis period and early recovery period - within the coming few months.

# THE DISASTER RELIEF FOR THE BEIRUT EXPLOSION FUNDRAISER

To date\*, we have raised £6.2 million, equivalent to ~\$8.1 million.

The majority of our funds have been raised through JustGiving, our online crowdfunding platform of choice.

*Although JustGiving waived part of their fees from our fundraiser, a credit card fee of 2.9% and a fee of £0.25 per transaction will still apply.*

## £7.5m

(GBP) set as the target of the fundraiser



£6.2m raised to date\*



\*August 26, 2020

# “

The goal of the fundraiser is to provide immediate to medium-term relief to the people most affected by the blast, from all walks of life.

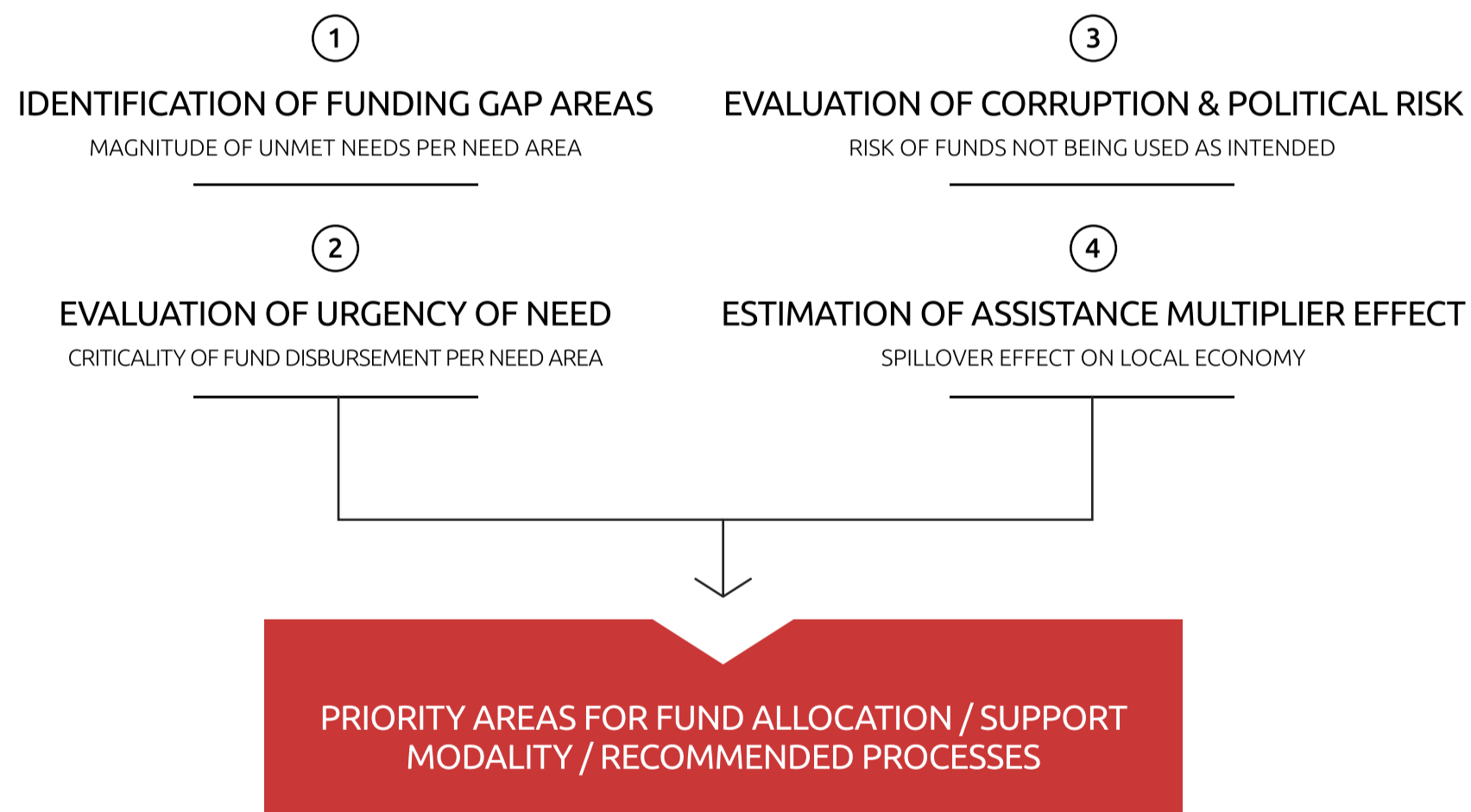
Disaster relief includes any aid or assistance that helps affected people get back on their feet, such as the structural rehabilitation of homes and small businesses, the provision of food and basic goods and medical and mental health support.

