

ANNEX I

of the Commission Implementing Decision on the on the Annual Action Programme 2013
in favour of the Republic of Lebanon

Action Fiche for Support to the Lebanese security sector for stability and national cohesion

1. IDENTIFICATION

Title/Number	Support to the Lebanese security sector for stability and national cohesion CRIS number: ENPI/2013/024-431		
Total cost	Total estimated cost: EUR 8,374,000 Total amount of European Union (EU) budget contribution: EUR 8,000,000		
Aid method / Method of implementation	Project approach – Direct centralised management Procurement of services and supplies / Grants – call for proposals		
DAC-code	15210 (15220)	Sector	Security System Management and Reform (Civilian peace-building, conflict prevention and resolution)

2. RATIONALE

2.1. Summary of the action and its objectives

Amid a complex regional scenario, strengthening the Lebanese security system's effectiveness and legitimacy remain priorities to be addressed, in order to prevent the deterioration of Lebanon's security situation and the escalation of internal tensions that could lead to renewed conflict and divisions, as well as to strengthen the country's fragile stability and unity. The support to the role that can be played in this respect by the Lebanese security system for stabilisation and national cohesion will go hand in hand with a revision of the security system, its accountability and responsiveness to the Lebanese people, so as to further increase the confidence placed in the security institutions and facilitate the role of State security actors in enforcing the rule of law in a manner that is consistent with the norms of a democratic State.

2.2. Sector context

Lebanon is a country with a complex multi-confessional socio-political fabric, characterized by deep rooted historical divisions. The country's history - from independence until present - is characterised by cycles of conflict and violence, with clear demographic, psycho-social, political and economic impacts. The last few years have not represented an exception to this, and have been marked by sporadic but very violent armed confrontations between rival factions, highlighting the difficulties the State faces in ensuring security across the national territory.

The past two years have shown once again how highly susceptible Lebanon remains to fluctuating regional and international developments, which bear a direct impact on the local security situation. At the time of writing the danger of a spill-over from the conflict in Syria remains the most pervasive risk, with mounting concern for the potentially destabilizing effect on Lebanon of the growing unrest and violence in Syria. The widespread availability of weapons also represents an element of risk. Moreover, economic disparities further increase the risk of radicalisation in disadvantaged areas.

The current constitution and political system is based on the 1989 Ta'if Accord that accompanied the end of the Lebanese civil war (1975-1990), which created a system of checks and balances and cemented multi-confessional co-existence, fostering short-term stability but also an inability to adopt and implement Government policies, including in the security domain. Although the issue of a national security and defence strategies and the disarmament of irregular armed groups has been raised again recently in the framework of the National Dialogue Table (a format for Lebanese political leaders from all factions to discuss sensitive and contentious political issues), no concrete progress can be registered so far. The lack of an overarching security policy and of specific policies or strategies in security domains in which progress would be needed (such as defence, border management, fight against drugs, crisis management, criminal justice and human rights, counter-terrorism and fight against serious organised crime, etc.) are a result of this situation. The consequence is the absence of institutional development strategies able to develop the capabilities needed by State security agencies to better respond to the country's security needs while respecting the standards of a democratic State accountable to its citizens. The Lebanese security system is also under extreme budgetary constraints in carrying out its mandate, given that Lebanon has not had an approved national budget since 2005. At least 85% of the Lebanese security spending is allocated for running expenses (salaries and allowances), leaving minimal resources for capability development¹.

On the other hand, in a context characterised by multiple centrifugal forces, the cross-confessional character of the *Lebanese Armed Forces* (LAF) makes it the single most important unifying force in the country and a symbol of coexistence. The LAF is seen as an institution that bridges the gap between the political authorities and the population. This popular support, governmental backing and positive public image make it a factor of stability for the Lebanese society that represents a strong entry point for considering strengthening LAF legitimacy with activities that could reinforce their role in preventing internal conflict and Lebanon's national reconciliation and stabilisation processes. Also the *Directorate General of General Security* (GS) plays a crucial role in the country's internal security and could play a pivotal role in promoting reforms that could pave the way for a overall reorganisation of the Lebanese security system. Both institutions have highly skilled young staff and a leadership keen on promoting change and performance improvements in the service to the citizens.

¹ The announcement by the Lebanese authorities that USD 1.6 billion are needed to develop the capacity of the Lebanese Armed Forces (LAF), followed by the explicit requests for support to international donors has to be read in this light.

Nonetheless, human rights' violations by security actors are still reported. This highlights the need for reinforcing a human rights based approach in the way security agencies carry out their tasks and internal monitoring/inspection mechanisms to increase accountability and eliminate impunity. The human rights strategy for Lebanon drafted by the EU Delegation and approved by Member States highlights these issues and several projects in place are already tackling them. To the aim of promoting the development, stability and security of Lebanon in the longer-term, the new EU-Lebanon Action Plan maintains *improved security sector management and law enforcement, including co-operation, accountability and oversight mechanisms* as a priority. This is also in line with "*A new response to a changing Neighbourhood*"², proposing a stronger political co-operation on governance reforms, security, and conflict-resolution matters among others, and calling for a strong and lasting commitment on the part of governments to include security and law enforcement sector reform and the establishment of democratic control over armed and security forces as key elements to building deep democracy.

2.3. Lessons learnt

Considering the peculiarities of the Lebanese context and the need to maintain internal stability, active donors in Lebanon have concentrated their efforts on strengthening the security forces with equipment and training to cater for their short-term needs, without any overarching approach to security system reform. On the other hand, although using professionalization aspects as an entry point for its security-related co-operation, the EU has gradually developed an approach more in line with *Security System Reform (SSR)* principles, tackling the broader dimensions of SSR reform processes such as institution-building for conflict prevention and dialogue with the citizens. This approach has allowed showing the EU capacity to assist the security sector, and the EU is seen today as a key player in Lebanon in promoting the development of the security sector in the medium- to longer-term. This approach also has the added value of allowing the EU to draw from the wealth of experience it has in supporting institutional building processes and apply them to the security sector.

Experience shows that it is also very important to integrate the final beneficiaries into the reform process. Apart from a greater focus on service-delivery rather than just on enhancing the institutional capacity of the agencies concerned, it will therefore be important to complement dialogue and capacity building activities with concrete initiatives on specific issues that can bring immediate dividends in terms of rule of law for both the State and the Lebanese population. In order to increase citizens' involvement with security and defence reform issues, some actions will be promoted directly by/with civil society. These will include activities aimed at strengthening the relation of trust existing between the Army and the Lebanese people, and at jointly promoting conflict-prevention and peace-building activities at community level.

Considering the delicate equilibrium characterizing the Lebanese security system and that efforts so far have mostly focused on the Lebanese police (i.e. the Internal Security Forces – ISF), it is considered appropriate to expand the co-operation to other counterparts that play a crucial role in the Lebanese security sector. In this sense, the presence of a military leadership that has managed to remain at a close

² COM(2011)303 of 25 May 2011.

uniform distance from all political parties, and at the same time to guarantee security and stability in most Lebanese territories despite the limited resources available and the political difficulties, certainly gives the LAF a legitimacy amongst the Lebanese population which carries a strong weight in the decision to work with them for the role they can play as a vector of cohesion.

Given the specific nature of the security sector, a relation of mutual trust and professional respect will have to be developed gradually for the co-operation with new counterparts to be more effective. In this respect, the programme will have to promote an understanding of the rationale behind the prioritisation of more 'sensitive' areas of work. This will include: highlighting the benefits of how accountability and oversight mechanisms can lead to improvements in counterparts' performance in the provision of security services while at the same time prevent the wasteful (for the State), dangerous (for them) and divisive (for society) consequences of corruption; and highlighting how dialogue with civil society can be a strong element of protection for the security system as such.

2.4. Complementary actions

The EU-Lebanon Action Plan adopted in 2006 already placed co-operation on Security Systems Reform as a pillar of EU co-operation with Lebanon in the area of political reform. In this framework, EU co-operation efforts in SSR have so far mostly focused on the Lebanese Internal Security Forces (ISF), which - after the end of the Syrian tutelage and the wave of political assassinations that characterised the past decade - were considered the agency more in need of support, with the aim of developing a more professional police service. The following projects have been implemented: "*Amélioration de l'Investigation Criminelle à tous les stades de la Chaîne Pénale*" (2007-9, EUR 2.4 million) and "*Security and Rule of Law (SaRoL)*" (2009-14, EUR 8 million), covering both the ISF and the Judiciary and aimed at improving the quality of criminal investigations. The SAROL programme has also supported the development of the training structures and resources for the Judicial Police, the ISF computerisation efforts, and their capacity to manage public order situations with the use of modern, non-lethal techniques.

Building on this initial work, the programme "*Developing National Capability for Security and Stabilisation (SSP)*" (2012-15, EUR 12 million) further promotes the organisational development of the ISF (strategic planning, internal training structures, automation efforts, assistance to the public), its capacity to fight serious organised crime in co-operation with the Judiciary, and its traffic management capacity. The SSP also supports Integrated Border Management (IBM) efforts, working more specifically with Customs and GS, and the work with civil society on promoting a better understanding of people's security needs and concerns³.

Apart from the above, other EU past interventions in support of the Lebanese security sector supported: the LAF-led Common Border Force that had been established under the Northern Border Pilot Project – NBPP (2007-8, EUR 2 million), capacity building of the Lebanon Mine Action Centre - LMAC (EUR 17 million in total), and a LAF Chemical, Biological, Radiological, and Nuclear (CBRN) Response Team through the provision of specialised detection equipment

³ The preliminary findings of this work will be available as of September 2013 and will therefore be able to inform the definition of the work to be carried in the programme's first component (see below).

and training, and the development of a National Response Plan for CBRN-related events (2008-12, EUR 2.1 million). Finally, the EU has also supported GS with training, capacity building and Standard Operating Procedures (SOPs) for the migrants' retention centre management and referral systems (2009-10, EUR 0.5 million).

