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**ANNEX 1**

of the Commission Implementing Decision on the Annual Action Programme  
2014 in favour of the Republic of Lebanon

**Action Document for**  
**"Protection and sustainable development of maritime resources in Lebanon"**

**1. IDENTIFICATION**

Title/Number	Protection and sustainable development of maritime resources in Lebanon CRIS number: ENI/2014/25-044		
Total cost	Total estimated cost: EUR 19,000,000 Total amount EU budget contribution: EUR 19,000,000		
Aid method / Management mode and type of financing	Project Approach and Call for Proposals Direct management through grants (call for proposals) procurement of services		
DAC-code	41030 14050	Sector	Biodiversity Waste management/disposal

**2. RATIONALE AND CONTEXT**

**2.1. Summary of the action and its objectives**

This programme aims at contributing to the protection and sustainable development of maritime resources of Lebanon. This action will directly contribute to preserving the biodiversity of coastal zones while indirectly enhancing sustainable income generating activities by:

- ✓ finalising the treatment and disposal of the remaining wastes from the 2006's oil spill, 2500 m<sup>3</sup> which are temporary stored at four coastal sites,
- ✓ providing support to the government of Lebanon's readiness for future exploration and production of offshore oil and gas resources (by contributing to build legal, institutional and operational frameworks responding to the highest environmental standards),
- ✓ decreasing land-based sources of pollution (e.g. solid-waste, industrial waste),
- ✓ supporting the recovery of affected marine ecosystems and develop marine and coastal biodiversity.

## **2.2. Context**

### **2.2.2 Country context**

#### **2.2.1.1. Economic and social situation and poverty analysis**

While in 2010, before the start of the Syrian crisis, Lebanon's resident population was estimated at approximately 4.85 million (including an estimated 250,000 Palestinian refugees, 300,000 Syrian workers and 300,000 workers from other nationalities), it is today estimated that around 6 million people are living in Lebanon due to a massive influx of more than 1 million refugees from Syria. Lebanon's age structure is a clear determinant of socio-economic status and living conditions. With already 44% of its population below the age of 24 in 2009 (Central Administration of Statistics, CAS), and 28% percent living under the poverty line (UNDP-CAS-Ministry of Social Affairs-World Bank, 2004), the government of Lebanon recognizes the need to create jobs and improve living conditions for many people.

The rate of unemployment in Lebanon is cause for great concern. According to the CAS (2009), and based on a population of 2.8 million above the age of 15 and an active population of 1.2 million, the unemployed represent 8.9% of the active population (about 3.9% of the total population above 15 years of age).

Living conditions in Lebanon are difficult for large segments of the society, and poverty is a serious problem despite some apparent improvements in the last decade. In 2004 an estimated 8% of the population lived in extreme poverty and 20% lived in relative poverty (UNDP-CAS-Ministry of Social Affairs-World Bank, 2004). Moreover, according to the World Bank (2013), the inflow of Syrian refugees will drive 170,000 more Lebanese below poverty line.

The government of Lebanon is currently expanding its National Poverty Targeting Program which was launched in 2009 with the assistance of the World Bank to provide direct support to the neediest. The new program cost is estimated at USD 216 million, of which the government of Lebanon will finance USD 84.9 million. Resolutely determined not to provide direct cash transfers as a means to alleviate poverty, it has opted to address poverty through a subsidy program involving health care, schooling, energy and food vouchers.

This corroborates the Lebanese civil society's opinion that poverty can best be addressed by reducing socio-economic burdens through the provision of basic services including clean water, energy, public transportation and housing as well as health and education, including free schooling. Poverty eradication also necessitates building human capital and providing societal choices to the most vulnerable, both in cities and in rural areas.

Another socio-economic debate that has gripped Lebanon for several years is the rising cost of living against the stagnation of wages and salaries. According to the International Monetary Fund (IMF) (World Economic Outlook database, April 2013), the Consumer Price Index has increased by 49.8% between the end of 2004 and the end of 2012, real estate not included, most of which is attributed to the

rising cost of food, education and health. The country is currently shaken by strong social protests conducted by various social groups amidst rising unemployment, due to the inflow of Syrian refugees and the lack of adapted labour market regulations and policies.