# ”

Source: Impact Lebanon Board

## PROCESS OF IDENTIFYING PRIORITY AREAS FOR FUND ALLOCATION

To ensure that we are allocating our funds as efficiently as possible, we have conducted an analysis that measures the needs that have not yet been met by existing fundraisers, identifies the level of urgency in those areas, evaluates the risk of our funds being misused, and finally estimates the spillover effect on Lebanon’s economy (determining whether this action would concurrently engender a positive effect on the local economy as a whole).



## COMPREHENSIVE AREAS OF NEED INVESTIGATED

Personal Relief	Residential Rehabilitation
	Temporary Shelter
	Medical & Mental Health Support
	Lost Income Support
	Food & Basic Goods Provision
Business Relief (SMBs)	Structural Rehabilitation
	Operational Support
Business Relief (Corps)	Corporations & Big Businesses Relief
Hospital & Medical Body Relief	Equipment & Medication Provision
	Structural Rehabilitation
Public Entities Relief	Relief to Public Entities
Other Relief	Cultural Heritage Rehabilitation
	Education Support

This table outlines the six main need areas that we have studied for fund disbursement. We have broken them down into smaller categories to give you a more detailed idea of our fund allocation.

Not all areas will be covered by the fundraiser; please refer to the following pages.

# FUNDING GAP

The need for funds is immense and is estimated to be **4 to 6 times greater** than the total amount of aid committed to Lebanon so far, which leaves us with a substantial funding gap.



OVER  
**\$4-5Bn**  
TOTAL ESTIMATED NEEDS  
FOR NEXT 12 MONTHS

**~\$500M-700M**  
TOTAL FUNDING PLEDGED  
FOR THE BEIRUT EXPLOSION RELIEF  
(~16% - 25% of total funds needed)

Funding raised as part of the  
Impact Lebanon's Disaster Relief  
for the Beirut Explosion fund  
(~\$9M or ~0.2% total est. needs)

The damage is severe and the needs are estimated in the billions of dollars for the next 12 months (covering the critical period and the early recovery period only).

All combined fundraising pledged to the Beirut explosion amounts to \$500 million to \$700 million in total.

Impact Lebanon's Disaster Relief for the Beirut Explosion fund has raised approximately \$9 million, and it accounts for around 0.2% of the total funds need.



Picture: @Flohüsseini

Source: Needs assessment collected based on reports from several NGO coalitions, OCHA reports, Ushahidi data, Google database and Impact Lebanon Fundraising Team assessment. Total funding pledged is collected from a list of 90+ private, donor-run and government-run funds & fundraisers. This list may not be complete but reflects ~90% of the publicly advertised funding efforts. All data as of August 18, 2020 and subject to change.



# IDENTIFICATION OF FUNDING GAP AREAS

These charts provide a visual illustration of the existing funding gaps across different areas.

In the personal relief area, the largest gap of unmet need is in residential rehabilitation; whereas needs for food and basic goods are almost completely satisfied.

The needs in the micro and small business area are largely still unmet, with tens of millions of US Dollars needed for structural rehabilitation and for operations support.

The hospital and medical body area has received slightly more support but a significant part of the need is yet to be covered.

Cultural needs covering heritage, education, animal relief and other areas have an estimated collective need in the hundreds of millions of US Dollars, which remains principally unmet.



Picture: @karliseverywhere

Sources: OCHA, Google Data, World Vision, UNICEF, ACTED, The Guardian, conversations with local Lebanese NGOs and experts

■ Met needs ■ Unmet needs % Funding allocated to date per need area



Note: Analysis excludes \$316M of unallocated government pledges; only includes need directly related to the Beirut Explosion