In parallel to the above-mentioned activities, the EU supports the protection of human rights and fundamental freedoms through continuous political dialogue with Lebanese authorities and human rights defenders. This dialogue is underpinned by financial assistance to Lebanese institutions to develop and implement human rights policies and reforms. As part of the bilateral co-operation envelope, the EU will support (through the "*Promotion of Social Justice*" programme – AAP 2012) the Office of the High Commissioner for Human Rights (UNHCHR) to strengthen the capacities of the Lebanese authorities (therefore including the security agencies and line ministries) for the next Universal Periodic Review (UPR) process foreseen in 2015. Other civil society initiatives funded under the European Instrument for Democracy and Human Rights (EIDHR) target torture, the respect for the provisions of the related UN conventions (UN Convention Against Torture and its Optional Protocol), and the reduction of arbitrary detentions. In the framework of these initiatives, civil society works directly with the ISF and GS to provide training on how to enforce the rule of law while respecting human rights. These actions also aim at introducing in security agencies a culture of respect for human rights. Besides, the EU also monitors the excessive use of military courts for the trial of civilians (i.e. not only for offences committed by military personnel).

2.5. Donor co-ordination

Apart from the EU, the US are by far the major donor to both the ISF (approx. USD 8 million) and to the Lebanese Armed Forces (LAF) (with a budget of around USD 100 million per year). Other relevant donors in the security sector are: France with a programme of support for the security of the Beirut international airport including to the GS (EUR 2.25 million over five years), for the ISF (approx. EUR 0.18 million per year), and to the LAF (EUR 5.6 million in training and equipment in 2012, with amounts varying from one year to the other); the UK, working with the ISF on the application of an internal 'Code of Conduct', on top of a significant (and increasing) assistance to the LAF (approx. USD 3 million per year) to deal with their more immediate operational short-term needs (high risk searches, riot control, tactical training, equipment, and support for border control tasks); Germany (working mostly with the ISF Technical and Scientific Police, ISF Department of Information, and with GS in relation to border controls), and Belgium (equipment donations to LAF).

Parallel to this, EU Member States are of course heavily involved in the United Nations Interim Forces Lebanon (UNIFIL) peace-keeping mission. At the time of writing, twelve EU Member States provide 4,683 troops representing 38.7% of the total force (the largest contingents being France with 856 troops, Italy with 1,099 and Spain with 704). Apart for carrying out their peace-keeping mission, the role of these contingents is also very important in terms of building the LAF capacity to take the relay for such operations in the long-term. The presence of these contingents is very important also in terms of Civil-military cooperation (CIMIC) projects that they fund and implement in favour of the hosting municipalities and communities (such projects amount to a total budget of USD 3.2 million for this year from bilateral sources, while another USD 0.5 million is provided through UN own funds).

Co-ordination between different EU and other donors is done through regular donor co-ordination meetings organised in Beirut (usually at the EU Delegation), where exchange of information takes place and concrete steps to improve co-ordination on internal security assistance are taken. Co-ordination on defence issues, particularly with the US, remains often a challenge.

3. DETAILED DESCRIPTION

3.1. Objectives

Lebanon has a relatively developed security sector in terms of formal legal framework and institutions, established chain of command, and subordination to civilian government. On the other hand, it is a consensus democracy emerging from conflict and years of external tutelage which fractured the State and divided the society, causing a deep domestic disagreement over what constitutes the “national interest” and on the nature and aims of security. These elements often combine to prevent the State from being the main security provider, and communal divisions in society make it difficult to shape a coherent and consistent a long-term vision of the Lebanese security system.

The composition and balance of powers within the security sector reflects Lebanon's multi-confessional character, and consequently relations between the different security agencies are often characterised by poor co-operation, competition and duplication of tasks. Hence, despite the departure of Syrian troops in April 2005, the sector continues to suffer command and organizational weaknesses due to the pull of political, sectarian, and regional loyalties. Moreover, the political situation and the increasing tensions provoked by the crisis in neighbouring Syria further undermine the formulation of policies and sector-wide planning and erode organizational effectiveness, thus highlighting the challenges faced by the Lebanese security system in responding to the citizens' needs and expectations, as well as in guaranteeing the respect of human rights.

Amid a complex regional scenario, it remains a priority to support the Lebanese security system's effectiveness and legitimacy in order to strengthen the country's fragile stability and unity. In this sense, the identification phase has highlighted a need to strengthen the Lebanese security system as a fundamental element for conflict prevention, peace-building, democratisation and fostering a national unity that is much needed in a country deeply fragmented and destabilised by years of civil war and repeated conflicts. This has to go hand in hand with a revision of the security system's management, its oversight, accountability and responsiveness to the Lebanese people so as to increase the confidence placed in the security institutions and facilitate their work.

In this framework, the **overall objective** of the programme is to *reinforce Lebanon's stabilisation and cohesion, by supporting the unifying and reforming role played by the security system.*

Its **specific objective** will be to *improve the institutional capacity of the Lebanese security system to fulfil its legitimate role in a manner that promotes national cohesion and is consistent with the norms of a democratic State.*

3.2. Expected results and main activities

The approach chosen to achieve these objectives has been to identify the security agencies better positioned to lead by example the modernisation and reform of the security system in line with democratic norms and values, and select with them a range of areas of work relevant to their organisational development (e.g. administration and human resources management, training structures, automation of procedures, budgetary discipline as a way to maximise productivity with the limited means available, enhanced service delivery and public outreach, strategic planning) to respond to people's needs in a more professional, timely and accountable manner. This would be the starting point for a sound discussion over broader security sector management and transformation issues that can be promoted in the medium- to long-term. This work will be complemented by measures aimed at building the confidence and trust between the public and the Lebanese security sector, which is a priority if the objective is to establish a dialogue on SSR issues. Parallel to this, the EU will continue funding activities aimed at promoting a culture of human rights within the security forces, particularly through the EIDHR and the bilateral co-operation envelope.

The programme will therefore promote: a) a direct engagement with security actors LAF and GS, developing their organisational capacities in line with SSR principles as well as improving their professionalism in the provision of security services within the principles of a democratic State; and b) the understanding of the need for civilian oversight mechanisms and the involvement of civil society to prepare the ground for an informed dialogue that, in the longer-term, could foster a nationally-owned reform process designed to improve the effectiveness, transparency and accountability of the whole security system. With the above considerations in mind, the programme's expected results and related activities can be summarised as follows:

Result 1: Dialogue is promoted and effective governance and oversight mechanisms are progressively in place to guarantee the development of the Lebanese security system in line with SSR principles and with the respect by security agencies of human rights, gender and rule of law principles.

Main areas of work for this result will be:

1.1. Co-learning activities on SSR: organization of workshops, roundtables, training, conferences, for relevant stakeholders (senior security personnel, civil servants, parliamentarians, media, civil society organisations, academics, policy-makers) on selected SSR issues such as: the governance, management and reform of the security system; public security and the responsiveness of security providers to citizens' needs and expectations; benefits for the security system of implementing transparency, accountability and oversight mechanisms.

1.2. Promotion of formal and informal oversight mechanisms

1.2.1. Studies to analyse existing oversight mechanisms, including the review of formal accountability mechanisms both internal to the security agencies (e.g. codes of conduct, line supervision, disciplinary procedures) and external (e.g. executive oversight, judicial review). Formulating recommended options for their improvement and on areas where capacity-building might be needed.

1.2.2. Capacity-building for civil society organisations to perform independent monitoring functions; and promotion of informal accountability mechanisms by civil society, research organisations, the media, human rights organisation, etc. and engagement of civil society in the process of increasing transparency and accountability for the security system (overseeing budgets, activities, policies, etc.) through meetings, workshops, conferences.

1.3. Inter-action with civil society at the local level: Promotion of initiatives aimed at increasing citizens' awareness of and engagement with security-related issues (e.g. implementation of pilot initiatives on selected topics aimed at: strengthening the co-operation between the citizens and security forces on conflict prevention; early warning; peace-building & reconciliation; raising community awareness on the risks deriving from the proliferation and widespread availability of Small Arms and Light Weapons).

Result 2: Organisational development of GS and LAF promoted and their capacity improved to perform their functions according to their mandates and deliver services to the citizens in line with SSR principles.

Main areas of work for this result will be:

2.1. Co-operation with General Security

2.1.1. Revision and development of training mechanisms in line with police best-practices, including: analysis of training resources and gaps, recruitment procedures and training of trainers (ToT), revision of training curriculum, training materials and techniques, structures, conception of initial and continuous training plans (by dpt.), and evaluation and follow up (update of training plan). ToT for the administrative, managerial, pedagogical and technical training resources.

2.1.2. Revision and support to management issues, including: human resources management, optimization of costs (in terms of staff distribution, training, maintenance of resources, health services for staff), planning and development processes.

2.1.3. Support to GS internal quality control mechanisms over services provision, including the respect and promotion of human rights principles and values, development and application of a code of conduct in service, disciplinary measures, office of complaints, development of communication skills and interface with the public, public information and outreach.

2.1.4. Development of appropriate Information and Communications Technology systems, via the implementation of a GS IT Plan for 'E-General Security' and telecommunications. (This could include: the consolidation of databases, networking, security of transmissions, e-services portal for citizens).

2.1.5. Training for GS investigation services for an improved operational capacity in the fight against serious organized crime (e.g. on information gathering, analysis and joint exploitation, co-ordination of investigation services with other agencies and joint training where possible).

