



# **Aid Fund for Syria (AFS)**

## **Fund Strategy 2025-2030**

April 2025

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# Abbreviations

Abbreviation	Name
AAPCE	Accountability to Affected Populations and Community Engagement
AFNS	Aid Fund for Northern Syria
AFS	Aid Fund for Syria
CBLA	Community-Based Local Actor
CSO	Civil Society Organisation
ERTF	Early Recovery Trust Fund
FMA	Fund Management Agent
GESI	Gender Equality and Social Inclusion
HDP Nexus	Humanitarian-Development-Peace Nexus
IDPs	Internally Displaced Persons
INGO	International Non-Governmental Organisation
MEL	Monitoring, Evaluation, and Learning
MHPSS	Mental Health and Psychosocial Support
NGO	Non-Governmental Organisation
OCHA	United Nations Office for the Coordination of Humanitarian Affairs
PPP	Public-Private Partnership
SHF	Syria Humanitarian Fund
SCHF	Syria Cross-Border Humanitarian Fund
SRTF	Syria Recovery Trust Fund
UN	United Nations

# Introduction

The Aid Fund for Syria (AFS) builds on the foundation of the Aid Fund for Northern Syria (AFNS), evolving into a **dynamic funding platform** that adapts to Syria's changing political, social, and economic landscape. While AFNS focussed on humanitarian needs and early recovery efforts in the Syria cross-border response, AFS expands this approach to a countrywide scale, **ensuring that lifesaving humanitarian assistance is better connected to recovery and resilience-building within the Humanitarian-Development-Peace (HDP) Nexus.**

AFS supports that humanitarian assistance is not delivered in isolation but contributes meaningfully to collective outcomes across the HDP Nexus. While **firmly grounded in its humanitarian mandate**, AFS funds interventions that strengthen essential service delivery, restore livelihoods, and enhance local resilience contributing to reduced aid dependency among the crisis affected population in Syria. By complementing the efforts of development and peacebuilding actors, AFS ensures that humanitarian **relief contributes to longer-term recovery objectives** within the principled humanitarian space.

Syria's political transformation since December 2024 has created both opportunities and risks. While a pathway for stabilisation, recovery and reconstruction is emerging, institutional fragmentation, economic fragility, lack of international financial support, and governance uncertainty persist. Humanitarian needs remain severe across the country. AFS is designed to navigate these challenges by supporting locally driven recovery, strengthening civil society leadership, and **contributing to inclusive governance and accountable essential service delivery to respond to basic needs.**

As a flexible funding mechanism, AFS supports collaborative partnerships spanning the humanitarian, public, private, and civil society sectors, guaranteeing principled action while integrating lessons from AFNS and other global pooled funding models. By working with local civil society, local and technical national governance structures, AFS helps create the conditions for a more sustainable and locally driven recovery process. AFS maintains political independence, prioritising transparency, accountability, and inclusivity in all funding decisions. AFS uses a phased approach—**Adapt, Strengthen, Transition**—to align funding, governance, and programming with Syria's evolving recovery needs. Throughout all phases, the strategy prioritizes coordination with international actors, as well as the integration of Accountability to Affected Populations, Community Engagement (AAPCE), and Do No Harm principles.

This strategy builds on the **Strategy Outline** endorsed in principle by the AFS Steering Board on 6th March 2025. It refines AFS's strategic direction and translates its objectives into a structured approach. To operationalise this strategy, AFS has developed a **12-month action plan (April 2025 – March 2026)** outlining immediate priorities, indicative funding allocations, and key milestones.

## Context and Rationale

### Political and Institutional Uncertainty

Syria's transition is unfolding amid significant political, social, and economic uncertainty. The fall of the Assad regime and the formation of a transitional government in March 2025 present opportunities for recovery, while also posing **challenges related to governance fragmentation, institutional capacity, and inclusive decision making.** The political landscape remains highly volatile, shaped by **competing national, regional, and international interests.** Syria's trajectory could lead to stability, or it could result in renewed conflict, fragmentation, and worsening humanitarian conditions. The transition has not resolved underlying power struggles, and the lack of consensus over Syria's future governance structure could prolong uncertainty.

**International sanctions** continue to constrain recovery, although prospects for modification have slightly improved. These measures limit financial services, aid delivery, and engagement with government institutions, creating operational challenges for infrastructure rehabilitation and institutional support.

**Syrian civil society remains one of the country's greatest assets in this transition.** Throughout the conflict, local organisations and community-based initiatives have played a central role in the humanitarian response, service delivery, and governance support. Many of these groups have developed expertise in responding to humanitarian

and basic needs and community engagement, often operating in areas where international actors have had limited access and contributing to lifesaving activities. As Syria moves towards recovery, these actors will remain essential in ensuring that assistance is contextually relevant, responsive to local realities, and aligned with evolving governance structures. Strengthening civic spaces, reconciliation efforts, and community participation will be crucial for preventing prolonged and further fragmentation and promoting long-term stability.