# RECOMMENDED FUNDING ALLOCATION PER AREA

	PERSONAL					MICRO & SMALL BUSINESSES		HOSPITALS		OTHER
	Residential Rehabilitation	Temporary Shelter	Medical & Mental Health	Food & Basic Goods	Lost Income Support	Structural Rehabilitation	Operational Support	Structural Rehabilitation	Equipment & Medication	Cultural & Other
<b>% of Need Met</b>	<5%	<25%	<50%	exceeded	<5%	<5%	<5%	N/A	N/A	<5%
<b>Need Timeline</b>	Short - long term	Immediate	Immediate - medium term	Immediate - short term	Short - medium term	Short - medium term	Short term	Short - long term	Short - long term	Short - long term
<b>Multiplier Spillover Effect</b>	Medium	Low	Low	Low	Low	Medium	High	Medium	Low	Medium
<b>Corruption and Political Risks</b>	Sufficient ability to mitigate	Sufficient ability to mitigate	Sufficient ability to mitigate	Sufficient ability to mitigate	Sufficient ability to mitigate	Sufficient ability to mitigate	Sufficient ability to mitigate	Mid	Mid	Sufficient ability to mitigate
<b>Impact Lebanon Focus Area</b>	<b>50-60%</b>	<b>Limited</b>	<b>&lt;5%</b>	<b>Limited</b>	<b>~10%</b>	<b>~10%</b>		<b>10-15% Conditional*</b>		<b>&lt;5%</b>

Source: OCHA, Google Data, World Vision, UNICEF, ACTED, The Guardian, conversations with local Lebanese NGOs and experts  
 Note: Analysis excludes \$316M of unallocated government pledges; (\*) Conditional on passing additional due diligence; excess budget to be allocated to residential rehabilitation

# IMPACT LEBANON'S FUNDING ALLOCATION PER AREA

This section explains how we will be allocating our funds across the affected sectors.

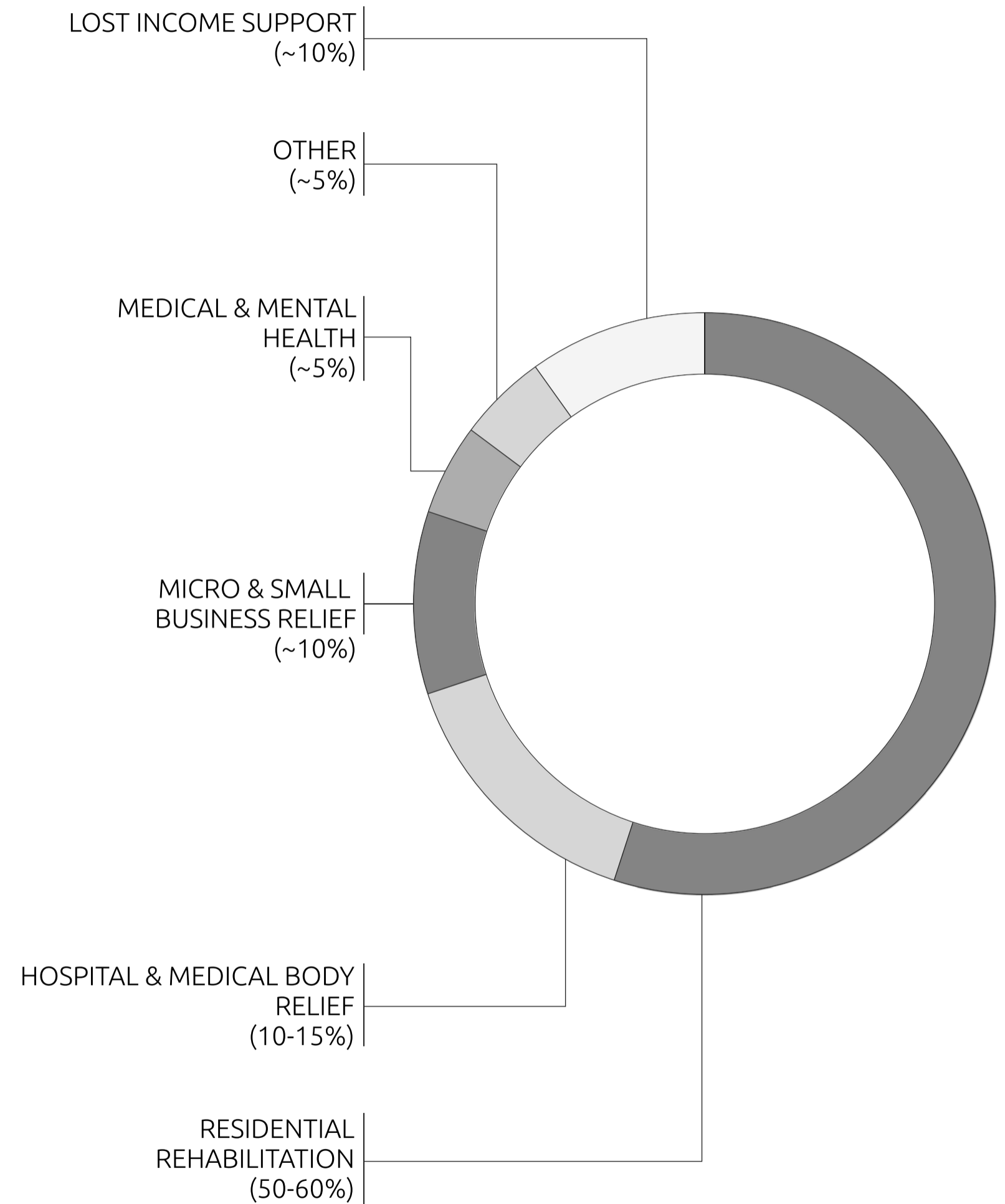
Our funds will be divided over the following areas, arranged from the highest to the lowest percentage: residential rehabilitation, hospitals and medical body relief, lost income support, small to medium business relief, medical and mental health support and cultural maintenance.

