Supporting the future of Syria and the region
Brussels III Conference 12-14 March 2019

# Supporting Syria and the region: Post-Brussels conference financial tracking

**Report Eight**
*September 2019*

# Supporting Syria and the region: Post-Brussels conference financial tracking September 2019

On 12–14 March 2019, the Brussels III conference brought together 78 delegations – 56 states, 11 regional organisations and international financial institutions (IFIs) and 11 UN agencies – to renew and strengthen political, humanitarian and financial commitments for supporting the future of Syria and the region. This seventh pledging conference was hosted by the European Union and co-chaired by the UN. The announced grant support amounted to US$7.0 billion for 2019 and multi-year pledges of close to US$2.4 billion for 2020 and beyond. IFIs and governments also announced US$21.0 billion in loans[1] for 2019 and beyond.

This is the eighth financial tracking report in a series that tracks financial contributions against pledges made in response to the Syrian crisis. This report was commissioned by the European Commission and presents the contributions of donors against their pledges made at the Brussels III conference. It summarises the progress of contributions to respond in Syria and in the neighbouring refugee-hosting countries – Jordan, Lebanon, Turkey, Iraq and Egypt.

It also provides a breakdown of grant and loans as contributions to Syria and the region to date. Information was gathered directly from donors, and supplemented by Brussels conference documentation and data from the UN Office for the Coordination of Humanitarian Affairs (OCHA)'s Financial Tracking Service (FTS). A glossary of the terms used throughout is given at the end of the report, as are details of the data sources and methodology employed.

## Contents

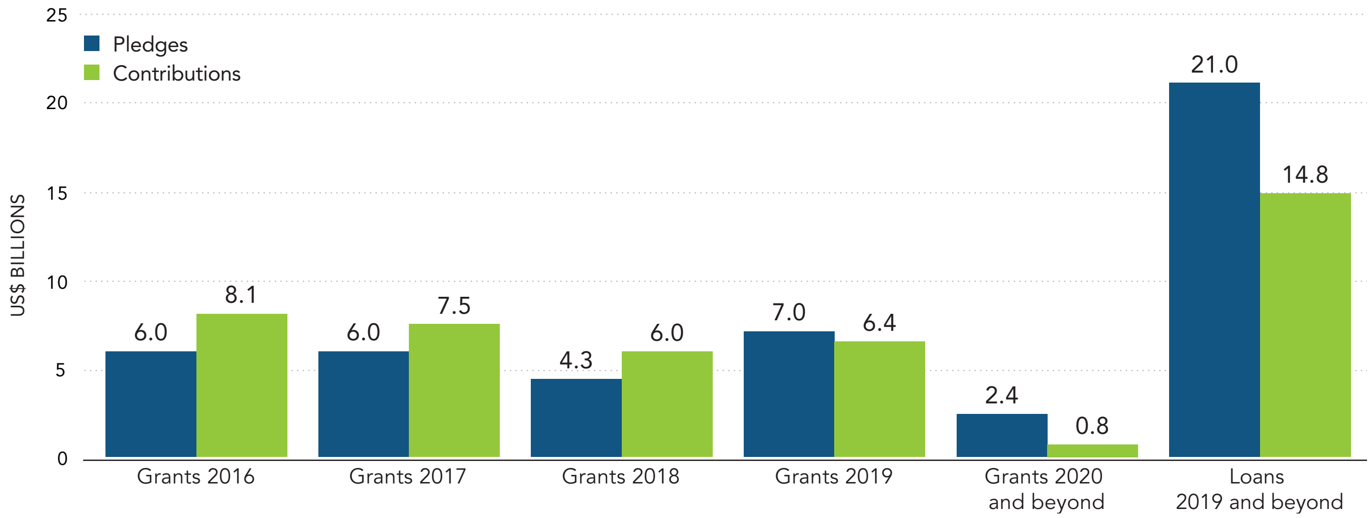
# 1. Overview

A total of US$9.4 billion in grants was pledged by donors at the Brussels III conference for 2019 and beyond; US$7.0 billion was pledged by 41 donors for 2019, of which 15 pledged a further US$2.4 billion for 2020 and beyond. By the end of July 2019, US$6.4 billion in grants had been contributed for the year, covering 92% of the original pledge. So far, 19 donors have met or exceeded their pledges. For 2020 and beyond, a total of US$752 million, the equivalent of 32% of the grants pledged for the period, were reported as contributed at the time of data collection (July 2019).

In terms of loans, US$21.0 billion was pledged by IFIs (US$19.4 billion) and donor governments (US$1.6 billion) for 2019 and beyond. Of these pledges, 71% (US$14.8 billion) have been contributed at the time of data collection.

Throughout the report, 'contributions' refer to the sum of all assistance reported at each mutually exclusive stage of the funding process – committed, contracted or disbursed (see Glossary).

FIGURE 1.1: Funding contributed against funding pledged, a) grants 2016, b) grants 2017, c) grants 2018, d) grants 2019, e) grants 2020 and beyond (as of 31 July 2019), f) loans 2019 and beyond




Source: Development Initiatives based on data provided bilaterally in 2016, 2017,[2] 2018 and 2019, the '**Co-chairs' statement annex: fundraising**' and UN OCHA FTS. FTS data downloaded 31 July 2019.
Notes: Pledges were announced at the time of the London conference and the Brussels I, II and III conferences and recorded in the pledging annex. Where available, figures provided directly to Development Initiatives have been used for calculating contributions; otherwise, FTS data has been used. The pledges reported in original currencies have been converted to US$ using the UN Operational Rates of Exchange as of 1 April 2016, 1 April 2017, 1 April 2018 and 1 March 2019 respectively. Contributions reported in original currencies have been converted to US$ using an average of the 2016 UN Operational Rates of Exchange for 2016, 2017 rates for 2017, 2018 rates for 2018 and an average of the 2019 rates for 2019 and 2020 contributions. Figures for 2020 and beyond are based on data provided by donors in 2019 on contributions known at the time. Data is partial and preliminary.

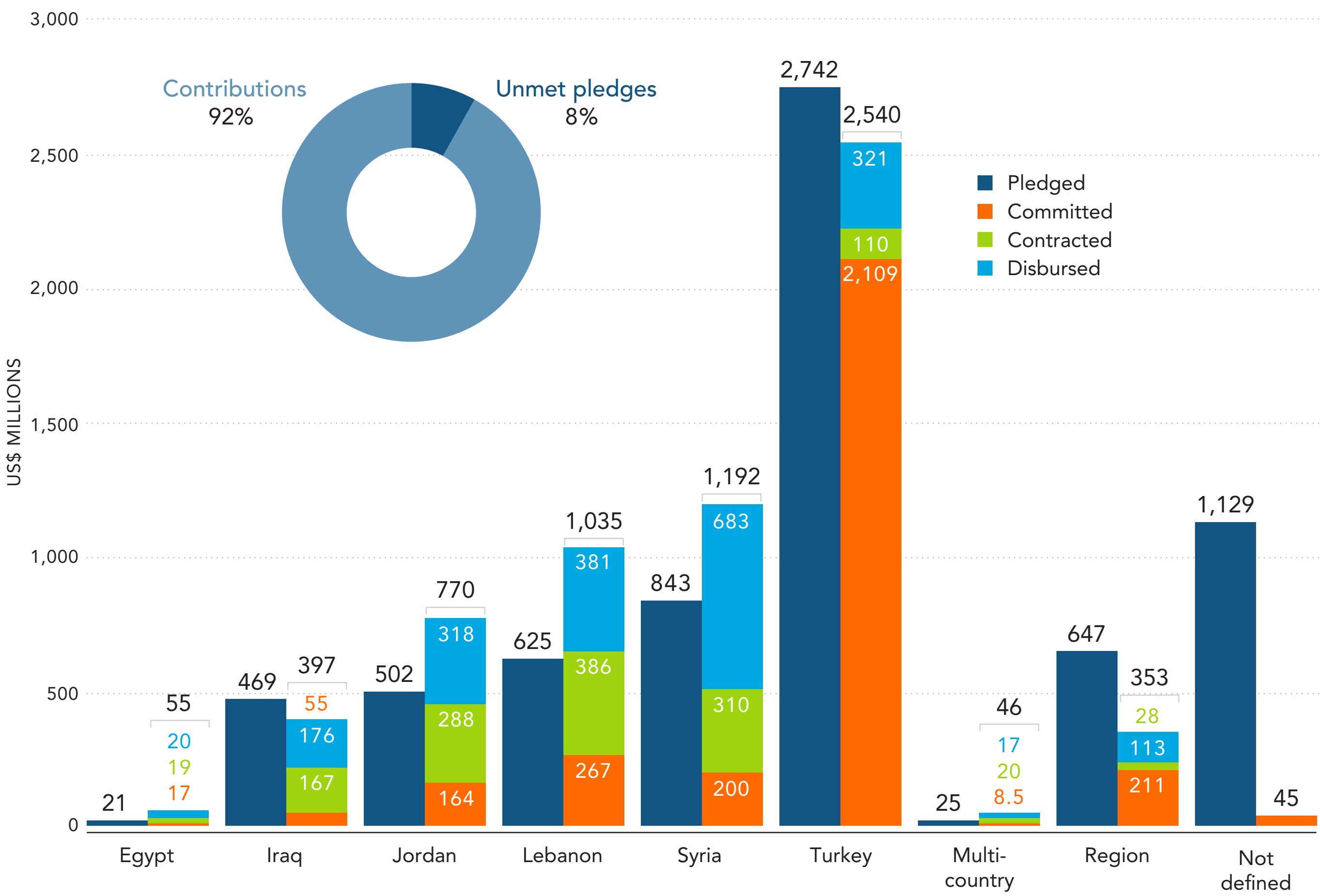
# 2. Progress by recipient

## Grant contributions

Of the total US$6.4 billion in grant contributions reported for 2019, 39% were directed to Turkey (US$2.5 billion). Almost a fifth of the funding was directed to Syria (19%, US$1.2 billion), closely followed by Lebanon which received 16% of the total (US$1.0 billion). Jordan received US$770 million (12%), Iraq US$397 million (6%) and Egypt US$55 million (1%). It is likely that more funding was allocated to these countries as part of multi-country or regional contributions, which together amounted to US$399 million. A total of US$45 million reported by donors did not specify a recipient country.