At the national and local level governance structures are re-emerging as key actors in the transition. These structures provide entry points for recovery, but they face severe capacity and resource shortages hindering their ability to sustain and improve service provision amid rising demands. Their ability to develop into functional institutions will depend on sustained funding, technical assistance, and their capacity to remain neutral while navigating complex political dynamics.

## Social, Economic, and Environmental Challenges

Decades of conflict have severely eroded social cohesion, deepening divisions within communities and between displaced populations and host communities. Syria continues to face **one of the world's largest displacement crises**. A well-coordinated reintegration strategy is required to ensure the principled return of refugees and internally displaced persons (IDPs). Failure to address issues like security, access to services, and resolution of housing, land, and property disputes risks deepening divisions, causing prolonged displacement, and exacerbating humanitarian needs, thereby undermining stability and recovery.

**Syria's economic situation remains dire.** Conflict has devastated infrastructure, disrupted supply chains, and weakened financial institutions. Unexploded ordnances, damaged roads and public infrastructure, and an unstable currency with high inflation rates further hinder economic revitalisation. While the private sector will be central to rebuilding the economy, investor confidence remains low due to legal uncertainties, political instability, and ongoing and far-reaching sanctions. Public-private partnerships (PPP) and other private sector engagement models must be developed and structured in a socially responsible manner to ensure that economic revitalisation benefits local communities rather than exacerbating inequalities.

**Environmental challenges further complicate recovery.** Climate change coupled with conflict-related water mismanagement, deforestation, and pollution have worsened desertification, reduced agricultural productivity, contributed to livelihood loss leading to increased poverty and humanitarian needs. Addressing these challenges requires a comprehensive approach that integrates humanitarian response, economic recovery, and governance strengthening with climate-sensitive programming that reinforces long-term resilience.

## Barriers to Humanitarian-Development-Peace (HDP) Linkages

The HDP Nexus provides a framework to align lifesaving humanitarian assistance with early recovery, economic revitalisation, and social cohesion through an integrated approach rather than operating in isolation. In Syria, the **traditional separation between humanitarian relief, development assistance, and peacebuilding continues to limit the potential for a sustainable recovery.**

Several barriers continue to constrain effective HDP Nexus implementation in Syria. Rigid funding structures, with distinct mandates and rules, continue to separate humanitarian, development, and peacebuilding assistance, making it **difficult to design integrated or sequenced interventions**. Institutional silos further reinforce this fragmentation, as many aid actors remain structured along sectoral or mandate-based lines. Political sensitivities present additional challenges. In conflict-affected settings, development and peacebuilding initiatives require engagement with governance structures, raising concerns over neutrality and compliance with donor restrictions. In Syria, navigating these constraints is particularly difficult due to the transitional nature of the current government alongside a fragmented and complex local governance landscape. Additionally, **weak coordination between humanitarian, development, and peace actors** often prevents Nexus strategies from being effectively put into practice across aid sectors.

Syria's fragmented funding landscape further complicates Nexus-based approaches. UN-OCHA-led pooled funds (SHF/SCHF) continue to focus on addressing critical humanitarian needs, while the Syria Recovery Trust Fund (SRTF) focuses on stabilisation and infrastructure. UN agencies, NGOs, and donors continue to operate mainly

within their respective mandates while a more coordinated and flexible approach is needed to reduce aid dependency and support Syria's recovery process.

As Syria transitions, **the need for a more integrated response has never been greater**. The Nexus approach does not shift humanitarian funding to development or peacebuilding. Rather, it shapes aid to strengthen resilience, restore services, support local recovery, and reduce long-term aid dependency.

## Vision and Mission

### Vision

The AFS envisions a Syria where communities, civil society, local and technical national institutions lead recovery, restore the social fabric, and strengthen resilience after years of conflict. It strives for a future in which humanitarian needs are met effectively, recovery is inclusive and locally led, and assistance supports communities regain stability and self-reliance.

AFS is convinced that humanitarian assistance must not operate in isolation but help lay the groundwork for economic recovery, service restoration, and social cohesion. By enabling Syrian-led initiatives, supporting local actors, and advancing recovery-oriented humanitarian programming, AFS contributes to a more peaceful and self-reliant Syria. As a humanitarian fund designed to enable the HDP Nexus, AFS ensures that relief efforts actively support collective outcomes and are aligned with Syria's transition.