The largest percentage (50-60%) will go to residential rehabilitation considering the current significant funding gap in this area, the highly urgent need for shelter, the comparatively low risk of corruption and the positive estimated spillover effect on the local economy.

**We therefore invite funding proposals from NGOs active in these areas.** Please consult the following pages for more guidance on preferred intervention types for NGO funding proposals.



Picture: @flohuseini



**Disclaimer:** Need assessment is under continuous monitoring and is updated regularly, so allocation may change accordingly. Fund allocation is also contingent on receiving proposals in allocated areas.

# DEEP-DIVE ON RESIDENTIAL REHABILITATION FOR AFFECTED PEOPLE

## THIS IS THE LARGEST AREA OF UNMET NEED

We have determined that the preferred modes of support and intervention, based on best practices of humanitarian intervention and the realities of the Lebanese context, are conditional cash for repairs and furniture, in-kind materials, labour, furniture and appliances for rehabilitation.

**~9,700 DAMAGED BUILDINGS**

**~72,200 DAMAGED APARTMENTS**

**~291,000 INDIVIDUALS WITH DAMAGED HOUSES**

*Preliminary data as of August 14th*

FUNDING ALLOCATION

**50-60%**  
OF FUND TOTAL

*Source: Strategy& (Beirut Explosion Impact Assessment - Status update #1, August 19, 2020) UN-OCHA's Lebanon Flash Appeal Report, Strategy & Analysis*



## ADDITIONAL PROCESSES

We ensure that NGOs have permission to rehabilitate residences in their proposal • We exercise caution with subcontracting through monitoring & compliance • We encourage partnerships & collaboration between different stakeholders • We allocate funding based on updated needs assessment

## KEY METRICS

*Number of residences fully rehabilitated*  
*Number of residences rehabilitated with doors and windows*

## DEEP-DIVE ON MEDICAL & MENTAL HEALTH SUPPORT

### NEEDS REMAIN HIGH DESPITE GENEROUS IN-KIND SUPPORT & DONATIONS

We have determined that the preferred modes of support and intervention, based on best practices of humanitarian intervention and the realities of the Lebanese context, are in-kind medicine, assistive medical devices, vouchers or paid sessions for mental health support, physiotherapy and community healing projects.



#### KEY METRICS

*Number of community members receiving sustained mental health support*  
*Number of people receiving medicine*  
*Number of people receiving medical assistance*

## DEEP-DIVE ON LIVELIHOOD SUPPORT

### LIVELIHOOD SUPPORT IS CRITICAL TO ENSURING THAT VULNERABLE COMMUNITIES AFFECTED BY THE BLAST CAN SUSTAIN THEMSELVES

We have determined that the preferred modes of support and intervention, based on best practices of humanitarian intervention and the realities of the Lebanese context, are cash for work and direct cash transfers to households.