In the context of a national budget debate paralyzed since 2005, government of Lebanon spending in basic infrastructure has been declining steadily between 2004 and 2011, both in absolute terms and when compared to the Gross Domestic Product (GDP), as shown by the Lebanese National Accounts 2004-2011 (CAS, 2014).

In conclusion, Lebanon appreciates the merits of a greener economy and is trying to facilitate the debate forward. However, Lebanon's timid strides towards a greener economy should be evaluated in the context of its GDP growth and composition, and its commitment to fiscal reform policies (including the national debt burden and corruption). The real economic challenges pertain to how the government of Lebanon can revitalize productive sectors, redistribute wealth, introduce fair tax schemes, and provide basic services to all without prejudice. The largest contributing sectors remain construction, trade and tourism. Because the construction sector remains the main economic driver for growth in Lebanon, no matter how green it is, the impact of a green economy on Lebanese society remains insignificant.

#### National development policy

Lebanon is a heavily urbanized country, with 88% of its population living in urban areas. Additionally, 45% of the population lives in urban agglomerations of one million people or more. The Greater Beirut Area houses 2.5 million people and has grown well beyond its service capacity. Road congestion, intermittent water and electricity supply, insufficient open spaces and green areas, and waste generation and transport are impacting lifestyles and the quality of urban life. The government of Lebanon recognizes the need to limit urbanization and implement strategies to render cities more sustainable

#### *Conflicts and humanitarian crisis*

Lebanon has been exposed to a plethora of natural and manmade disasters. Lebanon has experienced three conflicts with Israel since 1992. Each war caused massive displacement of people and extensive damage to public and economic infrastructure. In particular, during the war between Lebanon and Israel in 2006, an unprecedented oil spill devastated the Lebanese coasts: approximately 12,000 to 15,000 tons of heavy fuel oil were released. The Lebanese authorities immediately put efforts to organize major clean-up operations. As of today, the collection of the oil spill has been completed, with an estimated overall quantity of recovered wastes (liquid & solid) amounting to approximately 5,000 cubic meters. About 50% of these quantities have been treated, and the remaining 2,500 cubic meters are still temporarily stored at four coastal sites.

Since early 2013, Lebanon is facing an unprecedented crisis situation because of the continued conflict, violence and hardship in Syria, which force evermore

Syrians to seek refuge particularly in neighbouring countries. Lebanon has so far been the main recipient with more than a million Syrian refugees registered or awaiting registration with United Nations High Commissioner for Refugees (UNHCR) by the beginning of April 2014. The widespread presence of refugees facing very difficult living conditions has worsened some of the severe threats which were already afflicting the northern and southern coastal regions before the crisis.

#### *Enhancement of the environmental protection regarding the development of the Oil and Gas sector*

Regarding the potential offshore oil and gas resources in the Levantine Basin, the government of Lebanon approved in 2010 the Law 132 24/8/2010 which applies to petroleum activities within territorial waters and waters of the Lebanese Exclusive Economic Zone (EEZ). The law regulates the reconnaissance, exclusive petroleum rights and the exploration and production agreement between the Lebanese State and the right holders. The law may well represent the beginning of a long journey towards solving, albeit partially, the issue of energy availability in the country without spoiling the environment. The law provides a framework for environmental safety and protection of oil and gas exploration, drilling, transport, and de-commissioning. According to the Barcelona Convention, Article 7, the Contracting Parties shall take all appropriate measures to prevent, abate and combat pollution of the Mediterranean Sea area resulting from exploration and exploitation of the continental shelf and the seabed and its subsoil. In particular, and pursuant to Article 7 of Law 132/2010, the government of Lebanon commissioned the preparation of a Strategic Environmental Assessment of the petroleum sector to be completed prior to awarding any rights or initiating any activities. In February 2013, the Minister of Energy and Water (MoEW) launched the first licensing round for exploration and production of offshore oil and gas.

Overall, this emerging oil and gas sector could have significant impacts on the job market (from exploration to production). Several universities now offer courses related to the petroleum sector, which will produce a framework for young professionals with the right knowledge base and skillset to engage in Lebanon's oil and gas activities.