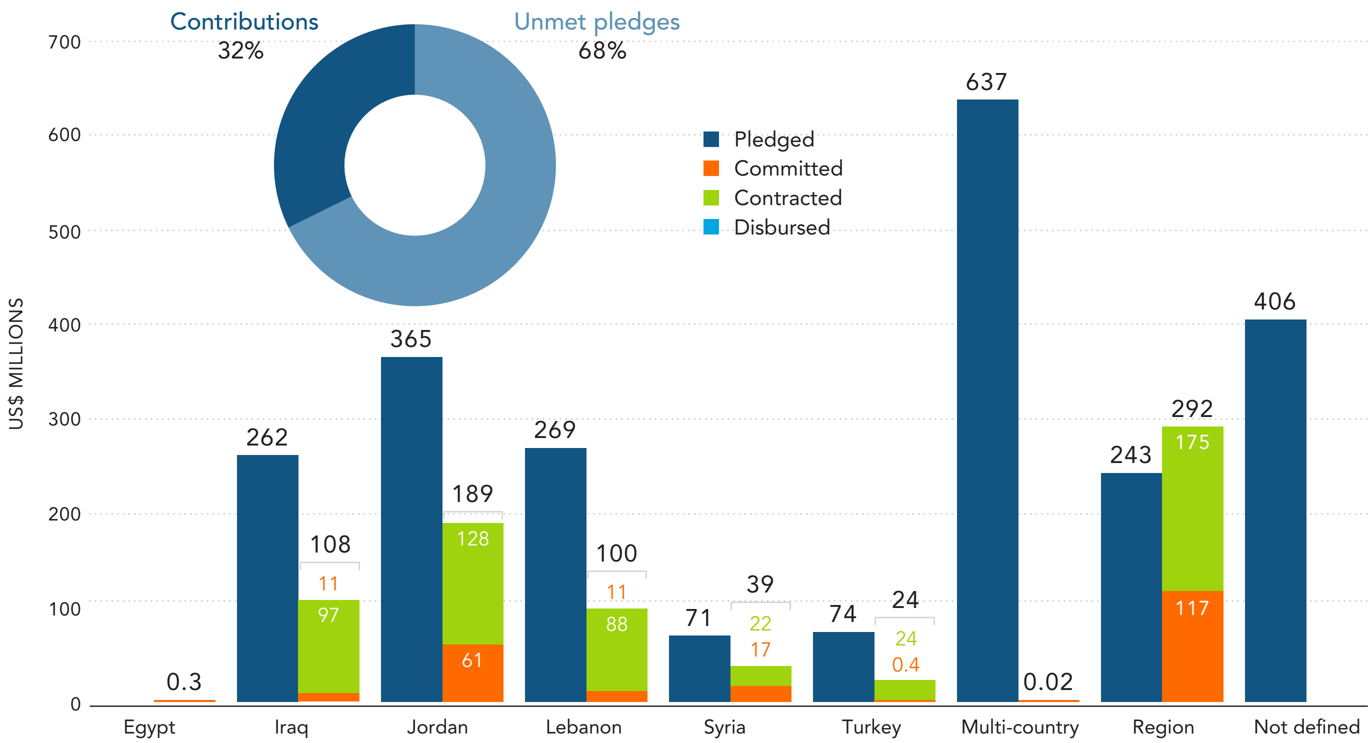
Where contributions to a country exceed the country-specific pledges, this is likely due to a lack of country-specific pledges at the time of pledging, reflected in US$1.1 billion of pledges for 2019 not being disaggregated by destination location ('Not defined').

FIGURE 2.1: Grant contributions against pledges by recipient country, 2019




Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019 and UN OCHA FTS.
FTS data downloaded 31 July 2019.
Notes: Data is partial and preliminary. 'Not defined' includes pledges and a portion of funding where a recipient country was not specified by donors.

FIGURE 2.2: Grant contributions against pledges by recipient country, 2020 and beyond




Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019 and UN OCHA FTS. FTS data downloaded 31 July 2019.
Notes: Data is partial and preliminary. 'Not defined' includes a portion of pledges where data on recipient country was not specified by donors.

In terms of grants for 2020 and beyond, donors have so far reported total contributions of US$752 million. A quarter of this, US$189 million, has been allocated to reach Jordan, while Iraq is to receive US$108 million (14%) and Lebanon US$100 million (13%). Accounting for less than 10% of total contributions so far, Syria is to receive US$39 million (5%), Turkey US$24 million (3%) and Egypt US$0.3 million (0.04%). Almost all contributions (US$292 million) not yet allocated to a specific country are directed to the regional response, representing 39% of the total contributions for 2020 and beyond. The forward-looking grant contributions are likely a mix of ongoing multi-year grants and single-year grants that are already committed. However, comprehensive information on the timeframe of funding agreements was not collected and is therefore not available.

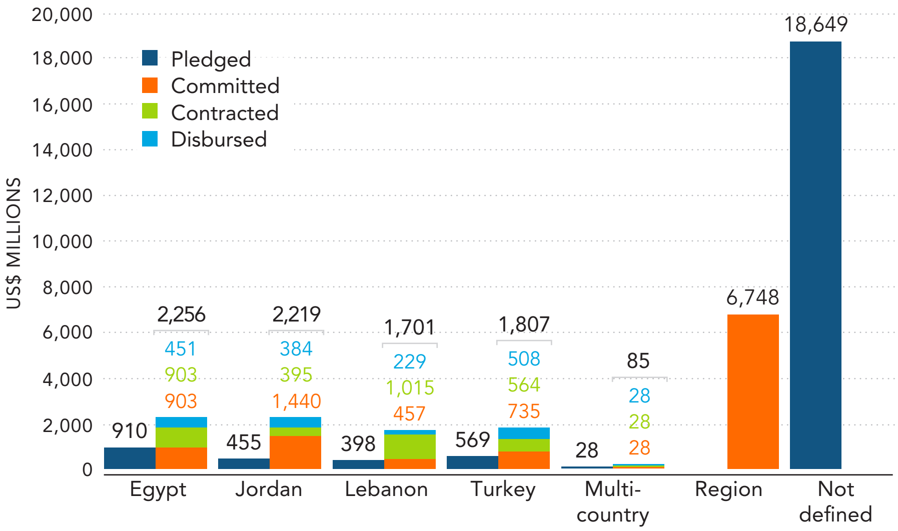
## Loans

A large proportion of the loans[4] for 2019 and beyond (46%, US$6.7 billion) were directed to the region, while Egypt received the second-largest amount, at US$2.3 billion (15% of total). Lending institutions directed US$2.2 billion to Jordan (15%), US$1.8 billion (12%) to Turkey and US$1.7 billion to Lebanon (11%). Less than 1% (0.6%, US$85 million) were reported as multi-country contributions. No loans to Iraq were reported.

Nearly half of the loans (49%, US$7.2 billion) were provided without details on levels of concessionality (Figure 2.4, 'Unspecified contributions'). Of the loans for which this information is available, US$2.3 billion of non-concessional loans were directed to Egypt (30% of loans with information on concessionality), US$1.6 billion to Turkey (22%), US$1.0 billion to Jordan (13%) and US$623 million to Lebanon (8%). Around US$85 million of non-concessional loans went to groups of countries in the region (1.1%). A total of US$2.0 billion in concessional loans went to Lebanon (US$1.1 billion) and Jordan (US$893 million), accounting for 26% of the total loans with details on concessionality.

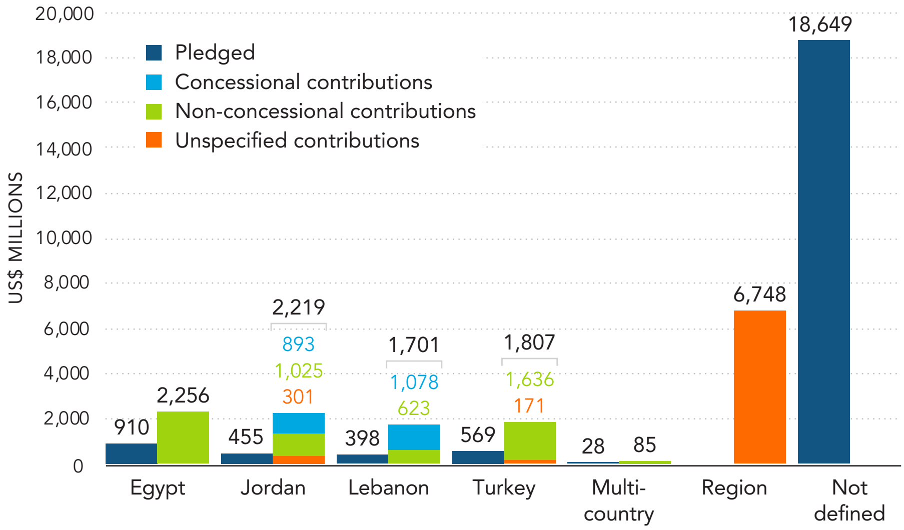
Jordan, Lebanon, Iraq and Turkey all received a combination of grants and loans as financial support (see Section 3). Financial mechanisms, such as the World Bank's Global Concessional Financing Facility and the EU's Neighbourhood Investment Platform, use grant funding from government donors to leverage three to nine times the same amount in loans. The European Bank for Reconstruction and Development (EBRD) uses grants from donors as co-investments for the loans it provides.[6]

FIGURE 2.3: Loans against pledges by recipient country, 2019 and beyond[3]




Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019.
Notes: Some of the funds displayed as committed might be contracted or disbursed. Data is partial and preliminary. 'Not defined' includes a portion of pledges where data on recipient country was not specified bilaterally by donors. Where contributions to a country exceed original pledges, this may be because of a lack of country-specific pledges at the time of the conference or a lack of disaggregated pledge data reported as part of this exercise.