2.2. Co-operation with Ministry of Defense/LAF

2.2.1. Strengthening Ministry of Defense/LAF Administration & Management procedures, including organizational analysis and HR management, office automation (internal networking and modernized archiving systems), procurement and contractual management.

2.2.2. Strengthening transparency in the budget formulation and the monitoring of its implementation (expenditure process) as a way to increase cost-effectiveness; support other measures aimed at increasing productivity including the management of assets and internal self-sufficiency for the maintenance of the equipment and/or infrastructure.

2.2.3. Strengthen the respect and internal promotion of human rights values through the role played by the International Humanitarian Law (IHL) Office (e.g. with revision of training curricula and provision of training).

2.2.4. Support to media relations and public outreach through: training and modernization of available equipment, re-organization of historical archives, awareness raising events.

2.2.5. Institutional strengthening of the newly established LAF Unit for civilian co-operation and promotion of initiatives aimed at increasing LAF inter-action with local communities in disadvantaged areas (this could include for example the planning and execution of community projects and outreach activities such as small infrastructure rehabilitation, the organisation of summer camps for social integration, or vocational training by LAF personnel).

3.3. Risks and assumptions

The major risks for the intervention are represented by possible disruptions of the country's peace and security. These could affect the willingness of security system stakeholders to discuss and implement institutional changes required for an improved performance of security system. In this sense, it will be very important that national authorities maintain their commitment to improve the governance of the security system as a factor of stability for the country.

Another risk is represented by the political sensitivity of security issues. The approach chosen, with a focus on institution-building issues, should legitimise EU engagement and open the door to a constructive dialogue. Political sensitivity and the deriving risks possibly affecting the intervention will also be reduced by the fact that the EU engages with the Lebanese security sector across the spectrum, by making in this way its neutrality very credible vis-à-vis the national authorities and civil society.

Stakeholders' ownership of the process is also an important assumption in order to ensure the maximum impact and sustainability of the support in the long-term. In this sense, the willingness and commitment shown by main stakeholders in the consultation phase provide sufficient reassurances that beneficiaries are engaged in the process, and it is expected that LAF and GS will maintain their focus on respect for human rights, integrity, transparency, and excellence in services provision. The discussions held in the consultation phase guarantee in fact that the programme is not a stand-alone activity but rather falls in a framework of needed improvements, transformations and reforms which all stakeholders (internal and external) are convinced of. This will guarantee the adequate level of ownership during the

implementation, with the firm intention by all stakeholders to complement (in terms of other co-operation activities and of leverage of internal resources) and expand (in terms of further discussion on SSR issues) these efforts. Buy-in will also be ensured through an adequate choice of the domains of work, whereby an appropriate balance will have to be kept between policy concerns and practical support needed by security agencies to properly carry out their duties; this will limit the risk of focusing on issues that are marginal for the daily work and thus ensuring their active ownership of the process. Taking into account the Lebanese context, it will also be important to facilitate civil society's participation and ability to articulate their concerns with some degree of autonomy from major confessional/political groupings.

Finally, it is expected that such efforts promoted by specific security actors (LAF, GS as well as with civilian authorities, policy-makers and civil society) might contribute to prepare the ground for better informed policy discussions in relation to much needed national security and defence strategies that would represent the best guarantee for the long-term sustainability of the changes and transformations promoted. For this purpose, the EU Delegation will carry out regular policy/sector dialogue with the Lebanese authorities and counterparts concerned, beyond the activities addressed by the project.

3.4. Cross-cutting issues

Good governance and human rights are an integral part of the proposed programme, in that they will be at the core of the support given to LAF and GS for their organisational development. Nonetheless, they will be dealt with as cross-cutting issues as other EU-funded activities are specifically targeting these issues.

Secondly, the proposed programme will have an important analytical dimension: in fact, many areas of work are not covered yet by in depth assessments or studies, and for this reason the implementation of the programme will be accompanied by baseline studies/reports to be developed as part of the programme.

Thirdly, co-ordination among security agencies is an element of great importance in any SSR process. The need to tackle the lack of co-ordination among the different Lebanese security services, particularly in overlapping areas of work will therefore be dealt with in a cross-cutting manner across the different programme's components.

The integration of gender perspective into the security sector is also a very relevant dimension of the programme in all its components. Currently, LAF, ISF and GS have a relative small percentage of women (app. 10%), including at officers' level. The programme will aim at re-profiling the key role women (both uniformed and civilian staff) have in the respective security agencies to ensure a gender-sensitive approach and that women's security needs and priorities are properly taken into account.

3.5. Stakeholders

Indisputably the most recognised and appreciated security agency by the Lebanese population, the **Lebanese Armed Forces (LAF)**, represent the largest security agency in Lebanon, with a total force of 59,000 troops. LAF role goes beyond that of a traditional army, especially after a Cabinet decision gave it in 2008 additional responsibilities for internal stability and police tasks in order to support a still weak

ISF. Apart from defending Lebanon and its citizens against external aggression, their primary missions therefore include maintaining internal stability and security and undertaking relief operations in co-ordination with other public and humanitarian institutions.

While it is true that infrastructure is deficient and equipment out-dated, there seems to be room for working on the rationalisation of internal resources and structures, optimisation of costs (where the maintenance of assets represents a major challenge), strengthening of planning capacity, and improved transparency and accountability⁴. Although the difficult situation the LAF are facing vis-à-vis the crisis in neighbouring Syria highlights immediate needs that bilateral co-operation efforts are catering for in order to reinforce LAF capabilities to maintain stability (mostly in terms of equipment for core operational tasks), it seems appropriate to also start longer-term co-operation with the LAF for its institutional development and reorganisation. Indeed, the competence, commitment, transparency, impartiality, proximity to the citizens and their appreciation, represent a unique window of opportunity to promote national cohesion starting from facilitating the working environment for a functional and multi-sectarian institution.

Reporting to the Ministry of Interior and Municipalities, the **General Security (GS)** - with around 5,000 staff – is the third largest security agency after the ISF. First and foremost GS has the mission of collecting all political, economic and social information for the Government, and of evaluating, analyzing and exploiting such information to guarantee the security of the State from internal and external threats. In this framework, it contributes to judicial investigations within the limits of offenses committed against the security of the State (including counter-terrorism). It is also in charge of the surveillance of the territorial, maritime and aerial frontiers⁵. As other agencies, its leadership is perceived as closer to a particular confessional and political group, which only highlights the need for the EU to increase its co-operation across the spectrum in order to maintain its neutrality and credibility. The existence of an internal strategic planning process and the management's willingness to work with the EU show a promising path for stepping up EU co-operation with GS beyond the on-going work on border management issues, accordingly to the capability gaps identified in the strategic planning process.

In light of the SSR approach and principles that the EU promotes, **civilian authorities and civil society** are also very important elements of the security system. Although in Lebanon security issues have traditionally been dealt with by the political elites, the dialogue over people's security needs, priorities, concerns and expectations necessarily passes through an upgraded interaction between the State and its citizens. For this reason, the programme will also promote an analysis of existing oversight mechanism with the aim of working towards their improvement, and it will work with policy makers and civil society, with the aim of generating a better understanding of the context, situation, relevant actors and challenges faced by

⁴ Transparency International's 2013 Government Defence Anti-Corruption Index shows a mix record for Lebanon, after that the country was awarded the lowest possible rank in TI's 2011 Defence Budget Transparency Report.

⁵ The above includes dealing with foreigners (both in terms of people's movements across the borders and in terms of protection of foreign VIPs), and technical functions related to the issuing of passports, permanent and temporary residence permit cards, organizing and delivering travelling documents for the Palestinian refugees in Lebanon or incoming from abroad, etc.

the security system in Lebanon, and preparing the ground for a more informed discussion over SSR issues in the longer-term.

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 the Financial Regulation or in Article 17 of Annex IV to the Cotonou Agreement.

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 48 months, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements.

4.3. Implementation components and modules

4.3.1. Component 1 – Dialogue with civil society on SSR issues and promotion of effective governance and oversight mechanisms for the Lebanese security system

4.3.1.1. Grants: call for proposal (CfP) "Working together on SSR for Lebanon's peace and stability" (direct centralised management)

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

The objective of the CfP will be to promote an informed dialogue between civil society and State institutions on SSR policy issues as well as joint activities at the local level, with the purpose of showing stakeholders how co-operation on security-related issues can represent a vector of conflict prevention, reconciliation and national cohesion, while at the same time providing examples for citizen-oriented reforms that respond to the needs of the State and its citizens in a transparent and accountable manner.

Areas of intervention will therefore cover:

Promoting inclusive **dialogue on priority areas for potential reforms** in the governance and management of the security system, including with reference to the provision of public security services and the responsiveness of security providers to citizens' needs and expectations (see activity 1.1);

Awareness raising on the benefits for the security system of implementing **transparency, accountability and oversight mechanisms**; and the promotion of informal accountability mechanisms by civil society organisations (namely NGOs, the media, think tanks and research institutes specialised in SSR, Rule of Law, Human Rights, such as for example those affiliated to the *Global Facilitators' Network on SSR*) (see activity 1.2.2);

The promotion of **initiatives at the local level** aimed at strengthening trust and interaction between security agencies and civil society (for example increasing the

involvement of security agencies in *conflict prevention, early warning, peace-building & reconciliation activities* implemented by civil society), at increasing citizens' awareness of and engagement with security-related issues (e.g. raising community awareness on the risks deriving from the proliferation and widespread availability of Small Arms and Light Weapons). (see activity 1.3)

Eligible actions would be represented by:

- - workshops, roundtables, training, conferences,
- - training / capacity-building,
- - pilot projects at community level implemented by NGOs with the involvement of security agencies.