### Mission Statement

**The AFS is an adaptive funding mechanism that channels principled humanitarian assistance to meet basic needs, restore essential services, support recovery, and strengthen social cohesion across Syria. By empowering civil society, reinforcing local systems, and aligning short-term aid with long-term priorities, AFS helps communities transition from crisis to stability, ownership, and peace.**

## Key Principles

- **Humanitarian principles and best practices** – All interventions comply with International Humanitarian Law, International Human Rights Law, the Core Humanitarian and Sphere Standards, guaranteeing that AFS remains firmly grounded within the humanitarian space, responding to the vast humanitarian needs in the country while enabling linkages to longer term recovery and resilience.
- **Localisation and ownership** – Prioritise Syrian-led recovery by empowering civil society, community-based local actors (CBLA), and local and technical national governance structures involved in essential service delivery, where such cooperation clearly supports the unblocking of urgent humanitarian or basic needs.
- **Inclusivity and equity** – Empower women-led, youth-led, and marginalised groups to shape inclusive, locally led humanitarian and recovery-linked initiatives that reflect community priorities and reduce exclusion.
- **Adaptability and responsiveness** – Apply a phased approach (Adapt, Strengthen, Transition) to ensure flexibility, responsiveness, and the ability to adjust programming in line with Syria's evolving needs.
- **Resilience and economic fairness** – Support economic revitalisation, sustainable livelihoods, and community-driven solutions that strengthen local resilience and reduce aid dependency.
- **Transparency, compliance, and accountability** – Uphold financial integrity, risk management, and accountability to affected populations, ensuring that assistance is not diverted, complies with donor restrictions, adheres to sanctions frameworks, and includes safeguards for technical cooperation with local and technical national institutions when such engagement is in support of humanitarian outcomes.
- **Innovation and public-private collaboration** – Improve the effectiveness and coherence of humanitarian funding by aligning with broader recovery frameworks, piloting innovative financing models, and promoting

coordination across sectors and actors. Test scalable solutions, alternative financing models, and participatory governance approaches that reinforce humanitarian objectives and recovery outcomes.

- **Reconciliation and social cohesion** – Support locally led initiatives that foster social cohesion and promote civic trust—ensuring that humanitarian assistance contributes to stability and inclusive recovery.
- **Conflict-sensitive and risk-informed programming** – Integrate robust risk management and conflict-sensitive approaches to ensure that interventions do not exacerbate tensions, contribute to grievance, or compromise humanitarian principles. This includes rigorous oversight of any engagement with governance actors to ensure principled essential service delivery.
- **Environmental sustainability and climate resilience** – Promote sustainable resource management, climate adaptation, and disaster risk reduction as part of humanitarian programming that builds long-term community resilience and supports environmentally responsible recovery.

### AFS – The Engine Linking Humanitarian Aid, Development & Peacebuilding



Figure 1: AFS – the engine linking humanitarian aid, development, and peacebuilding

## AFS’s HDP Nexus Approach

AFS is well positioned to serve as an enabler of the HDP Nexus. While remaining firmly within the humanitarian space, AFS ensures that lifesaving humanitarian assistance is structured to support early recovery, service restoration, and livelihoods. By strengthening local resilience and supporting technical national structures and civil society, AFS helps to unblock impediments to address basic needs, prevent displacement, support principled returns, reduce aid dependency, and reinforce nation-wide stability. This approach is particularly important at a time when political sensitivities and funding constraints limit substantial engagement across all three tracks of the Nexus. AFS also focuses on how interventions are delivered, emphasizing conflict sensitivity, inclusivity, and environmental sustainability in all assistance efforts.

AFS complements, rather than replaces, development and peacebuilding by shaping humanitarian programming to support shared recovery goals through flexible, adaptive funding. Where appropriate, AFS also provides targeted technical support to local and national governance structures involved in essential service delivery, provided such engagement directly enhances humanitarian outcomes and preserves the humanitarian principles.

## AFS Focus Areas

- **Locally led recovery & civil society empowerment** – AFS strengthens Syrian civil society and CBLAs to lead recovery-oriented humanitarian efforts. This includes integrating civil society into service delivery and

livelihood support initiatives that reinforce local resilience, social cohesion, and principled engagement with local and technical national governance structures.