#### *Improving Solid Waste Management*

Waste generation is related to human activities, lifestyles, and environmental awareness. In Lebanon, the post-civil war period is marked by the absence of a national vision for solid waste management and political consensus on the way forward. As such, successive governments adopted and prolonged emergency measures that were not ecologically-oriented but were often the most politically-acceptable. Nationwide, an estimated 51% of all municipal solid waste (MSW) is landfilled, 32% is dumped, and the remaining 17% is recovered through sorting and composting.

In 2010, the Ministry of Environment (MoE) commissioned the "Preparation of a Master Plan for the Closure and Rehabilitation of Uncontrolled Dumps." The plan identified and catalogued about 670 open dumps including 40 priority dumpsites

(for municipal and construction and demolition waste). In January 2012 (COM Decision 34), the Council of Ministers approved the Integrated Solid Waste Management (ISWM) Law. It describes priorities, general principles as well as resulting responsibilities (ministries, municipalities, etc.) and the institutional framework for the integrated management of solid waste including municipal, hazardous and non-hazardous. This law still needs to be approved by the Parliament.

Outside Greater Beirut Area, municipalities and federations are responsible for the collection, treatment and disposal of municipal waste. However, austerity measures by the government and delays in International Monetary Fund transfers have prevented many municipalities from planning for and investing in proper solid waste systems.

Several international development organizations (European Union, Italian Cooperation, Spanish Agency, USAID, etc.) have stepped in by providing direct technical and financial support to individual municipalities and groups of municipalities.

*A better management of maritime resources, "respecting the Mediterranean Sea"*

Lebanon is blessed with 240km of shoreline on the eastern Mediterranean Sea. Although the government of Lebanon has signed all major conventions and protocols safeguarding and protecting the Mediterranean Sea from land based sources of pollution as well as offshore waste dumping and oil spills, the conditions of marine waters and coastal zones have regressed sharply in the past twenty years.

On the other hand, as a signatory to the Convention for the Protection of Mediterranean Sea against Pollution and its protocols, Lebanon is required to provide secondary treatment of wastewater from cities and towns with populations exceeding 100,000 before discharge into the sea. Since 1992, the MoEW and the Council for Development and Reconstruction (CDR) have launched a national investment program to design and build wastewater networks and treatment plants all over the country, including 11 treatment plants to serve 4 million people-equivalent in the coastal zones and the western slopes of Mount Lebanon. So far, only two primary treatment plants are operational (Ghadir and Saida) and five more treatment plants are completed but await the ancillary networks and/or service contracts (Tripoli, Chekka, Batroun, Jbail, and Jieh). At least four other plants are still in the pipeline (Keserwan, Borj Hammoud, Sour and Abdeh).

In order to environmentally preserve the Lebanese coastal waters, it is necessary to design marine protected areas and/or no-fishing areas, and to develop means to preserve the marine biodiversity. Hence, the MoE, civil society organizations and research institutes have worked together to establish and manage two marine protected areas (Palm Islands and Tyre Coast Nature Reserves). Model research and local involvement in field monitoring have contributed to improve the management of these reserves.

### 2.2.2 *Sector context: policies and challenges*

The Lebanese coastline extends 240 km from Abdeh to Naqoura along a north-south axis in the eastern Mediterranean. It is mainly a rocky shoreline with stretches of sand (20%) and pebbles inhabited by a variety of common and endangered species. Nearly 60% of the population in Lebanon lives on the coast where industrial, commercial and urban activities are concentrated : within a 500 meters bandwidth of coastal zone, 40% are urban areas, 41% are agricultural areas and 19% are natural areas.