FIGURE 2.4: Loans against pledges by recipient country and by loan concessionality, 2019 and beyond[5]

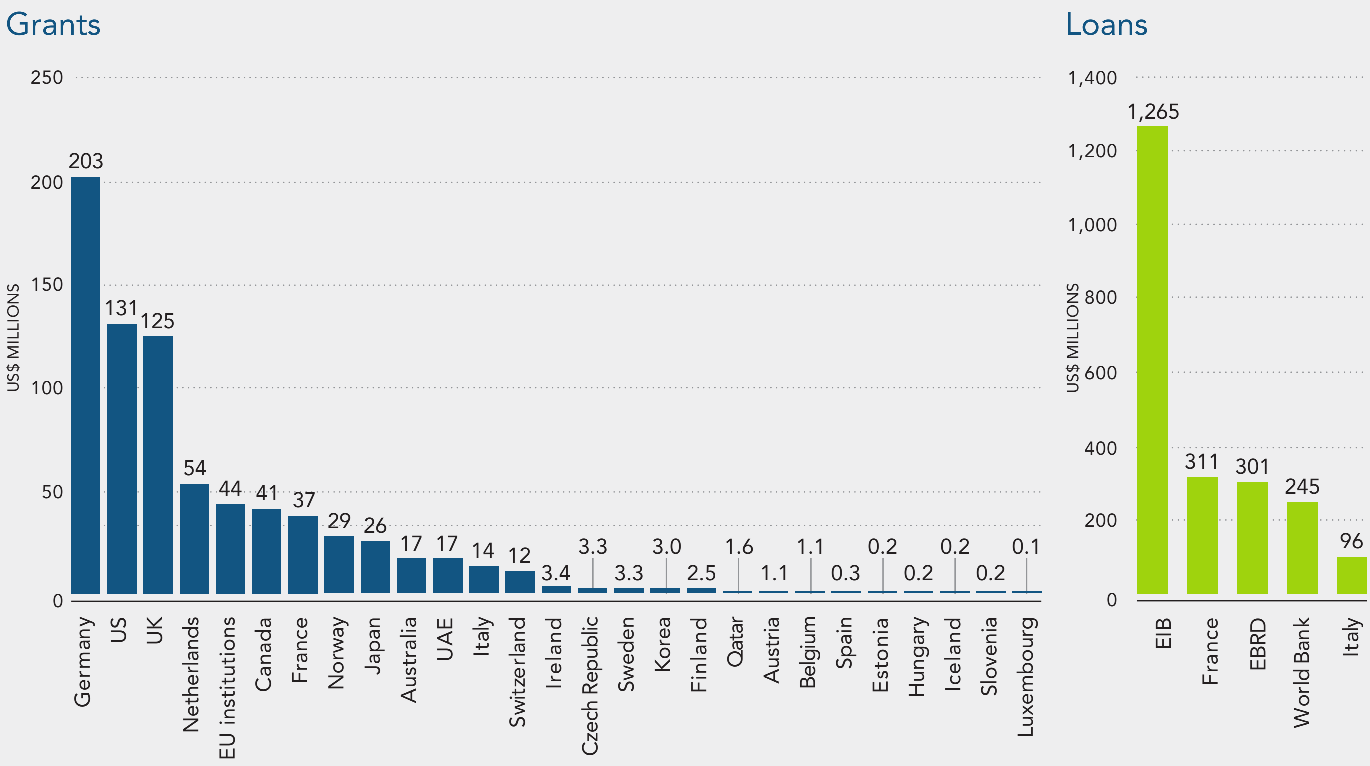



Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019.
Notes: Data is partial and preliminary. 'Not defined' includes a portion of pledges where data on recipient country was not specified by donors. Where contributions to a country exceed original pledges, this may be because of a lack of country-specific pledges at the time of the conference or a lack of disaggregated pledge data reported as part of this exercise.

# 3. In focus: Contributions to Jordan, Lebanon, Turkey and Syria

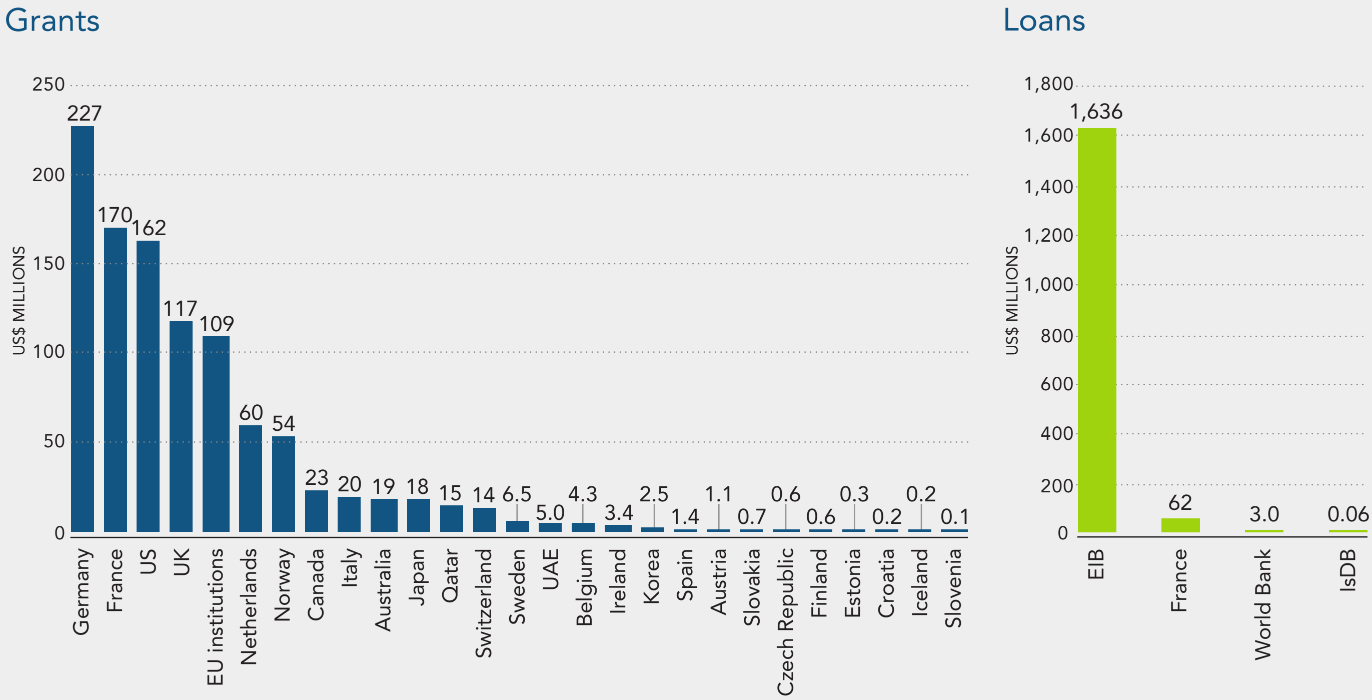
Total contributions to Jordan had reached US$3.0 billion by the end of July 2019, made up predominately of loans (74%, US$2.2 billion) and grants (26%, US$770 million). Three largest grant donors combined provided 60% of all grant contributions: Germany (US$203 million), the US (US$131 million) and the UK (US$125 million). The largest loans amount was provided by the European Investment Bank (EIB), at US$1.3 billion (57% of loans), while the second-largest came from France, at US$311 million (14%). The EBRD provided US$301 million (14%) in loans, the World Bank US$245 million (11%) and Italy US$96 million (4%).

FIGURE 3.1: Contributions to Jordan by donor, a) grants 2019, b) loans 2019 and beyond[7]




Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019 and UN OCHA FTS. FTS data downloaded 31 July 2019.
Notes: EBRD: European Bank for Reconstruction and Development; EIB: European Investment Bank; UAE: United Arab Emirates. The EBRD's contributions represent only its refugee response.

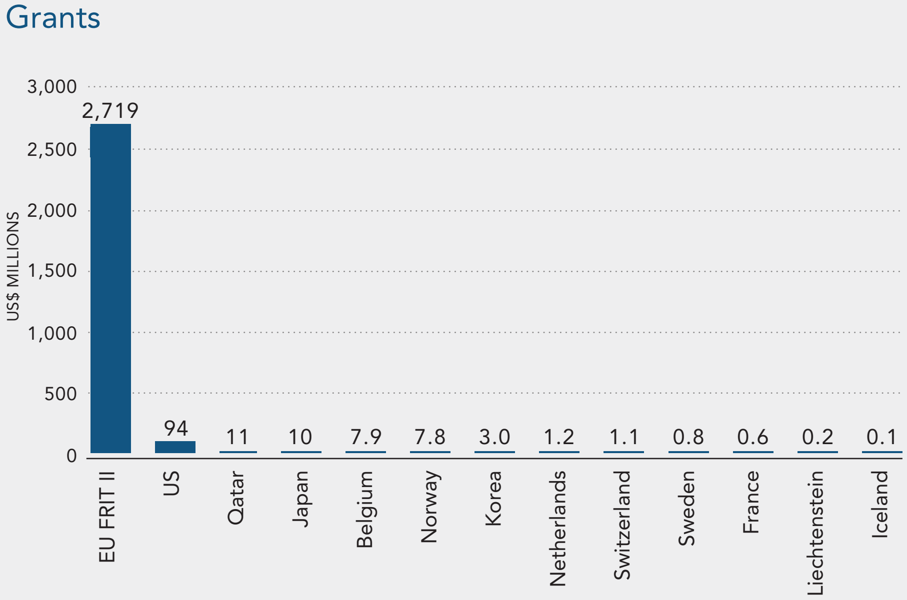
FIGURE 3.2: Contributions to Lebanon by donor, a) grants 2019, b) loans 2019 and beyond[8]

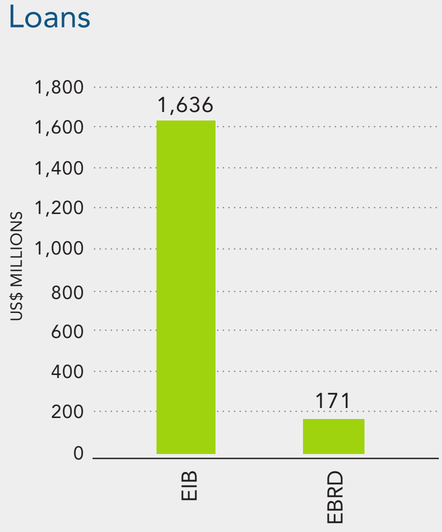



Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019 and UN OCHA FTS. FTS data downloaded 31 July 2019.
Notes: EIB: European Investment Bank; IsDB: Islamic Development Bank; UAE: United Arab Emirates.

By July 2019, the contributions to Lebanon amounted to US$1.0 billion in terms of grants for 2019 and US$1.7 billion in loans for 2019 and beyond. Similarly to Jordan, loans made up the larger share of contributions (62%), with grants representing 38%. Close to two thirds of the grants were provided by four donors – Germany (US$227 million), France (US$170 million), the US (US$162 million) and the UK (US$117 million). Of the loans, the EIB provided 96% of all loans to Lebanon (US$1.6 billion), with the remainder being made available by France (4%, US$62 million), the World Bank (0.2%, US$3.0 million) and the Islamic Development Bank (0.003%, US$60,000).