#### KEY METRICS

*Number of individuals receiving livelihood support*  
*Total amount of monetary assistance received*

## DEEP-DIVE ON MICRO & SMALL BUSINESS SUPPORT

**POTENTIAL FOR ECONOMIC SPILLOVER EFFECT, LEADING TO JOB CREATION AND IMPROVED LIVELIHOOD**

We have determined that the preferred modes of support and intervention, based on best practices of humanitarian intervention and the realities of the Lebanese context, are in-kind materials and labor for reconstruction, cash for repairs, cash for work (to stimulate job continuity) and direct cash transfers.



Picture: @karliseverywhere

### KEY METRICS

*Number of businesses supported  
Number jobs created/preserved through businesses supported*

## DEEP-DIVE ON HOSPITAL & MEDICAL BODY RELIEF

**IMMEDIATE TO SHORT-TERM RELIEF CRITICAL TO PROVIDING BASELINE MEDICAL CARE IN AREAS AFFECTED**

We have determined that the preferred modes of support and intervention, based on best practices of humanitarian intervention and the realities of the Lebanese context, are conditional cash for repairs and in-kind donations of equipment.



Picture: Edmond Khnaisser

### KEY METRICS

*Amount of medical equipment donated  
Number of hospital wards rehabilitated*

# FUND ALLOCATION & DISBURSEMENT PROCESS OVERVIEW

To guarantee that our supporters' donations, which they have trustingly placed in our hands, reach apolitical, non-sectarian, transparent and proficient NGOs and make the strongest impact possible on the ground, we have implemented the below fund allocation and disbursement process.

First, eligible NGOs that meet the selection criteria are nominated by our vetting team. Then, in partnership with Qudurat, we review the NGO's project proposal which describes their scope of work and details how the funds would be spent. We prioritise proposals that are in line with the verticals outlined in this report, then, the vetting process is conducted in partnership with 3QA, a social enterprise specialising in third-sector quality assurance in Beirut.

The vetting process includes the collection and review of the NGO's legal documents, financial records, internal systems and list of board members.

If the NGO successfully passes the vetting process, we proceed to acquiring our committee's approval in partnership with LIFE. Then, a memorandum of understanding (MoU) is signed by both parties.

Once the agreed amount of funds has been disbursed, we conduct close monitoring of the NGO's work to ensure that the funds are being spent in compliance with their intended purpose.



## NGO Portfolio & Pipeline Committee:

**11 Team members**  
From the US to UK to Lebanon.

Between **5 - 12 years of experience** each, in the following fields:

*Strategy Consulting, Software Engineering, International Development in Civil Society & Peace Building, Science, Construction & Real Estate, Non-Governmental Organisations, Retail Strategy and Operations*

*Speed depends on NGO response time.*

## QUALIFYING AND PRIORITISATION CRITERIA FOR NGOS

### QUALIFYING CRITERIA

To be eligible for selection, NGOs must meet the following criteria:

- Local NGO registered in Lebanon
- Apolitical and non-sectarian
- Proposing work directly related to the Disaster Relief for Beirut Explosion Fund
- Willing to undergo 3QA's vetting, monitoring and compliance process

Kindly direct all incoming questions and proposals to [fundraising@impactlebanon.org](mailto:fundraising@impactlebanon.org), which is your official inbox for all funding-related queries.

### PRIORITISATION CRITERIA

**According to our needs assessment, we will be giving priority to NGOs working in the following sectors:**

- Residential rehabilitation
- Medical and mental health support
- Livelihood support
- Micro and small business support
- Hospital and medical body support

**All incoming proposals are entered into our NGO database for a centralised view.**



## OUR NEXT STEPS

### Our Next Steps: Putting Strategy into Action

To execute our strategy, we will implement the following course of action:

- Update the funding gap analysis every 1-2 weeks until all funds are disbursed
- Continue reviewing proposals and vetting NGOs
- Monitor implementation of projects in collaboration with 3QA
- Investigate future needs and other initiatives as we move towards phase 3, or prolonged recovery period, to target additional areas such as cultural preservation and education

If you are interested in collaborating with us, please send an email to [volunteer@impactlebanon.org](mailto:volunteer@impactlebanon.org).



Picture: @flohusseini

**Contact us:**

For volunteering opportunities:  
[volunteer@impactlebanon.org](mailto:volunteer@impactlebanon.org)

For press enquiries:  
[press@impactlebanon.org](mailto:press@impactlebanon.org)

For enquiries about the fundraiser:  
[fundraising@impactlebanon.org](mailto:fundraising@impactlebanon.org)

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