The National Centre for Marine Sciences has recorded 218 marine fish species. There are at least 12 sensitive areas in the coastal zone due to their ecological and landscape value. Despite the scattered efforts explained in the section above, environmental aspects are not sufficiently mainstreamed into national policies, and this has a dramatic negative impact, both at ecological and socioeconomic level. The main threats to the coastal regions are unregulated disposal of solid waste, wastewaters, oil residues, chemical pollution, privatization of the coastline, and beach quarrying. Of the 7,000 tons of solid waste generated every day, some 5,500 tons are dumped along the coast or reach the sea through rivers and streams. Wastewater, including sewage, is discharged directly into the sea or nearby rivers, with a daily average of half million cubic meters, causing serious health problems. Oil pollution comes from storage stations and tankers. Chemical pollution, creating health hazards mainly from acids, alkalis, heavy metals, solvents, detergents, ammoniac nitrogen, and pesticides, is discharged from more than 40 industrial zones along the coast.

In addition, the convergence of a number of factors including population growth, forced migration, poor planning, urban sprawl, solid waste dumping and landfills on the shore and in the valleys, aggravate the environmental deterioration of the coast.

On the other hand, as seismic surveys carried out since the 1990s have indicated the likely presence of offshore hydrocarbon accumulations in the Eastern Mediterranean Basin, maritime resources in Lebanon shall possibly be affected by exploration and potential oil extraction activities in the future. The Lebanese authorities obviously put a strong emphasis on the opportunity of using such resources while underlining the need to avoid any environmental damage or pollution to the marine and coastal biodiversity.

In this respect, the MoE has a clear mandate on the enforcement of laws and regulations that protect the environment, preserving the natural wealth of Lebanon, and managing natural and environmental risks through prevention and treatment. The government of Lebanon is also committed to work to implement policies and plans related (among others) to solid waste, and to activate the environmental management of basins and protect natural reserves. In its Work Program for 2011-2013 and the subsequent Priority Actions for 2014, the MoE had defined the conservation of its natural wealth as one of its main goals. However, the limited budget, the too often cross-cutting institutional mandates and legislation and the limited expertise in marine ecosystems, hinder the effective management of marine ecosystems which impedes the development of

resources as well as the protection and conservation of biodiversity. Hence, the control of malpractices by the fishing industry remains limited due to the lack of means and human resources by the national authorities.

The combination of all these factors has, for many years, dramatically impacted the ecology and the socio-economy of the coastal zones. Against this background, it is considered opportune to contribute to the protection of coastal natural resources. The activities proposed in the next sections will not only have a positive environmental impact but they will also contribute to create better socio economic opportunities (improved fishery's potential, possible job creation through leisure activities among others) as the success of such income generating activities depends largely on the level of preservation and valorisation of flora and fauna, the sea water quality and the cleanness of beaches.

Regarding the potential exploration and production of offshore oil and gas resources, the preparation, approval and enforcement of a comprehensive legislative framework is of the utmost importance in order to ensure that maritime resources are protected through the enforcement of regulations applying the highest environmental international standards. In this respect, the EU regulatory framework on safety of offshore oil and gas operations (as per EU Directive 2013/30 of 12 June 2013) is of particular interest.

The activities proposed by this action, contributing to the protection of coastal zones in Lebanon are fully in line with the objectives of the Horizon 2020 initiative as well as the European environmental strategy for the Mediterranean (Communication from the Commission to the Council and the European Parliament from 5 September 2006, "Establishing an Environment Strategy for the Mediterranean"). The latter aims at among others, reducing pollution levels across the region, promoting sustainable use of the sea and its coastline and encouraging neighbouring countries to co-operate on environmental issues.

Through a first call for proposals, the programme will contribute to the development and improvement of comprehensive waste management schemes at municipalities' level. Municipal waste water management will be excluded of the scope of eligible actions as municipalities are not legally responsible for this domain (which falls under the responsibility of the Water and Wastewater Establishments, themselves under the umbrella of the MoEW). Moreover, many coastal projects of large waste water treatment plants are already planned or under construction.

A second call for proposals will support the recovery of affected marine ecosystems and the development of marine and coastal biodiversity. The call will mainly target municipalities along the coast, NGOs and universities.