Expected results: it is hoped that the CfP will lead to activities that (a) improve the understanding of SSR issues and foster a discussion between all relevant stakeholders on reform elements that could be relevant for Lebanon, (b) improve civil society's capacity for oversight and facilitate the implementation of adequate monitoring and oversight mechanisms, and (c) reinforce mutual trust between civil society and the Lebanese security sector thus strengthening the role the latter can play for peace, reconciliation and stability in Lebanon.

b) Eligibility conditions

Eligible applicants will have to be:

- legal persons,
- non-profit-making,
- specific types of organisations such as: non-governmental organisations, public sector operators, local authorities, international (inter-governmental) organisations as defined by Article 43 of the Rules of Application of the Financial Regulation;
- established in⁶ a Member State of the European Union or in any country that is a beneficiary of the European Neighbourhood and Partnership Instrument, the Instrument for Pre-Accession Assistance, any non-EU Member State of the European Economic Area, and any other third country or territory in cases where reciprocal access to external assistance has been established. This obligation does not apply to international organisations;
- directly responsible for the preparation and management of the action with the co-applicant(s) and affiliated entity(ies), not acting as an intermediary.

c) Essential selection and award criteria

⁶ To be determined on the basis of the organisation's statutes, which should demonstrate that it has been established by an instrument governed by the national law of the country concerned and that its head office is located in an eligible country. In this respect, any legal entity whose statutes have been established in another country cannot be considered an eligible local organisation, even if the statutes are registered locally or a 'Memorandum of Understanding' has been concluded.

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 the Financial Regulation and 109 of the Financial Regulation of the 10th EDF 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: The Call would tentatively be launched in the last trimester of year 1 of operational implementation.

f) Exception to the non-retroactivity of costs: n/a

4.3.1.2. Procurement (direct centralised management)

Subject in generic terms, if possible	Type	Indicative number of contracts	Indicative trimester of launch of the procedure
- Studies for the review of formal and informal accountability and oversight mechanisms, and Technical Assistance for the improvement of formal mechanisms both internal to the security agencies and external (see activity 1.2.1)	Services	One (covering the services provided under both Component 1 and 2)	First trimester of year 1 of operational implementation

4.3.2. Component 2 – Institutional development of GS and LAF and improvement of their organisational capacity

4.3.2.1. Procurement (direct centralised management)

Subject in generic terms, if possible	Type	Indicative number of contracts	Indicative trimester of launch of the procedure
Provision of Technical Assistance in key areas such as: police training and overall management issues, IT, and Ministry of Defense/Army assistance for administrative development. Other short-term and	services	One (covering the services provided under both Component 1 and 2)	First trimester of year 1 of operational implementation

training expertise will need to be mobilised in the different areas of work pre-identified (see activities 2.1 and 2.2)			
Provision of equipment underpinning the institutional development of GS and LAF, non-fungible for military operations and aimed at increasing efficiency and transparency in the administration and delivery of security services (i.e. functional to areas of work mentioned in activities 2.1 and 2.2)	supplies	2-3	First trimester of year 2 of operational implementation, once the necessary inputs for the procurement have been discussed by the TA with the beneficiaries

4.4. Scope of geographical eligibility for procurement in direct centralised and decentralised management

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

The responsible authorising officer may extend the geographical eligibility in accordance with Article 21(7) of the basic act on the basis of the unavailability of products and services in the markets of the countries concerned, for reasons of extreme urgency, or if the eligibility rules would make the realization of this action impossible or exceedingly difficult.

4.5. Indicative budget

Component/Module	Amount in EUR	Third party contribution
4.3.1. – Component 1: Dialogue with civil society on SSR issues and promotion of effective governance and oversight mechanisms for the Lebanese security system, composed of		
4.3.1.1. – Call for Proposals " <i>Working together on SSR for Lebanon's peace and stability</i> " (direct centralised)	1,870,000	374,000
4.3.1.2. – Procurement (direct centralised)	580,000	n/a
4.3.2. – Component 2: Institutional development of GS and LAF and improvement of their organisational capacity, composed of		
4.3.2.1. – Procurement (direct centralised)	4,950,000	n/a
4.7. – Evaluation and audit	160,000	n/a
4.8. – Communication and visibility	140,000	n/a
Contingencies	300,000	n/a
Total	8,000,000	374,000

4.6. Performance monitoring

Technical and financial monitoring will be a continuous process led by technical, operational and administrative counterparts in charge of the programme's implementation. For this purpose, at the start of the programme an appropriate set of performance indicators will be detailed on the basis of the indicative indicators provided in the Logical Framework (LogFrame) annexed to the Technical and Administrative Provisions (TAPs) and a baseline defined in order to measure progress in each component. This will allow a permanent monitoring system for the programme, which will also allow the monitoring and follow-up by the Contracting Authority. The programme will also be subject to the Results-Oriented Monitoring (ROM) provided by the European Commission.

4.7. Evaluation and audit

The programme will undergo audits as and when necessary, and in line with the provisions of the Financing Agreement. Mid-term and final evaluations will be carried for the overall programme. The EU will share all audit and evaluation reports with the Beneficiaries. The EU will also carry out independent audits whenever they are deemed necessary. The amount dedicated in the budget for external *Evaluation and Audit* purposes is EUR 160,000. Evaluation and audit assignments will be implemented through service contracts, making use of one of the Commission's dedicated framework contracts or alternatively through the competitive negotiated procedure or the single tender procedure. Indicatively 3 contracts are foreseen, to be contracted in year 2 and year 4 of the implementation period.

4.8. Communication and visibility

Communication will represent an important tool for the programme to deliver achieve its objectives. A *Communication and Visibility Strategy* for the programme will be defined together with the beneficiaries for each major area of work, detailing how specific communication and visibility actions will help the project achieve its objectives and disseminate its results and lessons learnt. The production of reference materials for distribution and visibility activities will be part of this work and will be geared at reinforcing the messages that each project will deliver through its own activities. The amount dedicated in the budget for Communication and Visibility is EUR 140,000. Indicatively, one service and one supply contract can be foreseen at this stage, to be contracted in the second trimester of year 1.

All visibility activities will adhere to the European Union's requirements for visibility on EU funded activities, as described in the published "Communication and Visibility Manual for EU external actions", available at the following link:

http://ec.europa.eu/europeaid/work/visibility/documents/communication_and_visibility_manual_en.pdf.

ANNEX II

of the Commission Implementing Decision on the on the Annual Action Programme 2013
in favour of the Republic of Lebanon

Action Fiche for Reinforcing Social Cohesion in Lebanon

1. IDENTIFICATION

Title/Number	Reinforcing Social Cohesion in Lebanon Cris no. ENPI/2013/024-432		
Total cost	Total estimated cost: EUR 10,000,000 Total amount of European Union (EU) contribution: EUR 10,000,000		
Aid method / Method of implementation	Project approach Partially decentralised management with Lebanon Joint management with the International Labour Organisation (ILO)		
DAC-code	150	Sector	GOVERNMENT AND CIVIL SOCIETY

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

The programme will contribute to enhance social cohesion in Lebanon in particular with regard to the direct and indirect consequences of the Syrian crisis on the country thorough two main objectives 1) To improve the quantity and quality of statistical information, in particular social and economic data, 2) To improve the quality and coverage of the National Social Security Fund (NSSF) services.

In order to achieve the objective of the first component, capacity building to the Central Authority of Statistics (CAS) will be provided; and CAS will also receive support to launch a series of socio-economic surveys for efficient decision making and more focused programmes based on the urgent needs of both Lebanese population and Syrian refugees.

For achieving the main objective of the second component support to the National Social Security Fund NSSF is to be provided related to strategic planning, capacity building and promotion of national dialogue and general awareness on social protection.

2.2. Context

The proposed action is coherent with the priorities set down in the Joint Communications "A partnership for democracy and shared prosperity with the

Southern Mediterranean"¹ and "A new response to a changing Neighbourhood"². It is also in line with the priorities agreed by the EU and Lebanon under the European Neighbourhood Policy.

The action proposed is in line with the priorities outlined in the "Agenda for Change"³ Human rights, democracy and other key elements of good governance, and inclusive and sustainable growth for human development. It focuses on reinforcing the commitment of the Government in reforming and improving social protection mechanisms, and enhancing dialogue involving the different stakeholders and partners to promote social cohesion and convergence.

This action builds on the 2012 Communication on "Social Protection in EU Development Co-operation"⁴ which recommends increasing equity through increasing access to basic public services, supporting the participation of the poor in the economy and raising labour productivity, as well as supporting social cohesion and stability in order to reduce poverty and vulnerability.

2.2.1. Country context

2.2.1.1. Economic and social situation and poverty analysis

Poverty in Lebanon is mainly a function of geographical and socio-economic disparities, it is estimated that the poorer categories of the Lebanese population are civil servants and farmers especially those living in remote areas of the Bekaa and Northern Lebanon. According to the last UNDP study on the Living Conditions Index, 35.2 per cent of the Population live below the satisfaction threshold. On the other hand, Lebanon has been severely hit by the Syrian crisis and is experiencing a severe and substantial decrease of financial revenue due to decreasing numbers of tourists, declining remittances from Lebanese expatriates and a substantial drop in portfolio investments in the country. Additionally, the ever-increasing public debt is reaching alarming levels.

The Central Administration for Statistics (CAS) improved the availability and quality of National Accounts, trade data and social statistics, however, since it continues to suffer from a chronic lack of resources, there are still no official figures available on poverty in the country and authorities do not issue regular poverty statistics.

Lebanon also suffers from an ineffective social protection systems: there is no national social protection strategy and no employment policy being implemented by the Lebanese Government. Only few programmes are targeting poor families in the country implemented by the Ministry of Social Affairs. Lebanon's pension system suffers from low coverage and high fiscal costs; this, in combination with other institutional and legal deficits, prevents it from properly safeguarding the welfare of the over 1.4 million Lebanese for whom it is responsible. This leads to social unrest as illustrated by numerous demonstrations and to substantial youth emigration.