FIGURE 3.3A: Contributions to Turkey by donor, a) grants 2019, b) loans 2019 and beyond[9]



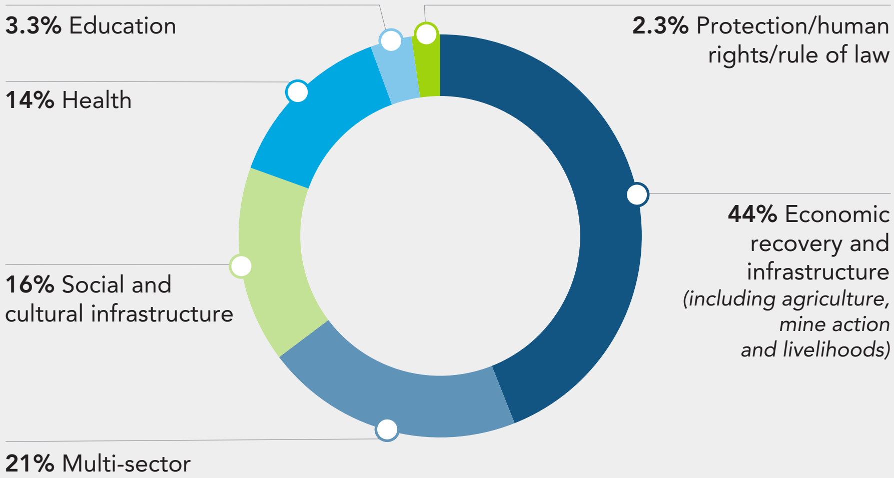

Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019 and UN OCHA FTS. FTS data downloaded 31 July 2019.
Notes: EBRD: European Bank for Reconstruction and Development; EIB: European Investment Bank; EU FRIT II: second tranche of EU Facility for Refugees in Turkey. Funding through the second tranche of the EU Facility for Refugees in Turkey includes EU member states' contributions. All of the member states' contributions to the second tranche of the Facility are committed in 2019 and therefore included for this year, even though they might be disbursed in following years. The EBRD's contributions represent only its refugee response.

Turkey received US$4.7 billion in total contributions, US$2.9 billion (61%) in grants for 2019 and US$1.8 billion (39%) in loans for 2019 and beyond. Of the total grant contributions, 95% (US$2.7 billion) come from the 2nd tranche of the EU Facility for Refugees in Turkey, including contributions from the EU budget and from EU member states. Most of the remaining grants to Turkey were provided by the US (3% of the total grants, US$94 million).

The EU Facility for Refugees in Turkey manages a total of €6 billion in two tranches: €3 billion for 2016 and 2017 and €3 billion for 2018 and 2019. Of that total, €3 billion (€2 billion and €1 billion per tranche) comes from EU member states as external assigned revenue and €3 billion (€1 billion and €2 billion per tranche) from the EU budget. The Facility represents a joint coordination mechanism, designed to ensure that the needs of refugees and host communities in Turkey are addressed in a comprehensive and coordinated manner. The Facility focuses on humanitarian assistance, education, protection, health, municipal infrastructure and socioeconomic support.[10]

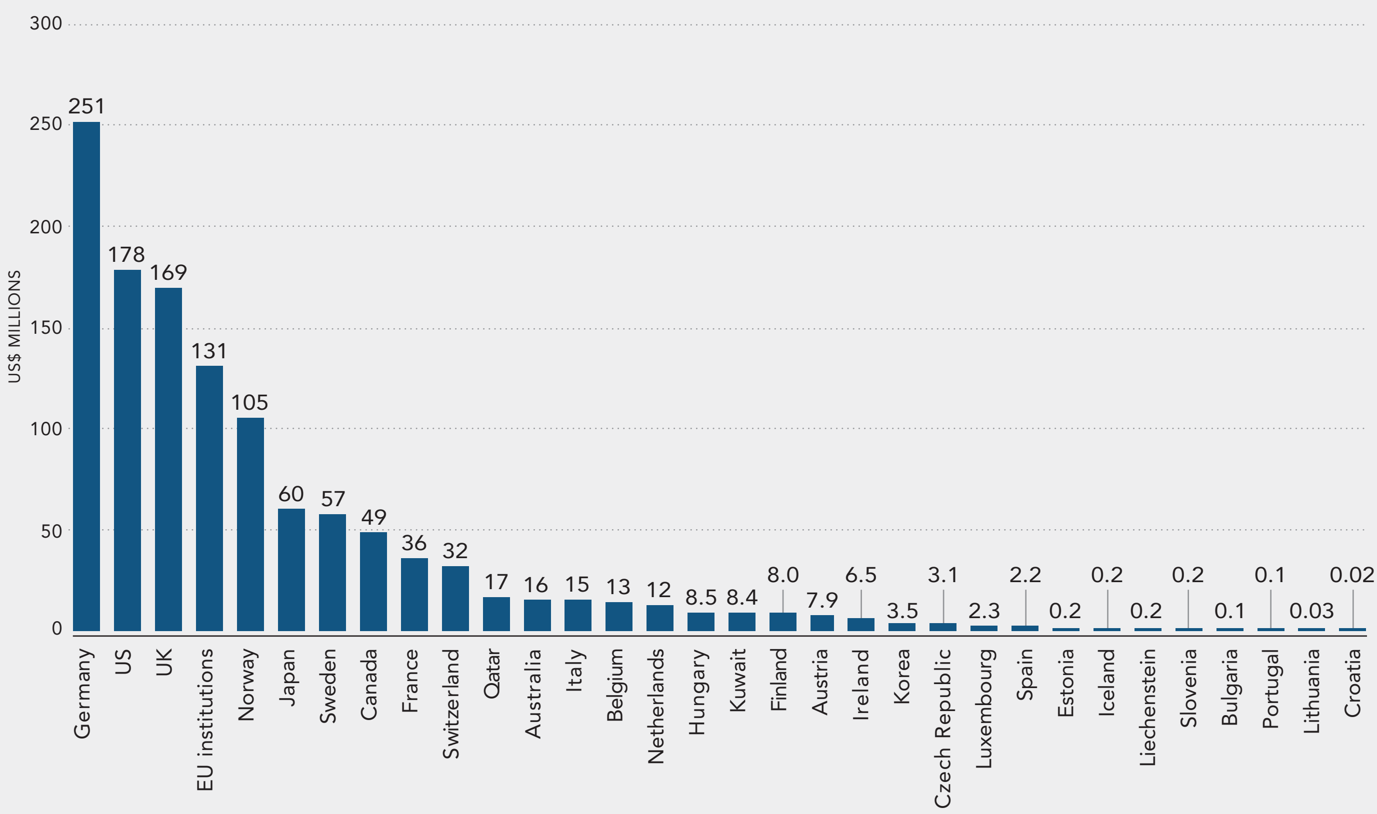
Under the second tranche, EU institutions already committed US$651 million (€550 million) in 2018, and the remaining US$1.6 billion/€1.45 billion of the EU budget (totalling US$2.2 billion/€2 billion) was committed for 2019. The member states also pledged US$1.1 billion (€1 billion) to be fully committed in 2019. These contributions to the Facility were primarily directed to economic recovery and infrastructure (44%, US$1.2 billion) and multi-sector (21%, US$564 million), amounting to nearly two thirds of the 2nd tranche's total contributions. The remaining contributions went to social and cultural infrastructure (16%, US$429 million), health (14%, US$378 million), education (3.3%, US$90 million) and protection, human rights and rule of law (2.3%, US$62 million). At this stage, no detail could be provided on channel of delivery.

FIGURE 3.3B: Grant contribution from the Facility for Refugees in Turkey (2nd tranche – 2019), by sector, 2019 (as of 31 July 2019)




Source: Development Initiatives based on available updates on the Facility for Refugees in Turkey.

FIGURE 3.4: Grant contributions to Syria by donor, 2019




Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019 and UN OCHA FTS. FTS data downloaded 31 July 2019.

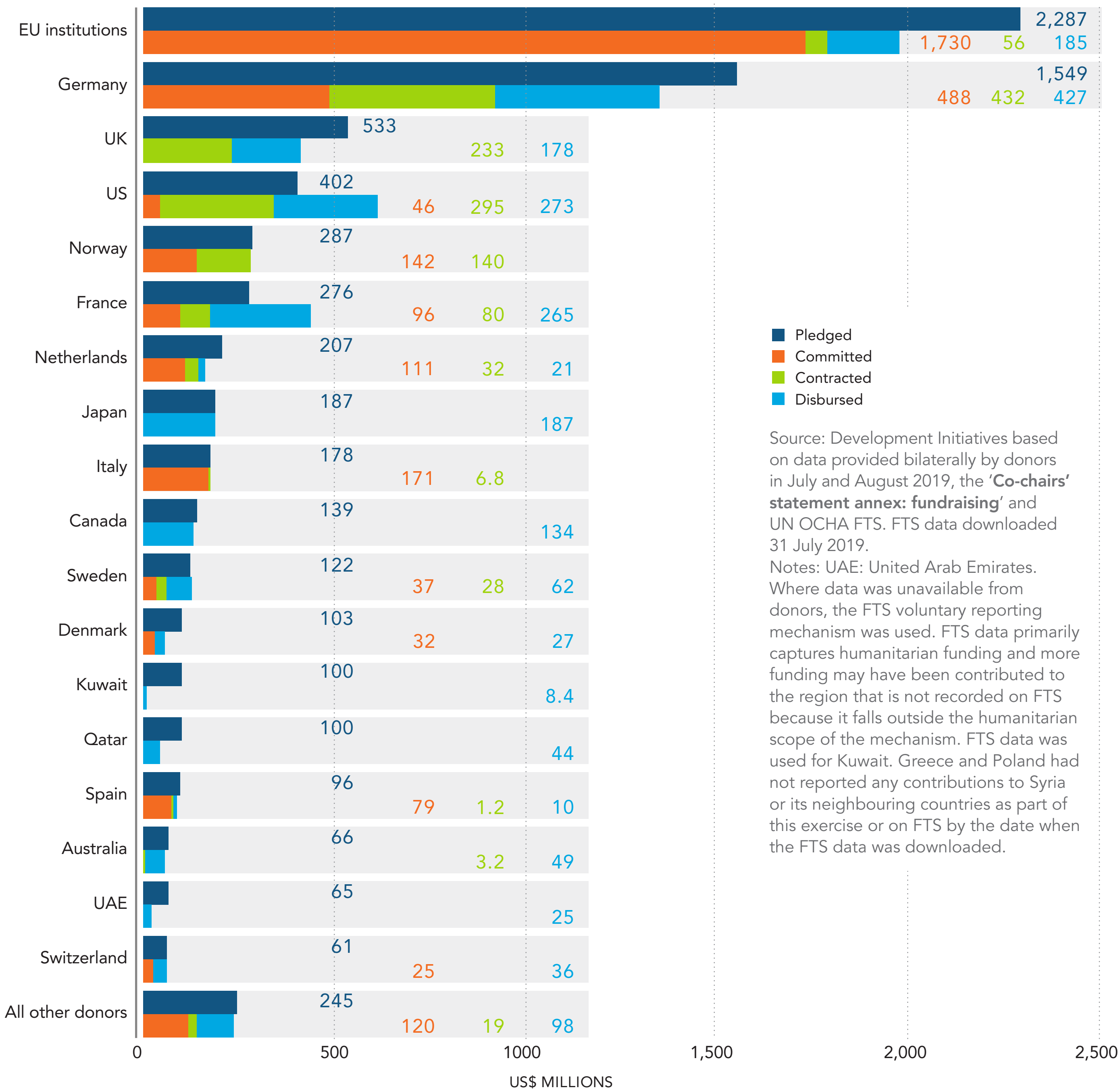
Of the US$1.2 billion contributions to Syria in 2019, more than a fifth were provided by Germany (21%, US$251 million). The next four largest donors combined provided almost half of all grants: the US (US$178 million), the UK (US$169 million), the EU institutions (US$131 million) and Norway (US$105 million). There were no loans reported to Syria.