### **2.3. Lessons learnt**

The implementation of an efficient and sustainable environmental strategy needs a clear and comprehensive framework to enable the implementation of priority actions and the fulfilment of Lebanon commitments to the relevant multilateral environmental Agreements. Given the current fragile political and economic

situation in Lebanon, and based on previous experiences in similar contexts in the past years, it is recommended to implement concrete actions in order to complement all existing "soft" measures (legislative, institutional, organizational developments, capacity building...) that are unfortunately often slowed down due to political blockages. Since other projects (detailed in section 2.4) are currently focusing on this type of measures, this project shall put an emphasis on concrete projects, whose achievements demonstrate the impact of protecting maritime resources in a sustainable way. They should be design so as to encourage potential replication.

Since one of the main lessons learned from past projects within the sector is the limited co-ordination between institutional stakeholders, mainly due to political reasons, during the programme's formulation, a strong emphasis has been put on obtaining an agreement from all key stakeholders to effectively co-ordinate. Strong information channels about the programme implementation are foreseen during programme's execution, and regular and structured meetings of the programme's stakeholders will support this co-ordination.

#### **2.4. Complementary actions**

The present project complements the following initiatives:

- The Project on Integrated Maritime Policy in the Mediterranean (IMP-MEDproject) (ENPI South-funded project extended up to the end of 2014) seeks to provide opportunities to the southern Neighbourhood States in the Mediterranean (among which the Lebanon) to engage and obtain assistance for developing integrated approaches to maritime affairs. Appropriate co-ordination will be ensured with activities carried out under the Convention for the Protection of the Mediterranean Sea Against Pollution (Barcelona Convention), which has been signed by Lebanon.
- The EU-funded project "Support to Reforms - Environmental Governance (StREG)", aiming at enhancing the management capacity at the Ministry of Environment to plan and execute environmental policy, including its enforcement and mainstreaming by co-ordinating with other key line-ministries (2011-2016, EUR 8 million). StREG's outputs, and namely the enhanced environmental inspection and enforcement system, will ensure the necessary framework for the drafting of legislative texts (on the development of the oil and gas sector) as foreseen within this programme.
- The project funded by International Union for Conservation of Nature/Spanish Co-operation "Supporting the Management of Important Marine Habitats and Species in Lebanon", aiming at supporting the development of a network of Marine Protected Areas (MPAs) in Lebanon and an associated monitoring programme to evaluate their management effectiveness (2009-2011). The project provided management options for the marine environment, including marine protected areas, and supporting assessments to assist in the identification of policy and management reforms. The project also assessed the feasibility of declaring three marine protected areas (Awali estuary, Ras El Chekaa cliff, and the Beirut Airport wave breaker), and carried out detailed biodiversity assessments and inventories in those sites and produced related maps.



- The recent USD 1.64 million project funded by the government of Greece will develop an Integrated Coastal Zone Management (ICZM) strategy for Lebanon. The project, launched in 2011, builds on the experience of the University of Balamand in North Lebanon. ICZM is recognized as one of the most important adaptation measures to climate change. In addition, the project funded by United Nations Environment Programme/Global Environmental Fund "Sustainable Management of marine and coastal biodiversity and habitats through policy and legislative development for mainstreaming in Lebanon", aims at creating (through "soft" measures mentioned here above) an enabling integrated framework for sustainable management and conservation of coastal and marine biodiversity. It will also mainstream the biodiversity priorities into national plans (2012-2015).

- The project "Environmental and coastal ecosystem management" (called "INCAM") funded by the EU Seventh Framework Programme, increased Lebanon's capacity in important environmental concerns based on a regional approach that assessed the anthropological impacts on natural resources (2011-2013).

- The project "Upgrading Solid Waste Management capacities in Lebanon (SWAM 2)" funded by the European Union under the Annual Action program 2014 (2014-2019, EUR 21 million), whose objective is to upgrade the provision of basic services regarding Solid Waste Management (SWM), will positively contribute to the same objectives of the proposed actions in this action document.

- Projects of treatment and cleaning operations of the oil spill wastes after 2006, funded by the Canadian International Development Agency, the Japanese co-operation and the Spanish co-operation (2007-2009).

- The "Sustainable Energy for All" initiative launched by the UN in 2011, whose objectives of (i) ensuring universal access to modern energy services, (ii) doubling the rate of improvement in energy efficiency and (iii) doubling the share of renewables in the global energy mix are mainstreamed in all EU-funded projects in the region.