¹ COM(2011)200 of 8 March 2011.

² COM(2011)303 of 25 May 2011.

³ http://ec.europa.eu/europeaid/what/development-policies/documents/agenda_for_change_en.pdf.

⁴ http://ec.europa.eu/europeaid/what/social-protection/documents/com_2012_446_en.pdf.

Moreover, the continued conflict and increasing violence and hardship in Syria force evermore Syrians to seek refuge in Lebanon. The pressure on an already fragile local public services increases furthermore as the number of Syrian refugees settling down in Lebanese municipalities increases. Lebanon alone has so far been the main recipient with more than 425,000 refugees registered or awaiting registration by the end of April 2013. This number is expected to continue to increase⁵. As some refugees are hesitant to register with the United Nations High Commissioner for Refugees (UNHCR), the actual number of Syrian refugees is considered to be much higher.

Humanitarian assistance is already mobilised to address the immediate humanitarian needs of the refugee population, e.g. food and shelter. However, it is clear that the needs of the Syrian refugees, as well as of the Lebanese host communities, will go beyond the immediacy of humanitarian assistance. Indeed, the consequences of the current situation are taking a toll on the economy as a whole (inflation, unemployment, changes in trade patterns), the provision public and social services (education, health services and public facilities) and on security (petty and organized crime on the rise). In light of the vulnerability of the host communities there is an increased risk of tension emerging between the refugee population and their hosts.

The influx was initially concentrated in the northern region but quickly expanded to also include the Bekaa Valley. Both regions are among the poorest in Lebanon and are characterised by weak infrastructure and limited livelihood opportunities.

The scale and rapidity of the crisis makes it difficult for Lebanon to cope and as the number of refugees continues to increase rapidly, a complete set of socio-economic data is needed: up-to-date reliable statistical data on living conditions on household level, access to basic services, housing, employment and migration is necessary to allow for a fact-based evaluation of the situation and for more efficient decision making and more focused support programmes addressing the immediate needs of both Syrian refugees and host communities and contributing to the social and economic cohesion in the country.

2.2.1.2. National development policy

Different social strategies were elaborated by the Lebanese Government during the few last years. In January 2007, the Lebanese Government presented a "Social Action Plan" to the donors' conference of Paris ("Paris-III" Conference) and, in October of the same year, a group of experts working for the Ministry of Social Affairs developed a document entitled "Towards a National Social Strategy". However, the Social Action Plan was not implemented by the time the cabinet changed in July 2008 and was disregarded by the following Governments. The National Social Strategy was finalized by the Government.

In September 2010, the Minister of Social Affairs of the Government formed in December 2009, elaborated an ambitious "National Social Development Strategy for Lebanon" with the assistance of external experts. This strategy includes all aspects of social development, including education health, social lodging, etc. However, this document was also not formally adopted by the Government. No employment policy

⁵ 1 million refugees in need of assistance are forecasted by 31 December 2013 (Source: UNHCR).

was elaborated during this period. Consequently, there is no national social protection strategy and no employment policy in place.

In its ministerial statement of July 2011, the Government (currently acting as Caretaker) mentioned (§19) that it will "place great importance on social welfare projects based on social rights (...). A programme called "Targeting Poor Families" that organizes cash transfers was launched by the Government. It is implemented by the Ministry of Social Affairs with the technical assistance of the World Bank. The Lebanese Government provides the cash for the vulnerable households. The programme is based on guaranteeing the basic needs of the most vulnerable households, i.e. on guaranteeing a social floor according to ILO definition.

As a result of the recent Syrian crisis, the Lebanese Prime Ministry launched in December 2012 the *"Response of the Government of Lebanon to the Crisis of Syrian Displaced Families"*. This was the first official recognition of the urgency of the crisis and of the Government's responsibility in dealing with it. The response plan represents a global approach that intends to bring together all the actors – the UN, local and international NGOs as well as donors - under the umbrella of the Lebanese Government.

2.2.2. Sector context: policies and challenges

The Lebanese society has been characterized since the independence of the country by a very liberal economic regime and a weak rule of law. Social expense of public institutions (health, education, social affairs, youth and pensions) does not exceed 10% of GDP (Gross Domestic Product), confirming a relatively low level of official redistribution. Moreover, the expansion of informal work during the two last decades and the broad and uncontrolled use of foreign workers have aggravated unemployment and emigration.

In Lebanon, less than half of the total population benefit from health insurance schemes. The health insurance system is very fragmented: the formal employees of the private sector are entitled to register with the National Social Security Fund (NSSF), civil servants and security forces have various funds and the syndicated professions have their own health insurances and pension schemes. The fragmentation of the system makes it more costly and less efficient. There is growing awareness among decision-makers that the system has to be unified under the leadership of the NSSF. However, the NSSF would require substantial reform in order to fulfil its mandate in a more efficient manner. In fact, the running costs of the NSSF are considered high by Lebanese standards while its beneficiaries complain about the quality of its services. Its financial sustainability has been put under pressure throughout the last decade. The Government discussed in 2011 the extension of the NSSF services to all the resident population funded by the budget but without any result, notably because employers stressed the need to reform the NSSF before accepting the extension of its role. The Office of the Minister for Administrative Reform (OMSAR) and the management team of the NSSF have elaborated a master plan that covers the managerial, organizational and technical aspects of the NSSF.

The social and economic challenges in Lebanon demand a closer co-operation between governmental instances and civil society. A complete set of socio-economic data is necessary to allow fact-based dialogue and accountability. Up-to-date and

quality statistical data on population, households, poverty, labour force, migration or aggregated domestic economy would allow a more efficient decision making and civil citizen-Government arbitration contributing to social and economic cohesion. The Central Administration for Statistics (CAS) was officially created in 1979. CAS suffered heavily during the period of war (1975-1990) and was again put on track during the mid-nineties but with limited human and financial resources. Despite the situation, CAS has implemented its mandate to the extent possible in a proactive and creative manner. CAS has also built bridges of co-operation with several producers and users of statistical data, and has shown great openness to the international and regional statistical community since 2004 through the intensive participation in meetings, workshops and training sessions organized to develop the human and technical statistical capacities. The European Union included statistical reinforcement as a key issue in the first EU Lebanon Action Plan (2007-2012). However, the necessary means to measure the scale and the trends of the social problems of the country are not yet in place.

2.3. Lessons learnt

Concerning support to national statistics, recent surveys show that CAS, provided it is allowed adequate financial and technical means (either own or donors'), has the ability to fully develop quality surveys and to achieve high impact with limited means. EU statistical support to the MEDA/ENPI Region has showed very positive outcome and impact, both at bilateral and regional aggregated levels. The bilateral EU support provided (Twinning) to CAS proved to bring relevant results in terms of social statistics availability and reinforcement of technical capacities within CAS. On regional basis, MEDSTAT I, II and III have provided wide range, high impact support actions to Lebanon contributing to enhanced regional co-operation and coherence in statistical matters.

Summaries and conclusions drawn from the experience of the donors' community (i.e. World Bank and ILO) and the recommendations drawn by a recent EU project identification mission showed that the reform of this sector needs a step-by-step and bottom-up approach to improve performance of the NSSF.

The EU has already had success with adopting a two-step approach to the refugee crisis providing emergency humanitarian assistance while at the same time addressing medium to long term needs. The improvements in local host communities can play a significant role in reducing brewing tensions between refugees and host populations.

2.4. Complementary actions

The statistical component of this programme complements and builds upon the past support of the EU to this institution through the regional programmes MEDSTAT I, II and III and through a Twinning that ended during the current year. It also complements the support United Nations Development Programme (UNDP) brought in 2004 to both CAS and the Ministry of Social Affairs, thanks to which an exhaustive survey of the living conditions of households was conducted. A Draft National Statistical Masterplan was produced with support of the World Bank. The EU support is in line with this draft document and will use it as a basis for further technical assistance.

The programme proposed is complementary with a bilateral project "Promotion of Social Justice" (EUR 12 million) that foresees, under one of its component, initiatives to assist the Ministry of Labour and other social partners in promoting social dialogue in order to strengthen social protection and to fight social abuse. The project will also complement initiatives undertaken by ILO within the Government reform plan to assist Lebanon in establishing strong and efficient systems for social protection and human development.

The continued rapid increase of Syrian refugees in need of assistance calls for innovative and tailor-made solutions based on current specific needs and priorities of Lebanon. With regard to the Syrian crisis, there is general consensus that the donor community should engage and support the Government in its response. The three previous responses through the European Neighbourhood and Partnership Instrument (ENPI)⁶ to this crisis fit into the Government's plan. This intervention will build on those previous decisions and provide a complete set of socio-economic data, information and surveys on living conditions.

2.5. Donor co-ordination

The Government of Lebanon does not currently have an effective donor co-ordination system that aligns both Government and donors' interventions at thematic level or timing of interventions. Therefore, local co-ordination with Member States takes place in the framework of annual work plans and programming exercise where the EU Delegation duly informs and consults Member States since the identification phase. Where a critical mass exists, regular thematic meetings can be organised in order to ensure all Member States inputs are well integrated in the EU-funded actions. However, no EU Member States' major activity in the domains of the action has been registered so far.

Relating to Statistics, the EU Delegation co-ordinates with the World Bank (WB) and builds upon the National Statistical Master Plan Draft that was prepared with WB's assistance. Regular exchange of information takes in ensured EU Delegation-WB.

With regard to the Syrian crisis, the EU has a close working relationship with the Lebanese Government, the main UN agencies involved in the response to the influx of Syrian refugees to Lebanon inter alia UNHCR, UNDP, UNICEF, World Food Programme (WFP), UNRWA) as well as with a number of international and national NGOs that often act as implementing partners for United Nation agencies (UN).