- **Innovation & scalable solutions** – Through an “Assistance Innovations” approach, AFS pilots alternative financing and implementation models, such as microfinance and blended finance. AFS links livelihood support with local economies and services to foster longer-term opportunities beyond immediate aid. It also builds climate resilience into recovery efforts to reduce environmental impact and strengthen community self-reliance.
- **Inclusivity & gender equity** – AFS embeds gender-responsive programming, ensuring that women’s leadership and participation in decision-making shape recovery efforts. AFS promotes inclusion by supporting women’s economic participation and leadership in locally grounded recovery, and by making efforts accessible to all, including persons with disabilities.
- **Governance support** – AFS engages with local and technical national governance structures to improve service delivery in line with its humanitarian mandate. It provides targeted, principled technical assistance to institutions responsible for essential services where such cooperation demonstrably enhances humanitarian outcomes by unblocking access constraints and enabling a more effective response to urgent basic needs. All engagement, including with national authorities, is carefully structured to avoid political alignment and is conducted in full compliance with donor requirements, legal frameworks, and sanctions regimes.
- **Reconciliation & social cohesion** – AFS fosters community engagement within recovery programming, strengthening cooperation and trust through locally-led initiatives. AFS-funded, community-driven infrastructure projects promote inclusive service access and economic cooperation between previously divided communities, strengthening local economies and encouraging intercommunal collaboration.
- **Economic recovery & livelihoods** – AFS supports local economic revitalisation by prioritizing high-impact economic interventions, including value chain development, scalable social enterprises, and green economy initiatives. AFS integrates safeguards to prevent economic exclusion, promote fair labour practices, and support community-driven economic initiatives that benefit a broad cross-section of society.
- **Principled returns** – AFS supports the conditions for the principled reintegration of displaced populations through integrated humanitarian assistance, recovery and infrastructure rehabilitation. It implements community-led approaches that prioritise safety, access to services, and social cohesion.

## Theory of Change

The Theory of Change establishes how AFS contributes to a resilient, locally driven recovery in Syria. While building on the proven effectiveness of AFNS, AFS expands its scope to address nationwide needs, ensuring that **humanitarian assistance is better connected to long-term recovery and resilience efforts**. To achieve its vision and intended outcomes, AFS operates through four interconnected pillars that guide its funding and programming:

### Integration & Synergy – Bridging Aid and Recovery

- **Integrated programming:** Tailoring interventions to coordinate support across sectors, addressing the specific dynamics and needs of communities, including principled returns.
- **HDP Nexus:** Ensuring that humanitarian assistance contributes to collective outcomes by linking emergency relief with early recovery, resilience-building, and social cohesion.
- **Emergency preparedness and response:** Strengthening contingency planning and disaster readiness to ensure timely and effective crisis responses especially in areas where access impediments persist for other emergency response actors.

### Localisation & Empowerment - Strengthening Syrian Leadership.

- **Prioritising national NGOs in funding partnerships:** In line with AFS’s strong localisation agenda, AFS is working towards a model where mainly national NGOs are eligible as direct implementing partners. This targeted

approach aims to shift resources and leadership more decisively to local actors, reinforcing the Fund's commitment to locally led solutions, operational relevance, and greater value for money. It also reflects AFS's unique role in the humanitarian architecture as a pooled fund directly enabling national ownership.

- **Anchor Organisation modality:** Supporting larger organisations to mentor and build smaller local actors, ensuring equitable resource distribution and robust local leadership.
- **Civic spaces and inclusivity:** Investing in platforms for inclusive dialogue and reconciliation to rebuild trust, social cohesion, and community leadership.
- **Capacity strengthening:** Building the technical and operational capacities of CBLAs to enable them to lead recovery efforts. This includes targeted support that removes barriers to addressing urgent humanitarian or basic needs, while also laying the groundwork for stronger local leadership in recovery. It also includes investing in the capacity, empowerment, and leadership participation of FMA's local staff, ensuring that the Fund's localisation agenda is reflected not only in partnerships but also within its internal team structure.

## Insight & Innovation – Adapting to a Changing Context

- **Data and evidence-driven approaches:** Collecting real-time data and commissioning targeted studies to inform programming and adapt interventions to better meet community needs. AFS will also explore the use of emerging technologies, including artificial intelligence, to strengthen needs assessments, enhance situational awareness, and improve crisis prediction and response.
- **Piloting and scaling solutions:** Testing innovative models, such as PPP, for adoption at larger scales.
- **Communities of practice:** Facilitating knowledge exchange and collaboration among local and international stakeholders to develop innovative solutions to humanitarian challenges.

## Quality & Accountability – Ensuring Effective, Risk-Managed Aid:

- **Accountability to Affected Populations and Community Engagement (AAPCE):** Integrating mechanisms such as community consultations, complaint, feedback and response mechanisms, and surveys to gather feedback and ensure that affected populations shape programme design and implementation.
- **Gender Equality and Social Inclusion (GESI):** Integrating the needs of women, children, and marginalised groups in programme design and delivery.
- **Continuous improvement:** Conducting robust Monitoring, Evaluation, and Learning (MEL) to refine approaches and address challenges.