## **2.5. Donor co-ordination**

Since 2010, the MoE has been organizing periodic meetings with numerous international development partners to exchange information about environmental projects conducted in Lebanon, and ensure a smooth co-ordination. In addition, the National Council for the Environment (created by decree in 2012) regularly brings together Lebanese authorities and non-governmental bodies. It will be closely associated to the implementation of this programme in order to increase the political engagement regarding environmental standards in Lebanon.

## **3. DETAILED DESCRIPTION**

### **3.1. Objectives**

The general objective of this programme is to enhance the protection and sustainable development of maritime resources in Lebanon.

The specific objectives of this programme are:

- to protect the coastal zones and maritime resources from any environmental degradation by oil and gas and/or land-based sources of pollution;
- to recover affected marine ecosystems and develop marine and coastal biodiversity.

### **3.2. Expected results and main activities**

The main results of the programme are as follows:

#### *Component 1*

- The remaining 2,500 square meters of solid and liquid wastes (resulting from 2006's oil spill) are treated and disposed in Lebanon. This result will be achieved through service contracts with specialised companies in this domain, in continuation to the work already done in the past years and co-ordinated by the MoE.

#### *Component 2*

- The government of Lebanon disposes of a comprehensive and environmental-friendly legislative framework as well as an efficient organisational structure for exploring and producing oil and gas in its EEZ. This result will be achieved through a long-term technical assistance to the Lebanese Petroleum Administration (LPA) and the MoEW.

#### *Component 3*

- Land-based sources of pollution (municipal solid waste and industrial waste) in coastal areas are suppressed or mitigated. This result will be achieved through a call for proposals that will support the development of comprehensive waste management schemes within municipalities located in the coastal zones (excluding municipal waste water management). Eligible actions will indicatively include investments (recycling, composting, energy generation), capacity building activities (to improve the inspection and enforcement skills of relevant actors in charge), awareness raising actions (to reduce waste generation and learn to the population how to sort at source), and will mainly target municipal solid waste and industrial waste (including waste water, slaughterhouse waste, non-hazardous waste like for instance olive oil waste, hazardous waste).

#### *Component 4*

- The conditions of ecosystems affected by 2006's oil spill are improved and the marine and coastal biodiversity is developed. This result will be achieved through a call for proposals that will mainly target municipalities along the coast, NGOs and universities. In particular, the biodiversity of maritime resources will benefit from new artificial reefs (one successful artificial reef has already been built on the Lebanese coast). Eligible actions will include investments, capacity building activities to actors directly concerned by the impact of these activities, awareness raising actions towards the local population ("environmental education") about the environmental and socio-economic impacts of preserving

and developing the marine and coastal biodiversity (improved fishery's potential, possible job creation through eco-tourism and leisure activities).

### **3.3. Risks and assumptions**

The programme's formulation has paid particular attention to minimise the impact of possible aggravated political turmoil. Reaching expected results will be facilitated by the involvement of national public authorities in the steering of the programme and its implementation through a regular, structured and constructive dialogue.

The lack of adequate human resources to manage the project represents a risk at ministries levels. This risk is mitigated by the support from different EU-funded technical assistance projects (currently under implementation) to the MoE, the MoEW, the Ministry of Public Works and Transport (MoPWT) and the Ministry of Interior and Municipalities (MoIM). In addition, a dedicated service contract will accompany the MoE in its monitoring role for the "oil spill treatment" component.

Eventually, the programme entails the award of grant contracts to municipalities, international organisations and/or NGO's through bottom-up approaches. This decision is based on the fact that the expected fields of intervention, results and impact of these grants have already been the object of many in-depth studies (commissioned by Lebanese authorities or International Financing Institutions): the risk of facing unexpected difficult situations in their implementation is therefore considerably mitigated.

### **3.4. Cross-cutting issues**

The programme will obviously have a significant positive impact on the environment and health considering the nature of proposed actions and their sustainable environmental approach. Good governance is a key factor driving programme's implementation, as a vector of promotion of the protection and valorisation of maritime resources in Lebanon.