# 4. Progress by donor

## Grant contributions

The Brussels III conference donors have contributed a total of US$6.4 billion in grants against their pledges to Syria and the region in 2019. This includes funds reported as committed, contracted and disbursed. Of the 41 conference grant donors, 19 had already made contributions for as much as or more than they pledged of the US$1.4 billion for 2019.

FIGURE 4.1: Grant contributions against pledges by donor, 2019



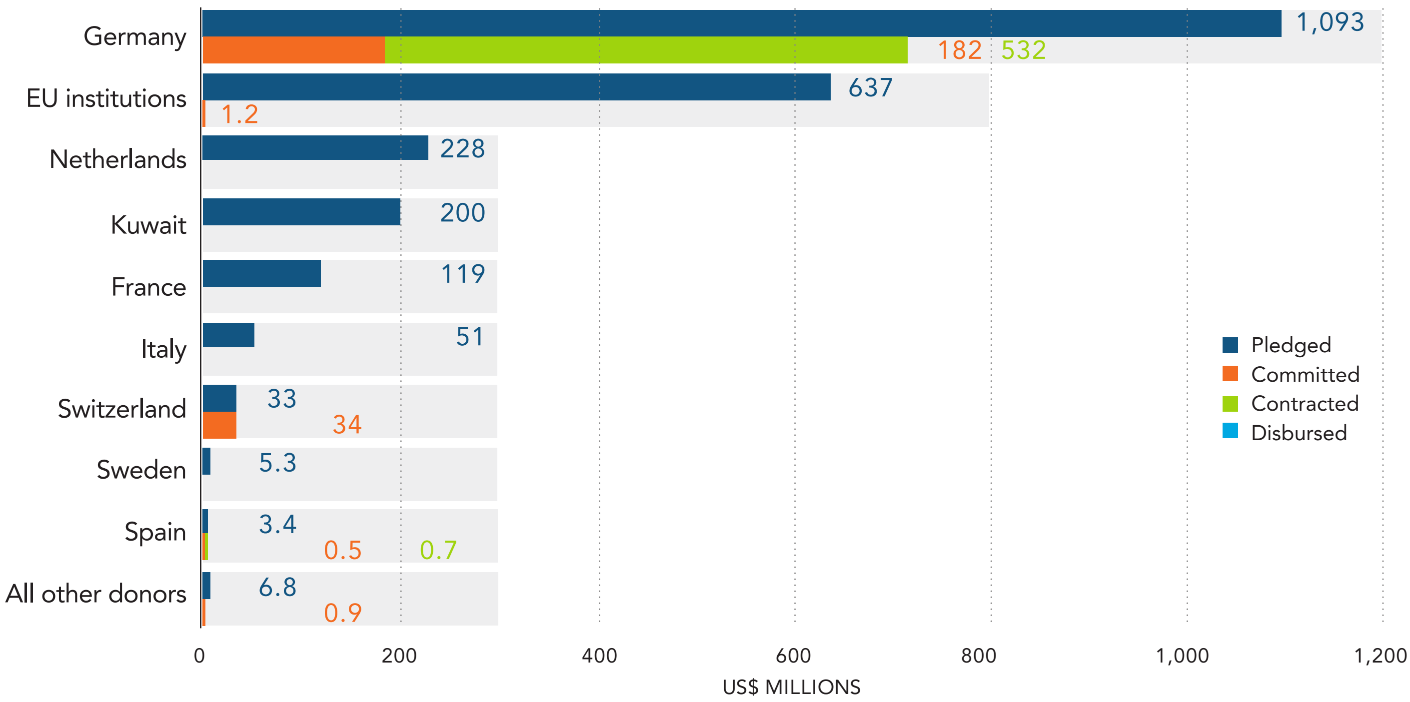

Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019, the '**Co-chairs' statement annex: fundraising**' and UN OCHA FTS. FTS data downloaded 31 July 2019.
Notes: UAE: United Arab Emirates. Where data was unavailable from donors, the FTS voluntary reporting mechanism was used. FTS data primarily captures humanitarian funding and more funding may have been contributed to the region that is not recorded on FTS because it falls outside the humanitarian scope of the mechanism. FTS data was used for Kuwait. Greece and Poland had not reported any contributions to Syria or its neighbouring countries as part of this exercise or on FTS by the date when the FTS data was downloaded.

TABLE 4.1: All other donors, US$ millions

| | | | | Contributions breakdown | | |
|---|---|---|---|---|---|---|
| | Pledged | Contributed | % met | Committed | Contracted | Disbursed |
| Austria | 39 | 39 | 100%* | 35 | - | 4.5 |
| Finland | 28 | 23 | 82% | 3.4 | 0.8 | 19 |
| Ireland | 28 | 28 | 100% | - | 4.1 | 24 |
| Belgium | 28 | 36 | 131% | 8.9 | 1.4 | 26 |
| Czech Republic | 24 | 25 | 101% | 16 | 3.1 | 5.4 |
| Portugal | 14 | 15 | 108% | 14 | - | 1.6 |
| Romania | 14 | 13 | 100%* | 13 | - | - |
| Hungary | 14 | 14 | 106% | 0.8 | 6.0 | 7.6 |
| Korea | 12 | 12 | 100% | 12 | - | - |
| Luxembourg | 11 | 5.2 | 46% | 0.4 | 3.5 | 1.3 |
| Slovakia | 6.9 | 7.1 | 102% | 6.4 | - | 0.7 |
| Poland | 4.6 | - | 0% | - | - | - |
| Bulgaria | 3.8 | 3.7 | 98% | 3.2 | - | 0.5 |
| Slovenia | 3.2 | 3.5 | 110% | 2.4 | - | 1.0 |
| Lithuania | 3.0 | 3.0 | 100%* | 2.3 | 0.3 | 0.4 |
| Estonia | 2.4 | 2.4 | 100%* | - | - | 2.4 |
| Latvia | 2.0 | 2.0 | 100%* | 2.0 | - | - |
| Iceland | 1.9 | 1.1 | 59% | 0.4 | - | 0.7 |
| Cyprus | 1.4 | 1.4 | 101% | - | - | 1.4 |
| Croatia | 1.0 | 0.2 | 24% | - | 0.2 | - |
| Malta | 0.9 | 0.9 | 100%* | 0.7 | - | 0.2 |
| Liechtenstein | 0.6 | 0.4 | 70% | - | - | 0.4 |
| Greece | 0.1 | - | 0% | - | - | - |
| EU member states and EU institutions | 5,581 | 5,013 | 90% | 2,851 | 890 | 1,272 |

Note: *These percentage values of pledges met are adjusted to reflect that, in the respective national currency, the contributions met the conference pledges. In the table, both contributions and pledges were converted to US$ and therefore may differ due to exchange rate variations (see Annex 2 for exchange rates used). For sources and further notes, see Figure 4.1.

FIGURE 4.2: Grant contributions against pledges by donor, 2020 and beyond




Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019, the '**Co-chairs' statement annex: fundraising**' and UN OCHA FTS. FTS data downloaded 31 July 2019.

Of the same 41 grant donors, 15 made forward-looking pledges for 2020 and beyond, totalling US$2.4 billion. Almost one third of this (US$752 million) had already been made available by donors at the time of reporting.

Germany provided 95% (US$715 million) of the forward-looking contributions. Most of the remaining contributions were provided by Switzerland (US$34 million). Some donors, such as the EU institutions, were not yet able to report their contributions for 2020 and beyond due to budgets that must be approved annually.

TABLE 4.2: All other donors, US$ millions

| | | | | Contributions breakdown | | |
|---|---|---|---|---|---|---|
| | Pledged | Contributed | % met | Committed | Contracted | Disbursed |
| Hungary | 2.6 | - | 0% | - | - | - |
| Iceland | 2.1 | - | 0% | - | - | - |
| Croatia | 1.3 | - | 0% | - | - | - |
| Slovak Republic | 0.7 | - | 0% | - | - | - |
| Malta | 0.1 | - | 0% | - | - | - |
| Slovenia | 0.1 | - | 0% | - | - | - |
| Belgium | - | 0.9 | - | 0.9 | - | - |
| EU member states and EU institutions | 2,142 | 717 | 33% | 184 | 533 | - |