## Expected Outcomes and Impact

- **Improved humanitarian response** is achieved through holistic approaches that ensure well-coordinated, timely, and sustainable humanitarian responses.
- **Strengthened local capacities and leadership** where local actors are empowered with the resources and capabilities to drive locally led initiatives, ensuring sustainability and ownership.
- **Enhanced quality and innovation** through adaptive and inclusive humanitarian responses that incorporate innovation to improve accountability and effectiveness.

The provision of timely, coordinated, and principled assistance that saves lives, alleviates suffering, supports human dignity, and builds long-term resilience and sustainability across Syria, contributing to creating a robust recovery ecosystem led by empowered local actors, laying the foundation for stability and peace.

## Implementation Approach

AFS follows a phased implementation approach—**Adapt, Strengthen, Transition**—designed to ensure that interventions remain flexible, scalable, and responsive to Syria's evolving context. Unlike AFNS, which operated as a response mechanism in northern Syria, AFS applies a **nationwide, structured approach** that balances

lifesaving humanitarian response with long-term recovery objectives. By embedding the HDP Nexus approach into its programming, AFS ensures that aid is not just reactive but transformative.

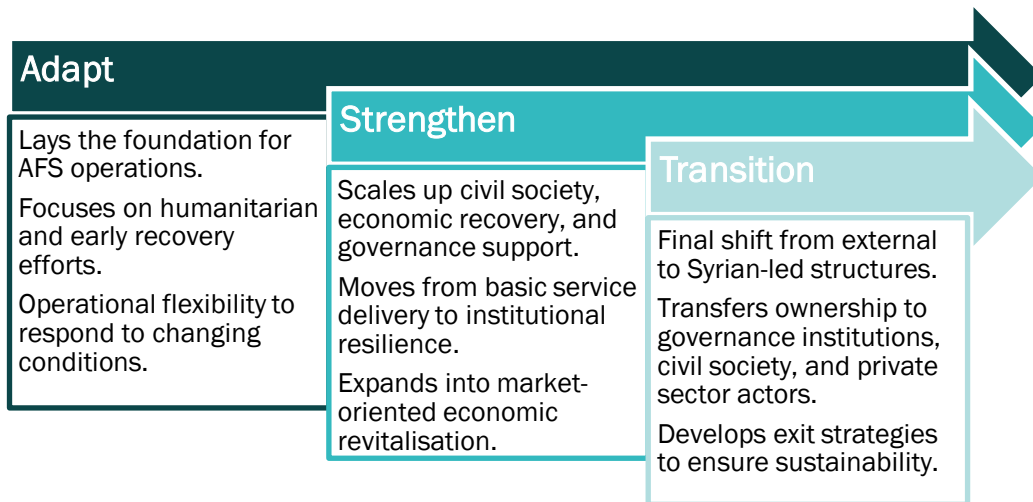


Figure 2: The Adapt-Strengthen-Transition Implementation Approach

## Adapt

The Adapt phase lays the foundation for AFS operations, ensuring the **continuity of humanitarian and early recovery assistance** while **preparing for longer-term** engagement in governance support, economic recovery, and reconciliation. This phase maintains flexibility, allowing AFS to adjust to changing needs, security conditions, governance structures, and funding landscapes. Key elements include:

- **Sustaining humanitarian and early recovery** operations to deliver essential services in critically affected areas while gradually expanding support into underserved regions across Syria, ensuring complementarity with other actors. Funding remains politically independent, transparent, and aligned with donor policies.
- **Adapt the “Assistance Innovations” approach** to implement multi-sectoral interventions that integrate livelihoods, social protection, and climate resilience, ensuring scalable models that can be adopted by NGOs, UN agencies, the public, and the private sector.
- **Strengthening local response capacity** by supporting CBLAs, public, and private sector entities in anticipatory action, humanitarian assistance delivery, service restoration, and social cohesion.
- **Supporting civic spaces for dialogue and cooperation**, enabling community engagement and local decision-making to strengthen trust.
- **Engaging with local and technical national governance structures** to coordinate assistance delivery in a principled manner, ensuring it complements existing and emerging systems without creating parallel structures. AFS engages with governance structures in a conflict-sensitive manner and provides targeted technical assistance in support of essential service delivery supporting to unblock urgent humanitarian or basic needs. This engagement helps build strategic partnerships and identify long-term development needs to guide future programming—while upholding humanitarian principles and complying with sanctions and legal frameworks.
- **Supporting integrated interventions** to mitigate future risks, including mental health and psychosocial support (MHPSS) services, and targeted assistance for survivors of violence.
- **Supporting documentation efforts that strengthen social cohesion** and contribute to long-term stability. While AFS does not engage in formal political processes, it supports practical justice and accountability measures that help rebuild trust and prevent future grievances.