The co-ordination between the Government and UN agencies appears to improve. As the crisis is a refugee crisis, the main co-ordination mandate on the UN side is with the UNHCR in accordance with the 1951 Refugee Convention. The co-ordination between UN agencies involved in the crisis and the donor community at Beirut and HQ levels has improved, but will need continued focus and support.

⁶ *Support to areas affected by the influx of Syrian refugees to Lebanon (EUR 5 million); Support to areas affected by the influx of Syrian refugees to Lebanon II (EUR 10 million); EU Contribution to the Government of Lebanon Response Plan to the Syrian crisis (EUR 30 million) – to be signed.*

Regular co-ordination meetings are being conducted at various levels. Some are donor oriented, others are technical in nature (e.g. shelter, education, child protection, water, sanitation and hygiene (WASH) inviting all involved partners to participate. There are both meetings held at Beirut level as well as in the regions at field level. The regular meetings are co-ordinated by UNHCR and involve donors, implementing and other partners and increasingly Lebanese authorities.

3. DETAILED DESCRIPTION

3.1. Objectives

The **Overall Objective** of the programme is to enhance the social cohesion in Lebanon in particular to mitigate potentially negative social impacts of the Syrian crisis on Lebanon.

The **Specific Objectives** are:

1. To improve the quantity and quality of statistical information in general and of social and economic data regarding the impact of the Syrian crisis on Lebanon in particular.
2. To improve the quality and coverage of the NSSF services.

3.2. Expected results and main activities

The programme will encompass two (2) main components: 1) Statistical Data 2) Social Security.

The **expected results** are:

Results of component 1 - Statistical data

- 1.1. Social statistics in particular population estimates and projections, and demographic indicators with particular relevance to gender are developed by CAS.

This includes:

- Capacity building and 'learning by doing' on namely: production of population estimates and projections, the design of survey contents that will allow the production of demographic indicators and compilation of demographic indicators out of available sources, production of gender statistics indicators and gender mainstreaming in surveys;
- Assessment of the demographic indicators needed, preparation of a plan on indicators production according to international recommendations;
- Publication of further gender-related statistics.

- 1.2. National Accounts system for annual estimates and quarterly estimates are improved by CAS.

This includes:

- CAS capacity is enhanced to produce, compile and publish quality annual national accounts estimates and GDP estimates;

- Publications for annual and quarterly estimates are designed and issued;
 - CAS methodology for compilations is established, capacity is built for the execution of the following compilations (indicatively): Producer Price Index (PPI), construction material price index, visitors' expenditures survey;
 - Training and 'learning by doing' on business income tax and employment tax analysis, and integration of results in the national accounts system;
 - Targeted small-scale economic surveys are designed.
- 1.3. CAS capabilities to deliver a wider range of statistics are reinforced, including sampling methodology, data processing skills and statistical projects management.

This includes:

- CAS capacity is reinforced in the fields of: management of statistical surveys, advanced data processing skills using statistical software (indicatively SPSS, STATA), sampling methodology and variance calculations;
 - Review and assessment of the current management procedures in survey management, recommendations to improve these procedures are generated.
- 1.4. A series of new surveys are produced by CAS to cover critical issues related to the consequences of the Syrian Crisis. The surveys will include (indicatively):

a) A National Households' Living Conditions Survey to provide socio-economic indicators on the residents in Lebanon including Syrian refugees.

The sample size will be large enough to allow the publication of indicators at the level of the 26 Cazas⁷ for the first time in Lebanon. With statistical data available at this geographical level, decision makers and donors will be able to better target their interventions to those most in need.

The survey will cover the following very important and critical issues:

- Socio-demographic characteristics of the household members including Nationality;
- Education and access to education of household members;
- Working status of household members
- Insurance status: benefits, types of insurance;
- Health: access to health services, health situation, unmet needs, benefits from any assistance for health (in kind or financial);
- Information on disability of household members;
- Housing conditions: characteristics of the dwelling, access to water , access to sanitation, access to electricity, waste disposal;
- Asset ownership;
- Access to basic services in the neighbourhood: pharmacy, private clinic or physician, dispensary, hospital, public transport, elementary public school;
- Income and financial situation, financial assistance, sources of income.

⁷ Administrative divisions comparable to districts.

b) A “Household International Migration Survey MED-HIMS” to provide representative multi-topic, multi-level, retrospective and comparative data on: migration, remittances, as well as inter-linkages between migration and development and to study recent trends, causes, determinants, dynamics and consequences of international migration and mobility, and the inter-linkages between migration and development.

Results of component 2 - Reinforcing of Social Security:

2.1. NSSF Strategic planning capacity is enhanced.

The activities developed under this result will include:

- Design a five-year strategic plan setting up strategic directions to enable NSSF executing a proper social protection scheme in Lebanon;
- Develop a training plan including, namely: workshops, study tours, and informative sessions on methodology for monitoring and evaluation of the implementation of the strategic plan.

2.2. Legislative and operational framework of NSSF improved.

The activities developed under this result will include:

- Review/analyse the existing operational and administrative organisation and performance of the NSSF including (indicatively) work procedures, Human Resources management, and operational plan.
- Improve the administrative processes, delivery, and the quality of the social services offered by NSSF to all Lebanese citizens namely vulnerable population, indicatively: operational manuals, recruitment, complaint procedures, archiving and document management system;
- Develop and implement a Training/coaching programme to build capacity of staff for an effective reform of the NSSF.

2.3. National debates on social issues are organised.

The topics might include:

- Contribution and collection process;
- Health insurance and pension fund system;
- Extension of coverage of NSSF to all Lebanese resident citizens.

3.3. Risks and assumptions

The main risks are:

- Unstable security and political situation (Syrian crisis spill-over and the electoral process) during the programme implementation;
- Discontinuity and/or lack of resources allocated by the Government of Lebanon to implement the agreed actions;
- Weak translation from the Government's commitment announced in its Ministerial Statement to improve social welfare and enhance universal coverage, notably of health insurance through the National Social Security Fund, as well as eventual blockages on the reform path at NSSF board level;
- Major political shift in Lebanon after June 2013 elections;
- Delay in forming the new Government.

The assumptions for the success of the project and its implementation include:

- Stable security and political situation during the programme implementation;
- On-going political commitment and support from all levels. Visible support by ministers with whole-of-Government responsibilities;
- Adequate resources are allocated on a stable manner by the Government of Lebanon to the agreed actions. In particular, concerning the support to the CAS, where the human resources reinforcement as agreed by the Government of Lebanon is a key aspect of a successful implementation of the EU-support.

Mitigating measures have been considered, including:

- Policy dialogue and technical follow up concerning the actions implementation. Continuous monitoring of policy developments and technical execution related to the EU-funded actions. This includes sectorial and national levels.
- Early warning approach 'bottom up' where signals of risks at technical level are reported, analysed and eventually followed by technical and/or policy action.

3.4. Cross-cutting issues

The actions proposed foster a wide-range of cross-cutting issues:

The statistical reinforcement of Lebanon will have a direct impact in Gender mainstreaming. Indeed, substantial capacity will be built within CAS to produce and complete gender-related information. Considerable gender-biased information will be produced and published with EU support in line with the elements required in a Country Gender Profile. In addition to this, CAS has a majority of female professionals on a stable basis, which contributes to the continuity of operations and high gender-related awareness.

The support to broadening access to social welfare and the improving living standards through the National Social Security Fund will amongst other aspects reinforce social inclusion in particular of, women, youth and the elderly.

Access to broader social and economic statistical information and involvement of civil society organisations will guarantee an efficient and stable monitoring of the translation of the Government commitment to improve social welfare and to eliminate corruption.

3.5. Stakeholders

The final beneficiaries of the project are the Lebanese citizens as a whole. Concerning the first component of the project (CAS support and surveys), the Lebanese society will most benefit from the project as well as non-state actors active in the field of economic and social development and in particular those involved in the response to the influx of Syrian refugees to Lebanon.

Concerning the NSSF component, it will, in a first step, benefit the formal employees from the private sector (14% of the active population) and their families but the objective is to contribute to extend social coverage to all Lebanese.

The main stakeholders in the statistical component are: CAS, Ministry of Finance (national accounts), Ministry of Social Affairs (household surveys), Ministry of Labour and National Employment Office (labour force migration, education and

skills), Civil Society Organisations and NGO (gender, migration, social data), Ministry of Health (household surveys), Ministry of Education, Ministry of Interior, EU Delegation, International organisations (ILO, UNDP, UNFPA, UNHCR, OIM, WB).

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 the Financial Regulation or in Article 17 of Annex IV to the Cotonou Agreement.

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 **48 months**, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements.

4.3. Implementation components and modules

4.3.1. Joint management with an international organisation

A part of this action with the objective of Component 1 - Statistical data will be implemented in joint management with the International Labour Organisation (ILO). This implementation is justified because of its specialised mandate, added value and thematic expertise. Joint management with this international organisation in accordance with Article 53d of Financial Regulation 1605/2002 is possible because the organisation is bound by a long-term framework agreement, the Financial and Administrative Agreement, FAFA, concluded between the European Community (now Union) and the United Nations (agreement signed on 29 April 2003).

The ILO will be the executing authority and will implement the activities through specialised expertise

The change of method of implementation constitutes a substantial change except where the Commission "re-centralises" or reduces the level of budget-implementation tasks previously entrusted to the international organisation.

4.3.2. Partially decentralised management with the partner country

A part of this action with the objectives of Components 2 and part of Component 1 will be implemented in partially decentralised management with the Republic of Lebanon in accordance with Articles 53c and 56 of the Financial Regulation 1605/2002 according to the following modalities:

The partner will procure Technical Assistance in order to support the key stakeholders in the implementation of component 2.