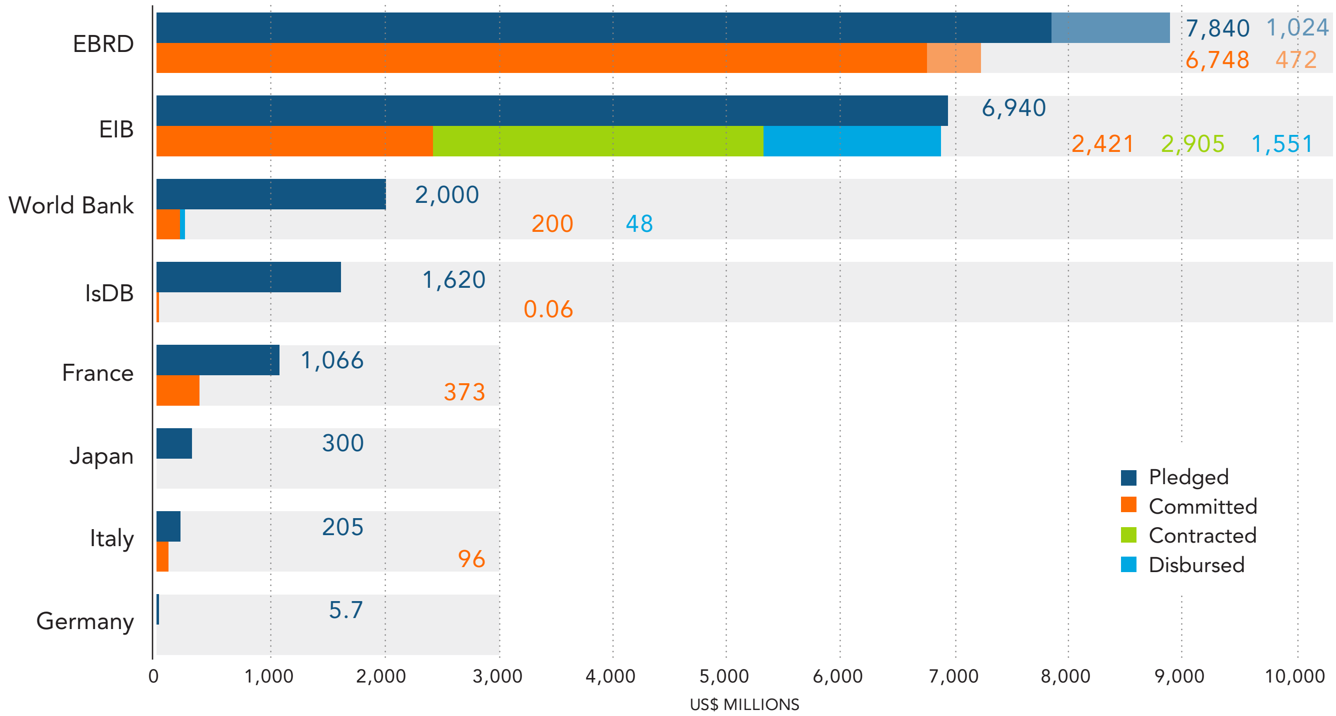
Source: see Figure 4.1.

## Loans

A large proportion of loans were made available by multilateral development banks (97%, US$14.3 billion). The EBRD and EIB have jointly provided 95% of all loans so far (US$14.1 billion). These figures refer to their full investment portfolios in the region. Of the EBRD's contributions, US$472 million were reported to be directed more specifically towards refugee response. Government donors provided US$469 million of loans (3%): France US$373 million and Italy US$96 million.

Due to different lending terms and funding procedures, data could not be provided on the degree of concessionality for 49% (US$7.2 billion) of the loans. Of those loans for which there is such information, US$2.0 billion (13% of total loans) is concessional and US$5.6 billion (38%) is non-concessional. EIB provided most of the concessional lending (73%, US$1.4 billion) followed by France (19%, US$373 million), Italy (5%, US$96 million) and the World Bank (3%, US$67 million). EIB also contributed the largest share of non-concessional loans (97%, US$5.4 billion), with the remaining loans as contributions being provided by the World Bank (3%, US$181 million).

FIGURE 4.3: Loans against pledges by donor, 2019 and beyond[11]




Source: Development Initiatives based on data provided bilaterally by donors in July and August 2019, the '**Co-chairs' statement annex: fundraising**'.
Notes: IsDB: Islamic Development Bank. The international financial institutions' loan portfolios are regularly updated, thus the contributions in the table reflect the state of portfolios at the time of data collection. These figures will be adjusted over time, as they depend on various external factors. A portion of the European Bank for Reconstruction and Development's (EBRD) and the European Investment Bank's (EIB) funds shown as committed may be contracted or disbursed. The EBRD's commitments and pledges that refer to refugee response only are shaded differently in orange and blue on the chart. The loans reflected in the chart include co-investment grants from other donors.

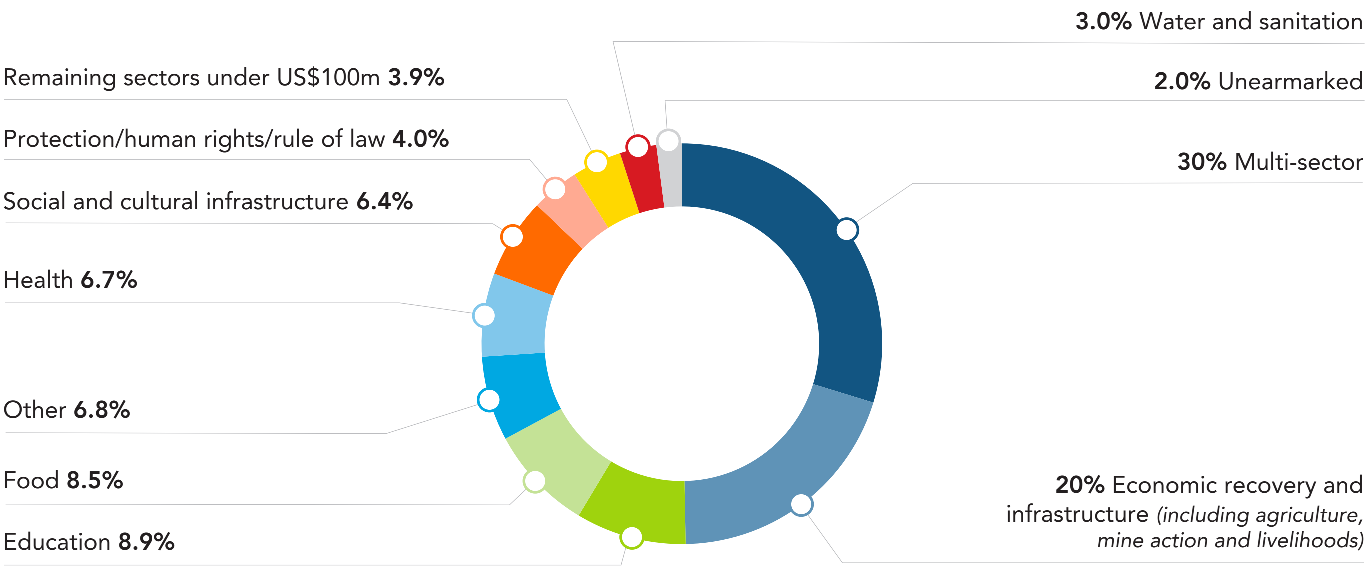
# 5. Contributions by sector

## Grant contributions

In 2019, US$3.1 billion of reported grant contributions targeted a specific sector. A third of grants reported with sector information were directed towards economic recovery and infrastructure (33% of total grants targeting a specific sector, US$1.0 billion), while US$461 million (15%) targeted education and US$442 million (14%) and US$349 million (11%) went to the food and health sectors respectively.

The remaining US$2.0 billion of total grants in 2019 were not reported with sector-specific details. Of this, almost two thirds were reported as multisectoral (US$1.5 billion). 'Other' accounted for US$353 million (17% of the remaining grants): supporting cash transfer programmes, emergency response, economic and psychosocial empowerment of women, monitoring and evaluation, technical assistance to the response, and staff costs among other sectors that do not directly align with those listed in the survey. Unearmarked contributions made up US$106 million (5%), while the sectors for US$43 million (2%) were yet to be specified. There is no sector information available for US$1.3 billion of reported grant contributions in 2019.

FIGURE 5.1: Grant contributions by sector, 2019

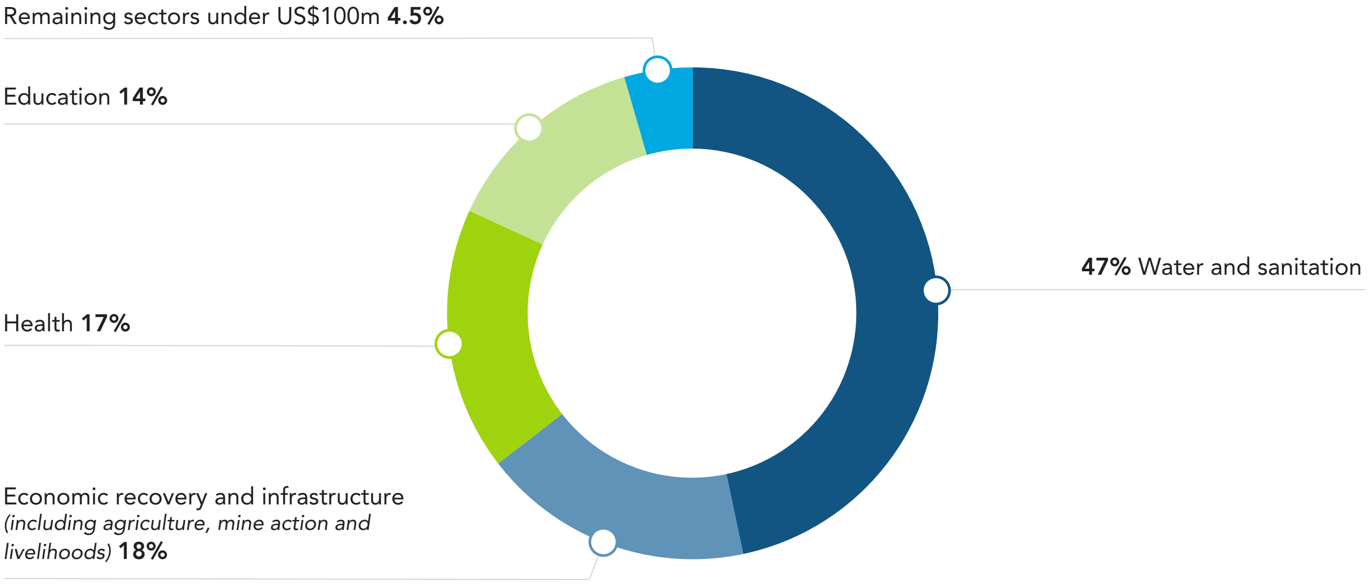



Source: Development Initiatives based on data provided bilaterally in July and August 2019 and UN OCHA FTS data. FTS data downloaded 31 July 2019.
Notes: 'Remaining sectors under US$100m' comprise: shelter and non-food items (US$68 million), coordination and support services (US$65 million), not specified' (US$43 million) and governance and civil society (US$25 million).

## Loans

Nearly half of the loans (47%, US$540 million) were directed to water and sanitation. Nearly all of the other half of loans as contributions went to three other sectors: economic recovery and infrastructure (18%, US$206 million), health (17%, US$200 million) and education (14%, US$158 million). There is no sector information available for US$13.7 billion of reported loans.