Gender equality will be taken care of during its implementation, mainly in the frame of the grant schemes. Women will be equally considered thanks to participatory approaches.

### **3.5. Stakeholders**

The success of this programme depends largely on the degree of ownership of its actors at implementation level. It is therefore of utmost importance to involve the Lebanese institutions in its daily management. For this programme, key stakeholders at government level are:

- the MoE in its role of strategic environmental guidance, and in particular in its steering role in the management of the consequences of the oil spill crisis since 2006,

- the MoIM, in charge of overseeing the work with the municipalities, particularly those municipalities which will be involved in combating land-based sources of pollution,
- the Ministry of National Defence and the MoPWT as key partners to the MoE in the construction of artificial reefs,
- the MoEW and the LPA, in charge of the implementation of the Petroleum Policy,
- the CDR as EU National Co-ordinator.

The European Commission has confidence in these institutions, and acknowledges their reliability thanks to solid relationships within their long term co-operation framework.

This programme also confirms EU's commitments to support Lebanon by reinforcing its assistance in the Environment sector. The high level of interest and involvement of the MoE (and all other stakeholders) during the identification and formulation phases has corroborated such opportunity.

In addition, municipalities benefitting from the financed actions will play a crucial role in projects implementation, but also as communicators towards local populations who will directly benefit from the actions of the programme. Civil society, universities and research centres, private sector operators (as vectors of green economy's development) will also be associated to the programme implementation.

#### **4. IMPLEMENTATION ISSUES**

##### **4.1. Financing agreement**

In order to implement this action, it is foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of Regulation (EU, Euratom) No 966/2012.

##### **4.2. Indicative operational implementation period**

The indicative operational implementation period of this action, during which the activities described in sections 3.2. and 4.3. will be carried out, is 60 months from the date of entry into force of the financing agreement, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements. The European Parliament and the relevant Committee shall be informed of the extension of the operational implementation period within one month of that extension being granted.

### **4.3. Implementation components and modules**

#### ***4.3.1. Grants: call for proposal (direct management)***

##### ***4.3.1.1 Grants: call for proposal "Support to the development of municipal waste management schemes" (direct management) (Component 3)***

(a) Objectives of the grants, fields of intervention, priorities of the year and expected results

The objectives and the type of actions eligible for financing and the expected results are those described under 3.1 and 3.2.

(b) Eligibility conditions

Potential applicants for funding should be established in a European and/or regional (ENPI) country, and be legal entities, local authorities, public bodies, international organisations, NGOs as well as private economic actors (such as SMEs).

(c) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for grants under this call is 80% of the eligible costs of the action.

The maximum possible rate of co-financing may be up to 100% in accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012 if full funding is essential for the action to be carried out. The essentiality of full funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative trimester to launch the call

Second trimester of 2015.

(f) Exception to the non-retroactivity of costs

Not applicable.

**4.3.1.2 Grants: call for proposal "Recovery of affected marine ecosystems and development of marine and coastal biodiversity" (direct management) (Component 4)**

(a) Objectives of the grants, fields of intervention, priorities of the year and expected results

The objectives and the type of actions eligible for financing and the expected results are those described under 3.1 and 3.2.

(b) Eligibility conditions

Potential applicants for funding should be established in a European and/or regional (ENPI) country and be legal entities, local authorities, public bodies, international organisations, NGOs as well as private economic actors (such as SMEs).

(c) Essential selection and award criteria

The essential selection criteria are financial and operational capacity of the applicant.

The essential award criteria are relevance of the proposed action to the objectives of the call; design, effectiveness, feasibility, sustainability and cost-effectiveness of the action.

(d) Maximum rate of co-financing

The maximum possible rate of co-financing for grants under this call is 80% of the eligible costs of the action.

The maximum possible rate of co-financing may be up to 100% in accordance with Articles 192 of Regulation (EU, Euratom) No 966/2012 if full funding is essential for the action to be carried out. The essentiality of full funding will be justified by the responsible authorising officer in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative trimester to launch the call

Third trimester of 2015

(f) Exception to the non-retroactivity of costs

Not applicable.