## Strengthen

The Strengthen phase builds on the Adapt phase by deepening AFS's existing engagement. This phase reinforces local ownership of recovery efforts, strengthening resilience, reconciliation, and inclusive development. Key elements include:

- **Strengthening institutional resilience** by equipping local and technical national governance bodies with improved management capacity, technical expertise, and conflict-sensitive planning tools to sustain essential services and shape priorities for recovery and development efforts.
- **Promoting a socially responsible, market-driven recovery**, including investment attraction, private sector support, and regulatory measures to facilitate economic revitalisation.
- **Supporting trade and supply chain resilience**, particularly in agriculture, construction, and local manufacturing, while facilitating regional trade initiatives and cooperative business models to enhance economic stability, social cohesion, and equitable workforce participation.
- **Increasing civil society participation** in governance and economic development, with a focus on localisation, youth leadership, women-led initiatives, and civic-economic engagement with labour organisations, professional associations, and grassroots cooperatives. Further strengthening community ties by supporting locally driven initiatives.
- **Expanding engagement with multilateral organisations**, aligning AFS-supported programming with international development frameworks.

## Transition

The Transition phase is the final stage in AFS's implementation approach, shifting responsibility for recovery efforts from external actors to Syrian-led institutions. This phase aligns AFS's work with national recovery frameworks, governance structures, and long-term development strategies, supporting a sustainable, locally owned transition. Financial and technical transfers remain conditional on clear governance benchmarks, meeting internationally recognised standards for responsible recovery programming. Key elements include:

- **Transferring relief and recovery mechanisms** to national governance structures to ensure sustainability and national ownership. AFS will further position itself as a funding mechanism focused on institutional capacity-building and technical assistance to consolidate essential service provision and strengthen national systems. Such support aims to build strategic relationships that can underpin broader governance reforms and shape national recovery priorities beyond the humanitarian phase. Financial and operational transitions will be contingent on governance reforms, accountability, and inclusive decision-making.
- **Integrating financial and policy frameworks** by embedding AFS-supported programmes into national economic and governance structures, conditional on progress in governance reforms. This includes harmonising international assistance coordination with public budgets, decentralisation plans, and governance priorities.
- **Expanding economic recovery** through investment mobilisation, including transitional financing mechanisms, regulatory measures, and private sector engagement to increase economic opportunities for returning populations.
- **Positioning Syria's recovery** within regional and international development strategies by strengthening partnerships with financial institutions, development banks, and global donors.
- **Further strengthening social cohesion** by funding locally driven initiatives that foster community resilience within broader recovery frameworks.
- **Developing exit strategies** and sustainability plans to ensure that the progress made during the Adapt and Strengthen phases is maintained beyond AFS's direct involvement. This includes creating long-term resilience roadmaps, contingency plans, and nationally led crisis response mechanisms.

# Governance and Collaboration

AFS operates through a collaborative and participatory governance structure that ensures transparency, accountability, and Syrian ownership. Unlike AFNS, which was primarily focused on programming cross-border humanitarian aid, AFS is structured to support nationwide recovery efforts while ensuring that funding remains locally led, risk-managed, and strategically aligned with Syria's evolving context.

**Multi-stakeholder governance structure:** AFS promotes inclusive, representative governance by aligning funding and decisions with the priorities of affected communities. A detailed governance strategy will follow Steering Board endorsement, outlining how participatory structures are maintained. Key governance mechanisms include:

- **Steering Board:** Comprised of donors, I/NGO partners, and civil society representatives, providing strategic oversight and policy direction. As part of a phased approach, structural adjustments are anticipated to ensure broader, decision-making representation of Syrian civil society from across the country.
- **Technical advisory groups:** Sectoral experts offering evidence-based recommendations to improve programme effectiveness and risk mitigation when required.
- **Civil society & local governance engagement platforms:** AFS includes mechanisms for direct participation of national NGOs, CBLAs, and local governance actors to keep decision-making locally informed. The Syrian-led Madaniya Platform, representing over 200 civil society organizations, holds a permanent observer and advisory role on the Steering Board, amplifying local voices and grounding the strategy in real needs. AFS will continue expanding civil society engagement by involving additional networks and informal civic actors to strengthen local legitimacy.

**Strengthening local leadership & institutional capacity:** AFS prioritises Syrian-led governance mechanisms, facilitating the transition to locally managed recovery frameworks. Key areas of intervention include:

- Capacity-building for local and technical national governance institutions through training in service delivery, management, and conflict-sensitive programming. This aims to reinforce the delivery of basic services, while establishing strategic relationships that can help define and address broader recovery challenges.
- Enhancing participatory approaches to strengthen local engagement in recovery efforts and improve accountability in service delivery.