The partner country will act as the contracting authority for the procurement and grant procedures. The Commission will control ex ante all the procurement and grant procedures. Payments are executed by the Commission

The change of method of implementation constitutes a substantial change except where the Commission "re-centralises" or reduces the level of budget-implementation tasks previously entrusted to the beneficiary partner country.

In accordance with Article 262(3) of the Rules of Application, the partner third country shall apply for procurement rules of Chapter 3 of Title IV of Part Two of the Financial Regulation. These rules as well as rules on grant procedures in accordance with Article 193 of the Financial Regulation will be laid down in the financing agreement concluded with the partner country.

4.4. Scope of geographical eligibility for procurement in direct centralised and decentralised management

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

The responsible authorising officer may extend the geographical eligibility in accordance with Article 21(7) of the basic act on the basis of the unavailability of products and services in the markets of the countries concerned, for reasons of extreme urgency, or if the eligibility rules would make the realization of this action impossible or exceedingly difficult.

4.5. Indicative budget

Component	Amount in EUR thousands	Third party contribution
4.3.1. – Component 1- National Statistics System		-
Joint Management with ILO	4,400	-
Decentralised management with Lebanon	1,100	-
4.3.2. – Component 2 - Social Security System		-
Decentralised management with Lebanon	3,800	-
4.7. – Evaluation and audit	200	-
4.8. – Communication and visibility*	-	-
Contingencies	500	-
Total	10,000	-

* Communication and visibility funds will be included in the various components (4.3.1, 4.3.2– estimated total amount for communication and visibility activities is EUR 200,000).

4.6. Performance monitoring

The progress of the action will be monitored at several levels: daily contacts between EU Delegation programme manager with the main implementation actors, regular reporting and steering committee as per Financing Agreement, related-programme estimates and other contractual reporting obligations. In addition to this, a mid-term evaluation, as well as an ex-post evaluation will be executed. Besides, Results-oriented Monitoring (ROM) on specific activities/contracts and/or the whole action will accompany all the action life cycle. All possible deviations will be timely analysed and treated. All findings and recommendations will be analysed, discussed with stakeholders and implemented if applicable. Key indicators measuring progress can be found in the attached logical framework. A detailed set of performance indicators baseline will be produced by the inception of the programme.

4.7. Evaluation and audit

All auditing matters related to the contribution agreement with the international organisation ILO are governed by the Verification Clause annexed to and forming an integral part of the Financial and Administrative Agreement concluded between the European Community (now Union) and the United Nations (agreement signed on 29 April 2003).

If necessary, ad hoc audits or expenditure verification assignments could be contracted by the European Commission for one or several contracts or agreements.

Audits and expenditure verification assignments will be carried out in conformity with the risk analysis in the frame of the yearly Audit Plan exercise conducted by the European Commission. The amount dedicated in the budget for external *Evaluation and Audit* purposes is EUR 200,000. Evaluation and audit assignments will be implemented through service contracts, making use of one of the Commission's dedicated framework contracts or alternatively through the competitive negotiated procedure or the single tender procedure.

4.8. Communication and visibility

The programme will include a complete and coherent visibility work plan encompassing the whole life cycle of the action. The programme will include dedicated resources and technical assistance to ensure maximum visibility and awareness of the programme activities, as well as output, outcome and impact results in the short, mid and longer term. The technical assistance will complement and reinforce the Contracting Authority's responsibility on visibility. Specific co-ordination mechanisms will be set up in the related Terms of Reference concerning responsibilities and roles between: the Contracting Authority, the technical assistance and the EU Delegation. This will ensure maximum efficiency of visibility actions with sound technical and policy contents. Social Media will be an integral part of the visibility strategy that will build upon the EU Delegation's website, Facebook, Twitter, as well as other beneficiaries' visibility tools.

ANNEX III

of the Commission Implementing Decision on the on the Annual Action Programme 2013
in favour of the Republic of Lebanon

Action Fiche for Improvement of housing and health conditions of the most vulnerable Palestine refugees in Lebanon

1. IDENTIFICATION

Title/Number	Improvement of housing and health conditions of the most vulnerable Palestine refugees in Lebanon ENPI/2013/024-435		
Total cost	Total estimated cost: EUR 4,000,000 Total amount of European Union (EU) budget contribution: EUR 4,000,000		
Aid method / Method of implementation	Project approach. Joint management with United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA)		
DAC-code	16050	Sector	Multi-sector aid for basic social services

2. RATIONALE AND CONTEXT

2.1. Summary of the action and its objectives

The project foresees to rehabilitate dilapidated shelters and to upgrade three primary health centres in Palestine refugee camps, hence contributing to improve the living conditions of the most vulnerable Palestine refugee families residing in Lebanon.

2.2. Context

2.2.1. Country context

2.2.1.1. Economic and social situation and poverty analysis

In spite of their longstanding presence in Lebanon, Palestine refugees remain excluded from key facets of social, political and economic life in Lebanon. Estimated at between 260,000 and 280,000 residents, they continue to live harsh and unacceptable conditions.

Poverty has remained very high among Palestine refugees, particularly within the camp enclaves, wherein two-thirds of refugees reside. In 2010, an EU-funded study undertaken by American University of Beirut (AUB), highlighted that over two-thirds of Palestinians residing in Lebanon are poor (subsisting on less than USD 6 per day), while 6.6% of these exist in extreme poverty (less than USD 2.17 per day).

2.2.1.2. National development policy

While some recent political developments have sent a positive signal, there is little to suggest that the marginalisation of Palestine refugees in Lebanon will decrease substantially in near future. The positive developments include the establishment of a Lebanese-Palestinian Dialogue Committee, the amendment of Article 59 of the Labour Law facilitating the access of Palestinians to un-syndicated jobs, and the commitment to improve the social rights of the Palestinians in a Ministerial Statement of former Premier Miqati's government.

2.2.2. *Sector context: policies and challenges*

In spite of the continued growth of camp population, the surface of the camps has not increased since they were first built. General living and environmental health conditions are therefore extremely poor. The camps in Lebanon are characterized by overcrowding, substandard shelters and infrastructure; their population suffers from high rates of unemployment and poor health. The stability of the camps and surrounding regions depends on ensuring that Palestine refugees, in particular the young population, feel a sense of hope in the future, which comes in part from living in a safe, healthy and dignified environment.

In the absence of access to public services and infrastructure, United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) is responsible for co-ordinating the provision of education, health, relief and social services and the delivery of infrastructure within each of the twelve camps in Lebanon.

At the same time, the consequences of the conflict in Syria, and in particular the significant influx of Palestine refugees from Syria (PRS) coming to Lebanon, is creating an enormous burden on the resources and capacities of UNRWA and is polarising and exacerbating existing tensions in the camps. It is estimated that the number of PRS in Lebanon is now over 37,000 individuals.

This programme is coherent with the priorities set down in the Joint Communications "A partnership for democracy and shared prosperity with the Southern Mediterranean"¹ and "A new response to a changing Neighbourhood"². It is also in line with the priorities agreed by the EU and Lebanon under the European Neighbourhood Policy.

2.3. **Lessons learnt**

The proposed action builds directly on previous EU-funded projects to support Palestine refugees in Lebanon in reconstruction and rehabilitation of Palestinian camps. These projects are mainly implemented by UNRWA, who has acquired experience in the reconstruction as well as the rehabilitation of infrastructure works. All related Results Oriented Monitoring reports (ROM) and evaluations have highlighted their high relevance and their real impact.

The action will incorporate the different lessons learnt through the implementation of these projects. In particular, careful attention will be given to the promotion of ownership of the rehabilitation process by the communities through an active Community Outreach Unit that has been recently set up by UNRWA. A close follow

¹ COM(2011)200 of 08 March 2011.

² COM(2011)303 of 25 May 2011.

up throughout the whole project will help to avoid common constraints related to the identification and prioritization of works and delivery of construction materials to the camps.

Complementary actions

This action is complementary to the support provided by EU in the infrastructures for Palestinian refugees in Lebanon through different instruments and to the assistance of some Members States:

- Humanitarian support: ECHO has mobilized funds to rehabilitate houses in adjacent areas to Nahr el Bared (NBC) and is currently working with NGOs on the rehabilitation of shelters. Close co-ordination is foreseen.
- Under the ENP instrument, two infrastructures projects have been completed: "Improvement of Environmental Health Infrastructures in Beirut Camps in Lebanon" and "The construction of 167 residential and 39 non-residential units, associated onsite infrastructure and temporary wastewater overflow system". Another ENPI-funded action "Improving infrastructure in Palestine refugee camps in Lebanon" has recently started. All of them adopted the innovative approach that will be used for this action (see below). Under SPRING, another EUR 6 million intervention is being formulated which aims to improve the living conditions of Palestine refugees in Lebanon and to increase their chance of sustainable inclusive growth and economic development. These projects are taken into consideration for all interventions addressing PRS.
- In September 2011, through the Instrument for Stability (IfS), the EU granted EUR 12 million on shelter rehabilitation and rentals subsidies through a project implemented by UNRWA.
- From the EU Member States: the Spanish Agency for International Co-operation is currently rehabilitating the Shatila Health Centre and the establishment of health centres in Mar Elias camp and Wadi el-Zeina. In the adjacent areas of the NBC, the Italian co-operation is funding the rehabilitation of buildings; the Deutsche Gesellschaft für Internationale Zusammenarbeit (GIZ) is implementing a water project and the French Agency for Development (AFD) is reconstructing the health centre and a new school.
- Co-ordination is also foreseen with the Swiss Agency for Development and Co-operation (SDC), which is implementing a project for the remediation and upgrading of camp water supply networks in seven Palestine refugee camps in Lebanon.