**4.3.3. Procurement (direct management)**

	Type (works/ supplies/ services)	Indicative number of contracts	Indicative trimester of launch of the procedure
4.3.3.1 Treatment and disposal of the remaining wastes from the 2006's oil	Services	2	1 <sup>st</sup> trimester of 1 <sup>st</sup> year

spill (Component 1)			3 <sup>rd</sup> trimester of 1 <sup>st</sup> year
4.3.3.2 Complementary testing for the treatment and disposal of the oil and semi-solid wastes (from the 2006's oil spill) (Component 1)	Services	1	1 <sup>st</sup> trimester of 1 <sup>st</sup> year
4.3.3.3 Supervision of the "Treatment and disposal of the remaining wastes from the 2006's oil spill" (Component 1)	Services	1	1 <sup>st</sup> trimester of 1 <sup>st</sup> year
4.3.3.4 Technical assistance to the Lebanese Petroleum Administration (Component 2)	Services	1	2 <sup>nd</sup> trimester of 1 <sup>st</sup> year

#### 4.4. Scope of geographical eligibility for procurement and grants

Subject to the following, the geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act shall apply.

The responsible authorising officer may extend the geographical eligibility in accordance with Article 9 (2, b) of Regulation (EU) No 236/2014 on the basis of urgency or of unavailability of products and services in the markets of the countries concerned, or other duly substantiated cases where the eligibility rules would make the realization of this action impossible or exceedingly difficult.

#### 4.5. Indicative budget

Protection and sustainable development of maritime resources	Amount in EUR thousands	Third party contribution
<b>Component 1</b>		
4.3.3.1 Procurement: Treatment and disposal of the remaining wastes from 2006's oil spill (direct management)	2,200	/
4.3.3.2 Procurement: Complementary testing for the treatment and disposal of the oil and semi-solid wastes (direct management)		
4.3.3.3 Procurement: Supervision of the "Treatment and disposal of the remaining wastes from the 2006's oil spill" (direct management)		
<b>Component 2</b>		
4.3.3.4 Procurement: Technical assistance to support the government's preparation of exploiting and producing offshore oil and gas resources (direct management)	2,000	/
<b>Component 3</b>		

4.3.1.1 Call for proposals "Support to the development of municipal waste management schemes" (direct management)	13,000	/
<b>Component 4</b>		
4.3.1.2 Call for proposals "Recovery of affected marine ecosystems and development of marine and coastal biodiversity" (direct management)	1,200	/
4.7. – Evaluation and audit	200	/
4.8. – Communication and visibility	200	/
Contingencies	200	/
<b>Totals</b>	<b>19,000</b>	/

#### **4.6. Performance monitoring**

The European Commission will regularly monitor the performance of the grant projects against the expected results indicators described under 3.2.

The grant contractors will report all results to the European Commission, which may also carry out Results Oriented Monitoring (ROM) via independent consultants.

#### **4.7. Evaluation and audit**

The Commission will carry out a mid-term evaluation and a final evaluation (via independent consultants) of the whole programme.

Financial and technical audits might be carried out as necessary.

EUR 200,000 is earmarked for audit and evaluation purposes. Evaluation and audit assignments will be implemented through service contracts, making use of one of the Commission's dedicated framework contracts or another applicable procurement procedure. Indicatively, these contracts will be procured in the second semester of 2016, and in the second semester of 2019.

#### **4.8. Communication and visibility**

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU. This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated before the start of implementation and supported with the budget indicated in section 4.5 above.

The measures shall be implemented either (a) by the Commission, and/or (b) by the partner country, contractors, grant beneficiaries and entrusted entities. Appropriate contractual obligations shall be included in, respectively, financing agreements, procurement and grant contracts, and delegation agreements.



The Communication and Visibility Manual for European Union External Action shall be used to establish the Communication and Visibility Plan of the Action and the appropriate contractual obligations.

EUR 200,000 is earmarked for programme's communication and visibility purposes. These will be implemented through service contracts, making use of one of the Commission's dedicated framework contracts or another applicable procurement procedure. Indicatively, this contract will be procured in the second semester of 2017.