FIGURE 5.2: Loans by sector, 2019 and beyond[12]



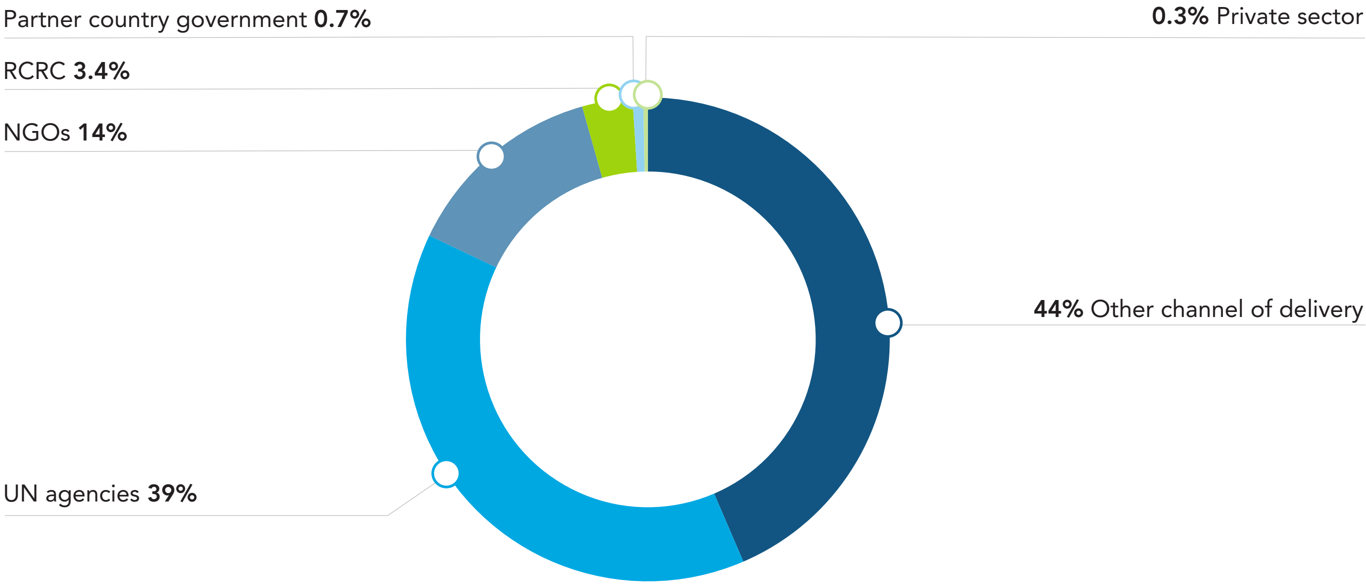

Source: Development Initiatives based on data provided bilaterally in July and August 2019.
Notes: 'Remaining sectors under US$100m' comprises other (US$52 million).

# 6. Contributions by channel of delivery

## Grant contributions

By July 2019, 39% (US$2.0 billion) of these grants were channelled through UN agencies in the first instance and 14% (US$707 million) through NGOs, while 3% (US$175 million) went through the International Red Cross and Red Crescent Movement. Grant contributions went through other channels of delivery, such as country-based humanitarian pooled funds, IFIs or donor government entities, corresponding to 44% (US$2.3 billion) of total grants. There is no detail available on the channels of delivery for US$1.2 billion of grant contributions in 2019.

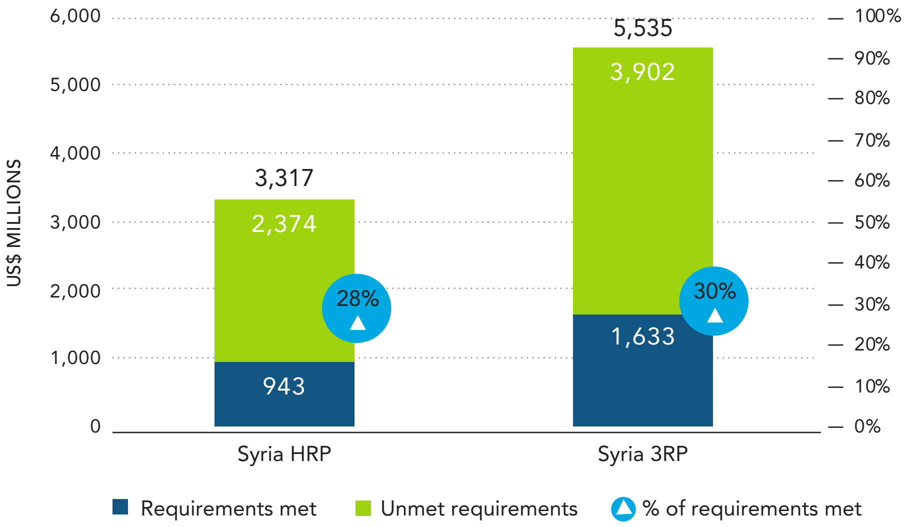
FIGURE 6.1: Grant contributions by channel of delivery, 2019




Source: Development Initiatives based on data provided bilaterally in July and August 2019 and UN OCHA FTS. FTS data downloaded 31 July 2019.
Notes: RCRC: International Red Cross and Red Crescent Movement.

# 7. UN-coordinated response plans

FIGURE 7.1: Requirements and contributions for Syria-related UN-coordinated response plans, 2019




Source: Development Initiatives based on UN OCHA FTS for funding to the Syria Humanitarian Response Plan (HRP), downloaded 31 July 2019, and UN High Commissioner for Refugees (UNHCR) data for funding to the Syria Regional Refugee and Resilience Plan (3RP).[13]

The Syria Humanitarian Response Plan (HRP) sets out the framework for humanitarian response to the large-scale humanitarian and protection needs in Syria, whereas the Syria Regional Refugee and Resilience Plan (3RP) offers a strategic and planning structure for humanitarian and resilience response to the Syria crisis at the regional level and in host countries – Egypt, Iraq, Jordan, Lebanon and Turkey. In 2019, total requirements for both appeals were US$8.9 billion, with joint funding of 29%, according to UN OCHA FTS at the time of writing and the UN High Commissioner for Refugees (UNHCR) 2019 mid-year progress report. The Syria HRP and the Syria 3RP coverages were 28% and 30%, respectively.[14]

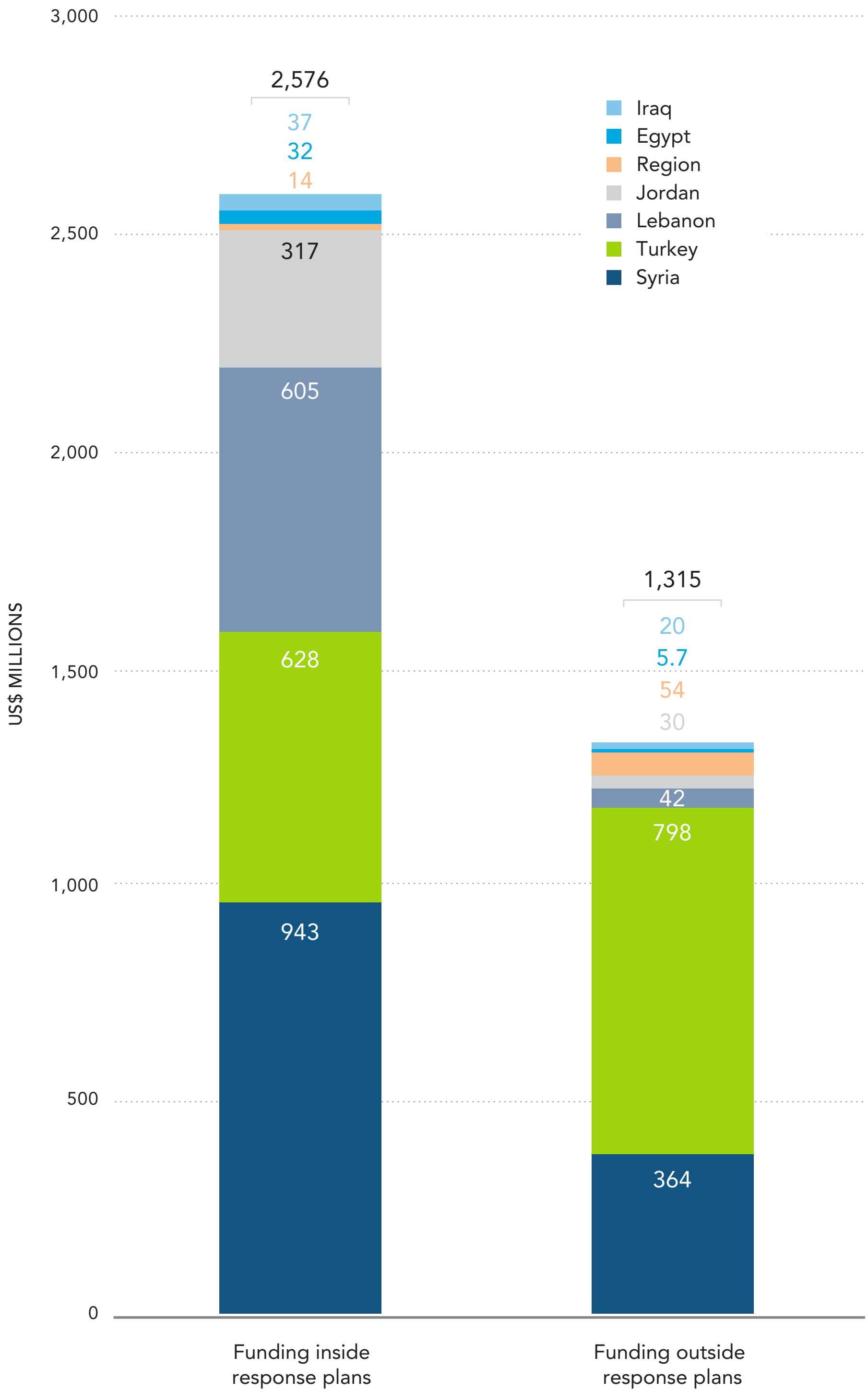
The reported requirements for the Syria HRP and 3RP remained at a high level in 2019, decreasing by only 1.4% (from US$3.4 billion) and 1.7% (from US$5.6 billion), respectively.

More than a third (34%) of the total funding to the Syria response in 2019 reported to UN OCHA FTS was outside appeals. Turkey received the largest amount of funding outside of appeals (61%, US$798 million). A further 28% (US$364 million) was directed to Syria. An additional 4% (US$54 million) went to the region, 3% (US$42 million) to Lebanon, 2% (US$30 million) to Jordan, 1.5% (US$20 million) to Iraq and 0.4% (US$6 million) to Egypt.