This action is also complementary of the EU support in Education to refugees, scholarships as well as the EU's support to the Global fund for UNRWA.

2.4. Donor co-ordination

The EU has a close working relationship with the Lebanon-Palestinian Dialogue Committee (LPDC), which is an inter-ministerial government body formed by the Lebanese Council of Ministers, as well as the Palestine political representation. Throughout the implementation of this project, the strengthening of these relations will be ensured.

On a monthly basis, UNRWA organises a donor meeting on Palestine refugees which the EU always attends as well as the main donors. Ad hoc meetings are organised to discuss specific areas of intervention or new initiatives. Moreover, due to the Syrian conflict and its consequences in Lebanon, UNRWA has established an inter-agency co-ordination mechanism with implementing partners on the situation of PRS and the assistance being provided to them.

At the local level, a continuous and regular dialogue is maintained by UNRWA with representatives of Lebanese municipalities, and among Palestine refugees with popular committees and local political leaders. UNRWA and the EU Delegation in Lebanon have developed a strong partnership and the EU is always informed of any difficulty faced in the implementation of the projects.

3. DESCRIPTION

3.1. Objectives

The overall objective of this project is to improve the living conditions of Palestine refugees in Lebanon.

The specific objective is to improve housing and access to better primary health care services for the most vulnerable Palestine refugees in Lebanon.

3.2. Expected results and main activities

Result 1: At least 400 dilapidated shelters of the most vulnerable families in priority camps in Lebanon are rehabilitated

UNRWA will use its new approach to shelter rehabilitation, the “self-help rehabilitation scheme”, for this project. It builds upon five pillars: target group, physical evaluation of shelters, self-help approach, revised specifications and a revised scoring system for targeting those families most in need. Instead of relying on external contractors to carry out the work, UNRWA is introducing a self-help approach by directly involving camp residents in the improvement of their housing. The refugees will receive financial support in order to do the unskilled work themselves and/or to hire local tradesmen for the skilled work required. UNRWA will also provide technical support throughout the process. To ensure that vulnerable families are not discriminated, alternative approaches will be adopted for those who lack the capacity to undertake or manage the work. In such cases, the work will be tendered to external contractors.

Governance mechanisms focusing on a civilian perspective will be introduced with the participatory identification, management and follow up of the implementation of the rehabilitation works. The communication with and participation of the community is crucial for the successful accomplishment.

Main indicative activities are:

- Selection and technical assessment of shelters to be rehabilitated;
- Communication with the community on identification and progress of works;
- Implementation of self-help rehabilitation works.

Result 2: Three health centres are rehabilitated and upgraded

UNRWA is the main provider of primary health care services to Palestine refugees, delivered through a network of 28 health centres both inside and in the vicinity of each of the twelve camps. As primary health care is the main route by which the majority of Palestine refugees access health services, the primary health centres have a crucial role to play in meeting refugee health needs.

Three Health centres are identified as in urgent need for rehabilitation: Ein el Hilweh Health Centre 2, Saida Polyclinic and Burj Shemali Health Centre. The rehabilitation of the three health centres will focus on two main objectives: (i) to improve the overall safety in the health centres and, in particular, to decrease the risk of hazards to both patients and staff by upgrading the physical fabric of each building and (ii) to enhance the quality of care provided through upgrading equipment for patient care.

A complete rehabilitation program will be carried out for each of the three health centres identified. The works will depend on the priority needs of each centre and will include structural works to address construction weaknesses, rewiring of electrical systems, improvement of general ventilation and installation of appropriate air conditioning systems. Once the structural works will be finalized, the health centres will be appropriately equipped. Obsolete and defective medical equipment will be replaced.

Main expected indicative activities are:

- Technical assessments of rehabilitation needs for selected health centres and production of detailed architectural and structural design;
- Tendering and award of civil works contract for rehabilitation of centres;
- Implementation of rehabilitation works of centres according to signed contracts;
- Assessment of the equipment in place in the centres, listing priority medical machinery and equipment;
- Tendering, award and supply of equipment.

3.3. Risks and assumptions

The proposal assumes that (i) the political and security situation in Lebanon will not deteriorate to the point that UNRWA is unable to carry out the action, (ii) the UNRWA General Fund will not suffer significant shortages so that it can continue to finance the costs of the UNRWA system, (iii) the Lebanese political climate will not turn more negative towards the Palestinians and their rights (iv), the consequences of the Syrian crisis and the influx of PRS will not jeopardise the implementation of the action, (v) the execution of activities will not be put at risk by UNRWA's staff strikes and work stops (vi) the budget will not be seriously negatively affected by exchange rate fluctuations between USD and EUR.

Among internal risks linked to UNRWA as the implementing party, are unclear division of roles between the different UNRWA departments, delays in recruitment and overburdening of existing staff, motivation of staff and insufficient internal monitoring during the project life. In order to mitigate these risks, clearly defined pre-conditions/mitigation measures are foreseen as well as a monitoring plan/system with clear indicators.

As with all construction projects, works can also be negatively affected by a deterioration of the security situation in Lebanon, any violent incidents can derail progress at any point in time. Delivery of construction materials to the camps has also been a major risk and concern in the past. Beyond the project implementation per se, there is always the risk of an unexpected price increase of construction material prices (steel, concrete, etc.) or oil.

3.4. Cross-cutting Issues

The action is consistent with many of the cross-cutting issues identified in the European Union Consensus on Development.

Human Rights: fulfilling the refugees' right to decent living conditions and health is the primary goal of this action.

Governance and Ownership: a participatory approach will be used in particular through the innovative "self-help approach for rehabilitation works" which is also promoting good governance as part of the implementation and on-going sustainability of the project.

Environment: The rehabilitation of shelters and health centres will improve levels of hygiene, protection from the rain and cold, as well as better ventilation to reduce the risk of illnesses. Shelter rehabilitation will also provide families with increased safety and security, hopefully reducing stigmatisation and marginalisation from the rest of the camp community.

3.5. Stakeholders

All stakeholders were consulted during the preparation of the project.

The direct beneficiary is the population in the camps which will benefit from the project. The beneficiaries will be closely involved in the implementation of the project.

Key stakeholders are:

- UNRWA, in charge of the implementation, the overall co-ordination and monitoring of the action and of the reporting to the EU and others stakeholders.
- The Lebanese Government, the army, the LPDC (Lebanese-Palestinian Dialogue Committee) and the local authorities (municipalities) which will facilitate access to the camps, ensure security and facilitate relations between the communities and the camps.

4. IMPLEMENTATION ISSUES

4.1. Financing agreement

In order to implement this action, it is not foreseen to conclude a financing agreement with the partner country, referred to in Article 184(2)(b) of the Financial Regulation or in Article 17 of Annex IV to the Cotonou Agreement.

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 48 months as from

the adoption of the Financing Decision, subject to modifications to be agreed by the responsible authorising officer in the relevant agreements.

4.3. Implementation components and modules

4.3.1. *Joint management with an international organisation*

This action will be implemented in joint management with UNRWA. This modality is justified because UNRWA is mandated by the Lebanese Government for co-ordinating the provision of education, health, relief and social services and the delivery of infrastructure within each of the twelve camps in Lebanon. Joint management with this international organisation in accordance with Article 53d of Financial Regulation 1605/2002 is possible because the organisation is bound by a long-term framework agreement, the Financial and Administrative Framework Agreement (FAFA), concluded between the European Community (now Union) and the United Nations on 29 April 2003.

The international organisation will implement the activities of the project as described in this action fiche by means of procurement and the participation of beneficiaries in the process of rehabilitation.

The change of method of implementation constitutes a substantial change except where the Commission "re-centralises" or reduces the level of budget-implementation tasks previously entrusted to the international organisation.

4.4. Scope of geographical eligibility for procurement in direct centralised and decentralised management

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

The responsible authorising officer may extend the geographical eligibility in accordance with Article 21(7) of the basic act on the basis of the unavailability of products and services in the markets of the countries concerned, for reasons of extreme urgency, or if the eligibility rules would make the realization of this action impossible or exceedingly difficult.

4.5. Indicative budget and calendar

The indicative breakdown of the overall budget for this proposal is foreseen as follows:

Component	EU Contribution in EUR
4.3.1 Joint management with the UNWRA	3,950,000
4.7. Evaluation and audit	50,000
Total	4,000,000

4.6. Performance monitoring

This project will be subject to the regular Results-oriented monitoring (ROM) missions. The EU Delegation will carry out at least one monitoring mission per year. Implementation will also be regularly monitored by UNWRA which will report the results to the EU Delegation. The key performance indicators will be detailed in the Contribution Agreement.

4.7. Evaluation and audit

The project will be subject to a mid-term evaluation.

If necessary, ad hoc audits or expenditure verifications assignments could be contracted by the European Commission on all contracts and agreements.

All auditing matters related to the contribution agreements with the international organisation UNRWA are governed by the Verification Clause annexed to and forming an integral part of the Financial and Administrative Agreement (FAFA) concluded between the European Community (now Union) and the United Nations, signed on 29 April 2003.

An amount of EUR 50,000 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 alternatively through the competitive negotiated procedure or the single tender procedure. Indicatively one contract is foreseen for evaluation, and if necessary one contract for audit. Those contracts are to be contracted in last trimester of N+1 year.

4.8. Communication and visibility

The European Commission and UNRWA will ensure adequate communication and visibility. A specific provision is foreseen to guarantee the overall visibility of this project and will be integrated into the Contribution Agreement with UNRWA.

Adequate communication and visibility will be ensured by a) the elaboration of an annual visibility/communication plan b) specific budget allocation for visibility/communication activities, and c) EU Delegation monitoring of the adherence to the visibility/communication plans.