**Coordination & risk mitigation:** To enhance coordination and minimise operational risks, AFS works closely with donors, UN agencies, and humanitarian organisations, while remaining aware of the roles and influence of regional actors. Key coordination mechanisms include:

- Operating within robust compliance frameworks to ensure adherence to international sanctions and legal obligations. AFS integrates due diligence, financial transparency, and risk mitigation measures to navigate these challenges while supporting local initiatives and institutions within legal boundaries.
- Aligning with UN-led recovery frameworks to ensure coherence with broader humanitarian and development strategies.
- Continuously refining risk management protocols to prevent aid diversion, mitigate environmental and social risks, and maintain compliance with anti-corruption and financial integrity measures.
- Conducting economic governance risk assessments to ensure that private sector engagement aligns with social responsibility principles, mitigating risks of exploitative labour practices and inequitable resource distribution.
- Enhancing conflict sensitivity in programming to reduce potential risks associated with governance engagement and political transition.

# Fund Allocation

AFS allocates funding through a flexible, risk-managed, and structured model that balances strategic planning with the ability to respond to evolving needs. This approach enables the Fund to support locally led recovery while maintaining high standards of accountability, value for money, and operational relevance in a rapidly changing context.

AFS operates through **two primary allocation mechanisms** to balance long-term strategic investments with the ability to respond to emerging priorities:

- **Regular Allocations (RA):** These provide predictable, structured funding rounds for partners delivering assistance in line with AFS’s strategic priorities. RAs integrate modular approaches that combine humanitarian assistance, recovery support, and capacity-building.
- **Special Allocations (SA):** These funding rounds are designed to address sudden shifts in context or pilot new and innovative approaches. They allow AFS to rapidly respond to emerging challenges, including new displacement, economic shocks, or infrastructure breakdowns, and to test innovative, high-impact, scalable solutions.

AFS aims to conduct one or two RA rounds per year, **depending on available funding and donor funding cycles**. These funding rounds will be structured as follows:

- **Annual Planning Round (Q2/3)** – The main funding cycle, aligning partner activities with AFS’s strategic objectives for the year. This round provides most of the funding for core programming.
- **End-of-Year Strategic Round (Q4)** – A forward-looking allocation that strengthens ongoing interventions and bridges the transition into the following year’s programming. This round allows AFS to capitalise on lessons learned and ensure the continuity of critical projects.

**SAs** will be issued on a rolling basis as needed, enabling AFS to address urgent priorities or fund innovative approaches that could inform future programming.

# Funding and Resource Mobilisation

AFS secures funding from multiple sources to ensure financial sustainability, scalability, and responsiveness. This approach integrates diverse financing mechanisms, innovative funding models, and strengthened financial oversight to align with international donor priorities while maintaining compliance with legal frameworks. Amid funding constraints and rising demands for cost-effectiveness, AFS **prioritizes high-impact, locally led interventions**. By channelling funds to Syrian civil society and local providers, it lowers overheads, boosts aid effectiveness, and gets resources to those who need them most.



Figure 3: The AFS Funding & Resource Mobilisation Approach.

## Multi-Source Funding Strategy

AFS secures funding from a broad range of partners to reduce reliance on any single source. In the early stages of the Adapt phase, **bilateral and multilateral institutional donors will provide the primary funding**, ensuring continuity in humanitarian response, early recovery efforts, and institutional capacity-strengthening. **These donors offer predictable, large-scale financial commitments, allowing AFS to establish a strong operational foundation before diversifying its funding base.** To effectively manage both humanitarian and development funds, AFS may consider establishing dedicated funding windows tailored to the specific needs and priorities of each funding stream, should this prove necessary based on donor requirements and operational needs. AFS **complements existing and emerging funding mechanisms** through regular coordination and joint planning with key actors, including the Syria SRTF and UN-led initiatives. This ensures alignment with broader humanitarian and development financing efforts.

Over time, as conditions stabilise, AFS will gradually expand its financing base to include:

- **Philanthropic organisations and private foundations**, supporting targeted interventions in social cohesion, economic revitalisation, and governance reforms.
- **Private sector engagement and corporate partnerships**, leveraging co-financing arrangements for infrastructure, essential service delivery, and economic development projects.
- **Syrian diaspora contributions and crowdfunding mechanisms**, mobilising community-driven financial resources for localised recovery efforts.