The previous two tracking reports[15] provide greater detail on why grant funding under the conference pledges may be allocated outside the appeal process, or outside the UN OCHA FTS tracking mandate. In summary this is due to:

- most development funding lying outside UN-coordinated appeals, except for programmatic appeal components related to resilience in the Syria 3RP
- not all implementing agencies participating in the UN-coordinated response plan framework
- the time lag in the reporting process between donors allocating funds and recipients providing additional information.

FIGURE 7.2: Funding inside and outside the Syria-related UN-coordinated response plans, by country, 2019




Source: Development Initiatives based on UN OCHA FTS for funding to the Syria Humanitarian Response Plan (HRP) and all funding outside appeals, downloaded 31 July 2019, and UNHCR data for funding to the Syria Regional Refugee and Resilience Plan (3RP).
Notes: Given that all funding outside the response plans in the chart is sourced from UN OCHA FTS, it only includes humanitarian funding flows to the specified countries reported to FTS that are outside the Syria HRP and 3RP.

# Annex 1: Glossary

| TERM | DEFINITION |
|---|---|
| Commitment | A firm plan expressed in writing and backed by the necessary funds, carried out by an official donor to provide specified assistance to a recipient country government, organisation or implementing agency. In the context of the tracking reports, commitments refer to those funds which have been committed but not yet contracted or disbursed.<br><br>In the case of loans, the amount committed by financial institutions should be understood as the amount of loans formally approved by their institutions. |
| Contract | A binding agreement signed between a donor and a recipient implementing institution, organisation or agency to implement an action. Funds can then be disbursed on this basis. In the context of the tracking reports, contracted funding refers to those funds which have been contracted but not yet disbursed.<br><br>In the case of loans, the amount contracted by financial institutions refers to the amount of loans formally signed with the borrower. |
| Contribution | For the purpose of tracking reports, 'contributions' is used as a general term to refer to the sum of all funds reported as committed, contracted and disbursed. |
| Disbursement | Outgoing funds that are transferred to a recipient institution, organisation or agency, following a commitment and/or a contract. In the context of the tracking report, disbursements refer to funds disbursed from the donor to the first-level recipient, not to the funds which are ultimately spent at the project level. Disbursements may depend on the progress of the respective projects and that achieved by respective implementing partners.<br><br>In the case of loans, the disbursed amount by financial institutions refers to the amount transferred to the borrower. |
| Grant | Funding for which no repayment is required. |
| Lending institutions | All institutions that pledged and/or contributed loans as part of the Syria response. This includes multilateral development banks and government institutions. |
| Loans | Funding for which the recipient incurs a legal debt. |
| Loans – concessionality level | The concessionality level of a loan reflects the benefit to the borrower compared with a loan at market rate.<br><br>Concessional loans' benefits can include a lower interest rate, a longer period in which the loan has to be repaid and a delay to when the repayment has to begin. |

| TERM | DEFINITION |
|---|---|
| Multi-country | Pledges and funding labelled as 'multi-country' in the reports refer to instances where funding is directed (or will be directed) to two or more (but not all) specified countries in the Syria region. This differs from pledges and funding labelled as going to the 'region', which is specified as funding for the regional response by donors and may go to all countries in the region; as well as 'not defined', which refers to pledges and funding where no country or regional detail has been provided. |
| Multi-sector | In the context of sectoral disaggregation of grants and for the purposes of the tracking reports, multi-sector refers primarily to projects and activities with no one dominant sector and often applies to assistance for refugees provided and/or coordinated by the UN High Commissioner for Refugees (UNHCR). This definition is in line with the Inter-Agency Standing Committee's sectoral definitions. |
| Multilateral development banks | Multilateral development banks are supranational institutions established by a group of countries with the common task of fostering economic and social progress in developing countries by financing projects (in the form of loans or grants), supporting investment, generating capital and providing technical expertise. |
| Pledge | In the case of grants, this refers to a non-binding announcement of an intended contribution or allocation by donors.<br><br>In the case of loans, this represents a non-binding announcement of a lending target. Achieving set lending targets depends on the ability and willingness of the borrowing party to take out a loan. |
| Recipient country | The reports include analysis of pledges and funding by recipient country. This includes direct funding to the governments of recipient countries, as well as funding channelled through organisations working in the country, such as the UN, NGOs, the International Committee of the Red Cross (ICRC) and the International Federation of Red Cross and Red Crescent Societies (IFRC) and the private sector. |
| Region | In the context of the Brussels Conference, 'region' refers to Egypt, Iraq, Jordan, Lebanon and Turkey. |
| Unearmarked | In the context of the tracking reports, unearmarked refers to funding that is deliberately not directed to any particular sector by the donor. This differs from 'sector not specified' where details of sector-specific allocation are not available from the reports provided by the donors. |
| UN-coordinated appeals | Humanitarian response plans and appeals, coordinated by UN agencies, through which national, regional and international relief systems mobilise to respond to selected major or complex emergencies that require a system-wide response to humanitarian crises. Not all international humanitarian organisations take part in UN-coordinated appeal processes, notably ICRC, IFRC and Médecins Sans Frontières do not. |

# Annex 2: Data sources and methodology

The conferences' fundraising annexes form the basis for tracking progress against pledges made by participating donors.[16] Subsequent pledges or significant revisions to the volume or distribution of pledges made after the Brussels II conference are only included in the analysis if agreed on with the co-chairs and annotated in the fundraising annex. Additional disaggregated data on pledges and contributions by recipient country, by year, by sector and by channel of delivery is gathered directly from donors using an online form.

Breakdowns of current levels of contributed funding are provided using data shared directly by donors via the same form wherever possible. Where data is unavailable from donors, data reported to UN OCHA FTS voluntary reporting mechanism is used. The allocations of contributions for forward-looking timeframes are likely to change as further data becomes available. The data presented in the reports is in current prices. The disaggregation of donors' contributions (by recipient country, sector or channel of delivery) might differ from previous reports, as additional information was made available.

The pledges reported in original currencies are converted to US$ using UN Operational Rates: the exchange rates as of the month of the conference are used to convert pledge figures. For 2016, 2017, and 2018 the average exchange rate for the respective year is used and for 2019–2020 the average exchange rate for 2018. Where figures in US$ are available in the conference annex, these are used as they are.

UN appeal information is taken from UN OCHA FTS for the Syria HRP and from UNHCR funding updates for the Syria 3RP. Funding figures for the Syria Regional Refugee and Resilience Plans in FTS are gross figures, and might differ from the net figures provided in UN High Commissioner for Refugees (UNHCR) funding snapshots.

Pledges and contributions to the EU Facility for Refugees in Turkey were reported by donors as part of their grants, provided these funds were part of the pledged amount at the Brussels II conference or under the second tranche of the Facility. Where this was not the case, pledges and contributions to the first tranche of the Facility were excluded, as those were already captured in full in the previous tracking report. Whenever shown separately, these contributions are not additional to, but part of the contributions to Turkey. In this report, the Secretariat of the EU Facility for Refugees in Turkey reported on the sectoral breakdown and the channel of delivery of the 2nd tranche of the Facility (2018 and 2019), as all the €3 billion of the 1st tranche was officially contracted by the end of 2017 and reported on in the last financial tracking reports.

The same approach was pursued for any other grant contribution provided through multi-donor type mechanisms, such as the World Bank Global Concessional Financing Facility (GCFF). Bilateral contributions to these mechanisms were reported as part of total grants, while the World Bank GCFF reported accordingly on the breakdown by sector and channel of delivery. The grant and loan components of the World Bank GCFF were reported separately by the respective institution to prevent double counting.

Analysis of grant sectors in the report uses sector classifications that are specific to this tracking project. The classification of sectors is informed by the OECD DAC sectors and purpose codes, the Inter-Agency Standing Committee[17] standard sectors, and sector classifications used by specific government and multilateral donors. The sector list seeks to align different sector classifications to the fullest extent possible under the following headings:

- education
- health
- water and sanitation
- governance and civil society
- social and cultural infrastructure
- economic recovery and infrastructure (including agriculture, mine action and livelihoods)
- food
- coordination and support services
- protection/human rights/rule of law
- shelter and non-food items
- multi-sector
- unearmarked
- not yet specified
- other.

Volumes of funding that do not fall under any of these sector categories are combined into 'other', with additional detail provided by each institution in the online survey.

Further, on classifications of loans, the same sectoral breakdown has been used as for grants for the sake of consistency. Additional sectors may complement sectors mentioned under 'loan contributions by sector' in line with reporting from the lending institutions.

# Endnotes

1 In the case of loans, pledges refer to IFIs' own lending targets. These depend on the recipients' willingness and ability to take out a loan, whether they can meet a number of contractual terms, and guarantee requirements stipulated by donors.

2 The grant contributions figure for 2016 is based on data collected bilaterally from donors in December 2016, for the Syria tracking exercise published in February 2017. The grant contributions figure for 2017 is based on data collected bilaterally from donors in March 2018, for the **Syria tracking exercise published in April 2018**.

3 In the case of IFIs, only historic data is available due to contractual terms around releasing tranches of funding to recipients. These institutions are able to report lending target figures, while contribution figures become available once contractual terms are met. Funds that have been contributed before 2019 might be included if they fall under the Brussels III pledge and/or if the corresponding funding process is still ongoing from previous years.

4 Some of the reported loans are not directly part of the crisis response, however they still refer to the Brussels III pledges. A large portion of these is part of institutions' own country portfolios, providing wider economic support to the affected region.

5 Where possible, efforts were made to prevent double-counting loans and grants.

6 See note 5.

7 See note 5.

8 See note 5.

9 See note 5.

10 For more information, please refer to the **European Commission Facility website** for documents such as a detailed overview of Facility projects.

11 See note 5.

12 See note 5.

13 For updates on the Syria HRP, see **UN OCHA FTS**, and for the Syria 3RP see updates such as the **2019 progress report January-June**.

14 Please note, however, that the 30% funding coverage of the 3RP reported in the 2019 **progress report January-June** differs from the one reported in UN OCHA FTS (17%) at the time of writing.

15 See the corresponding paragraphs in section 7 of the **Syria tracking exercise published in April 2018** and the **Syria tracking exercise published in September 2018**.

16 The term 'donors' here includes all the countries and organisations having pledged funding in the Brussels III conference. It notably also includes the IFIs.

17 The Inter-Agency Standing Committee is the primary mechanism for inter-agency coordination of humanitarian assistance involving key UN and non-UN humanitarian partners.