

Liberté Égalité Fraternité





EVALUATION HIGHLIGHTS

What can be learned from 25 years of AFD action in Lebanon?

Scope Evaluation of 25 years of AFD action in Lebanon

Area of intervention Lebanon

Total amount 1.75 billion euros of gross commitments (1.2 billion euros net)

Evaluation conducted by Groupe Pluricité and

Red Mangrove Advisors

Since opening its office in Beirut in 1999, AFD has become a recognized development actor, demonstrating an ability to adapt its operations to the multiple crises Lebanon has faced. Keen to learn from experience and build on its achievements, AFD launched an evaluation of its interventions over the past 25 years to inform its next roadmap in Lebanon.

Background

AFD's intervention in Lebanon is rooted in a long-standing partnership between the two countries that began in 1967. In 1998, when Lebanon was classified as an upper middle-income country and thus became ineligible for tied aid, France chose to maintain its support by including Lebanon within the Priority Solidarity Zone for development assistance. It was in this context that AFD opened its office in Beirut in 1999.

The evaluation of 25 years of AFD engagement in Lebanon aimed to:

- Provide a quantitative and analytical overview of AFD's activities**;
- Formulate a structured, evidence-based judgment on AFD's overall intervention and across key sectors, while integrating cross-cutting themes such as gender, climate, crises and conflicts;
- Draw lessons to inform the agency's next strategic roadmap for Lebanon.

Covering the period from 1999 to 2023, the analysis was based on an extensive document review—including 22 project-level and thematic evaluations—complemented by interviews and 11 case studies in three sectors: water and sanitation, education, and health.

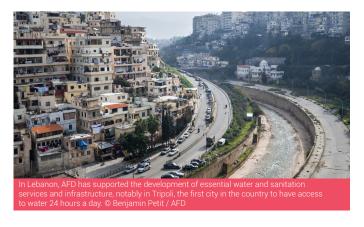
FOCUS

RESPONSE TO THE BEIRUT PORT EXPLOSION

On August 4, 2020, when the explosion at the Port of Beirut devastated the capital, Lebanon was already grappling with overlapping political, socio-economic and health crises. In such a context, how could an effective link be maintained between immediate relief efforts and longer-term development objectives?

Acting swiftly as part of *Team France*, AFD financed 11 projects across multiple sectors — including health, food security, education and economic resilience. The evaluation found that phased interventions, combining an immediate response to the disaster with subsequent development-oriented components, proved particularly effective. It also set out a number of recommendations for both AFD and its implementing partners





AFD Activity in Lebanon from 1999 to 2023



From a "loans" approach to a "grant" logic

- → Loans were predominant until 2018, benefiting 90% the Lebanese State.
- → After Lebanon's sovereign debt default in 2020, AFD was no longer able to mobilize new loans during the period considered: grants became predominant, with more diversified beneficiaries (civil society organizations, UN agencies, ICRC, etc.), supporting the implementation of public policies.

€ **228**

This is the amount of commitments from the **Minka Fund in Lebanon**, AFD's main grant instrument in the country from 2017 to 2023.

4 main sectors of intervention

(in million euros and % of disbursed amounts)



Water and sanitation (€78 M / 7 %)



Productive sector (€99 M / 9 %)



Education, vocational training, employment (€84 M / 8 %)



Health (**€94 M** / 8 %)

Relevance of AFD's positioning in the Lebanese context

- AFD's approach is aligned with local needs and national strategies. The supported sectors are considered key, addressing gaps left by the State or other donors.
 By working with local civil society, AFD has played a pioneering role in advancing aid localization.
- AFD has demonstrated **adaptability in the face of successive crises** through the use of diverse financial instruments, engagement with a range of stakeholders (government, civil society, etc.), and innovative mechanisms (emergency funding, reallocations...).
- Since 2020, AFD has progressively incorporated shortterm response measures into its development approach, notably in the context of the COVID-19 pandemic and the Beirut port explosion, amid an ongoing socio-economic crisis

Coherence and AFD's added value

- AFD's work is generally highly appreciated by national and local partners. Teams are perceived as dedicated, skilled, and capable of close field follow-up.
- AFD is seen as broadly well aligned with other donors active in Lebanon, promoting coordination and demonstrating a strong ability to mobilize co-financing.

Effectiveness and sustainability of interventions

- The overall performance of AFD's operations in Lebanon is generally positive for a large part of its portfolio:
 - A wide range of activities have been supported, including major infrastructure works, training and technical assistance, credit lines, normative and institutional support, and targeted "emergency" actions.
- Tangible successes have been observed across several sectors: water and sanitation, education, social cohesion and health.
- Emergency response and stabilization interventions achieved the expected immediate results, although the long-term impact of Minka funding remains more difficult to assess.
- The development-oriented projects, with a strong institutional focus, were particularly valued and are considered a flagship of AFD's action in Lebanon.
- AFD demonstrated responsiveness and flexibility that enabled the completion of many operations despite the context.



- In Lebanon, AFD has faced multiple political, economic and security constraints (political instability, lack of shared vision among national authorities...).
- Constant (but necessary) adaptation has sometimes raised questions about the coherence of AFD's development actions in the country, especially during the last decade of crises.
- AFD's portfolio reflects major French influence objectives, leading to large budgetary supports whose effects were limited in the absence of reforms.
- AFD's positioning along the emergency-development continuum allowed adaptation to shocks but this approach still deserves further reflection.
- The evolving context requires constant attention to coherence, complementarity, and coordination among donors (with different mandates and operating modes).
- The role distribution within "Team France" (Embassy, AFD, Expertise France, Crisis and Support Center, etc.) has become more complex in recent years, with overlapping priorities and mandates between influence and development.
- Local constraints had significant effects on most operations:
- They affected the overall efficiency of the portfolio, leading to major implementation delays and a high rate of cancellations (particularly for loan projects).
- They also reduced the impact and sustainability of interventions, raising questions about post-project outcomes. For example, the benefits of training activities were limited by the departure of many Lebanese from the country.
- Institutional challenges and the limited capacity of some implementing partners constrained the effective use of financed infrastructure and the achievement of expected service levels

FOCUS HEALTH: ACCESS TO QUALITY CARE

Since 2018, AFD has supported the strengthening of Lebanon's health system in line with the Lebanese Ministry of Health's strategies:

- Support to primary healthcare centers and public hospitals through infrastructure rehabilitation, staff training, and financing care for vulnerable patients. For example, AFD, through its partners (Première Urgence Internationale, Pierre Fabre Foundation...), supports dozens of primary healthcare centers nationwide. Special attention is given to mental health.
- Support to structural reforms such as modernization of the pharmaceutical supply chain and compliance with public hospital accreditation standards.



RECOMMENDATIONS

- Maintain AFD's engagement in Lebanon in line with France's political priorities while ensuring that financial support remains coherent with the country's needs and accompanied by policy dialogue on reforms and governance
- Despite repeated shocks, preserve AFD's development DNA by supporting institutional projects and public policy initiatives while integrating immediate needs into the development approach.
- Clarify the ambitions of interventions considering structural impact limitations (realistic objectives, timedifferentiated indicators...).
- Strengthen AFD's visibility in Lebanon.
- Capitalize on good practices from the evaluation, continue conducting evaluations, and maintain partnerships with local research institutions.