## Alternative & Innovative Financing Mechanisms

AFS integrates new and adaptive financing approaches to increase the sustainability and impact of recovery programmes. AFS is developing a thorough understanding of alternative and innovative financing mechanisms and engagement strategy. Key financial instruments include:

- **PPPs**, facilitating private sector investment in health, education, infrastructure, and local economic development.
- **Impact investment and social enterprise models**, funding market-based solutions to stimulate job creation and economic recovery.
- **Blended finance strategies**, combining grants, concessional loans, and equity investments to unlock long-term development financing.
- **Risk-sharing and credit guarantee mechanisms**, incentivising private sector engagement in essential but high-risk recovery sectors.
- **Multilateral climate finance mechanisms**, philanthropic foundations, and private sector actors investing in green initiatives ensuring that environmental sustainability is embedded within Syria's recovery.

## Action Plan (April 2025 – March 2026)

### Year 1: (Adapt Phase)

The first year of AFS's implementation will focus on laying the groundwork for its expanded mandate, ensuring that the Fund is operational, well-resourced, and positioned to drive Syria's recovery effectively. This phase prioritises establishing key funding mechanisms, expanding partnerships, and scaling up locally driven recovery efforts. The focus will include:

- Sustaining the AFNS's proven model of linking lifesaving humanitarian relief with early recovery operations to address immediate needs while preparing for longer-term interventions.
- Expand geographical coverage based on (severity of) needs, access, and available resources.

- Strengthening local leadership by supporting civil society, CBLAs and local and technical national service providers to lead response and recovery efforts including the revision of the Steering Board membership.
- Launching AFS’s funding mechanisms, including a SA in Q2 2025 to address urgent needs and the first RA by Q3/4 2025 to support structured recovery efforts.
- Expanding partnerships with donors, implementing partners, and governance actors to ensure effective coordination and fund mobilisation.
- Developing innovative financing models, including blended finance, private sector engagement, and impact investment.
- Ensuring compliance with international legal frameworks, particularly regarding donor restrictions and governance-related risk management.

## Key Milestones and Timeline

Timeline	Milestone
Q1 2025	Endorsement of AFS’s strategy and finalise key operational documents.
Q2 2025	Launch the first Special Allocation, targeting urgent needs in priority areas.
Q3 2025	Complete design of AFS’s first Regular Allocation, ensuring alignment with strategic priorities.
Q2–Q4 2025	Expand AFS programming beyond northern Syria, prioritising high-impact interventions with operational feasibility.
Q3–Q4 2025	Implement the first prototype initiatives, testing innovative approaches for recovery financing and service delivery.
Q4 2025	Secure multi-year donor commitments to ensure financial sustainability.
Q1 2026	Conduct a review of AFS’s first year to refine programming and improve fund allocations based on lessons learned.

## Expected Outcomes by March 2026

By the end of this one-year phase, AFS envisions:

- An **operational and fully resourced funding mechanism** that effectively bridges humanitarian response with recovery.
- A **strengthened local leadership structure**, where civil society and local actors play a central role in delivering humanitarian assistance and recovery initiatives.
- **Expanded financing opportunities**, including donor commitments, innovative funding models, and diversified financial partnerships.
- **Initial recovery initiatives launched**, demonstrating the feasibility of AFS’s approach in supporting essential services, livelihoods, and community resilience.
- **Completed a real-time review of the first phase**, ensuring that AFS’s strategy is continuously refined based on lessons learned, operational challenges, funding levels, and Syria’s evolving context.

This first phase will serve as the foundation for the Strengthen phase, which will focus on scaling up local governance, economic recovery, and institutional resilience in Year 2.

# Annexes

## Annex 1: Action Plan Timeline April 2025 – March 2026

This timeline provides a detailed roadmap for AFS's phased implementation, mapping out key milestones and priority actions over the next 12 months.

## Annex 2: Theory of Change

This annex presents AFS's underlying logic for impact, outlining how humanitarian funding transitions into sustainable recovery. It details the four pillars of AFS's approach, showing how each contributes to stronger local leadership, improved service delivery, and long-term resilience.

## Annex 3: Results Framework

This annex highlights the key indicators that AFS uses to measure its progress against the strategy. By systematically tracking and reviewing these indicators, the AFS can identify where it's performing well, assess areas of improvement, and adjust its approach as needed to stay on course toward a locally led, inclusive, and sustainable recovery.

## Annex 4: Risk Matrix

This document presents the AFS Risk Matrix, outlining key strategic and operational risks across categories such as political context, security, funding, and compliance. For each risk, it details likelihood, impact, and targeted mitigation measures to support adaptive, accountable, and principled programming in Syria's dynamic environment.

## Annex 5: Stakeholder Mapping

This annex categorises stakeholders based on their influence and interest/attitude towards the AFS. It supports strategic engagement by highlighting who to engage closely, monitor, empower, or manage carefully.