



Brussels, 30.11.2017
C(2017) 8185 final

COMMISSION IMPLEMENTING DECISION

of 30.11.2017

**on the annual action programme 2017 in favour of the Republic of Lebanon to be
financed from the general budget of the Union**

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THE EUROPEAN COMMISSION,

Having regard to the Treaty on the Functioning of the European Union,

Having regard to Regulation (EU) No 236/2014 of the European Parliament and of the Council of 11 March 2014 establishing common implementing rules and procedures for the implementation of the Union's instruments for external action¹, and in particular Article 2(1) thereof,

Having regard to Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council of 25 October 2012 on the financial rules applicable to the general budget of the Union and repealing Council Regulation (EC, Euratom) No 1605/2002², and in particular Article 84(2) thereof,

Whereas:

- (1) The Commission has adopted the Single Support Framework in favour of the Republic of Lebanon for the period 2017-2020³, which provides for the following priorities: 1) Promoting growth and job creation, 2) Fostering local governance and socio-economic development and 3) Promoting the Rule of Law, enhancing security and countering terrorism.
- (2) The objectives pursued by the annual action programme to be financed under Regulation (EU) No 232/2014 of the European Parliament and of the Council⁴ are to support fostering growth, job opportunities and local governance in relation to waste and water management and to promote governance and Rule of Law with regards to electoral reform.
- (3) The action entitled "Towards a Decentralised Waste management Integrated Response (TaDWIR) - Lebanon" aims at enhancing the capacity of the Governorates of Beirut and Mount Lebanon (BML) in waste management. It will directly contribute to the reinforcement of waste governance at all levels, the establishment of environment-friendly municipal solid waste management systems as well as environment-friendly electronic, medical and slaughterhouses waste management systems.
- (4) The action entitled "Local development programme along the Litani river basin" aims at contributing to stability in Lebanon by promoting local development and improving the socio-economic resilience of local population in the Litani River Basin (LRB).

¹ OJ L 77, 15.3.2014, p. 95.

² OJ L 298, 26.10.2012, p. 1.

³ C(2017) 7179 final, Commission Implementing Decision of 30.10.2017 adopting a Single Support Framework for European Union support to Lebanon for the period 2017-2020.

⁴ Regulation (EU) No 232/2014 of the European Parliament and of the Council of 11 March 2014 establishing a the European Neighbourhood Instrument (OJ L 77, 15.3.2014, p. 27).

- (5) The action entitled "Support to Electoral Reform and Democratic Participation in Lebanon" has as its objective to develop the capacity of national stakeholders for the conduct of credible, periodical, transparent and inclusive elections in Lebanon. Furthermore, it aims at strengthening public confidence in the electoral process and, hence, contributing to democratic consolidation in the country.
- (6) The envisaged assistance to Lebanon is deemed to follow the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU.
- (7) It is necessary to adopt a financing Decision, the detailed rules of which are set out in Article 94 of Commission Delegated Regulation (EU) No 1268/2012⁵.
- (8) The Commission should entrust budget-implementation tasks under indirect management to the entities specified in this Decision, subject to the conclusion of a delegation agreement. In accordance with Article 60(1) and (2) of Regulation (EU, Euratom) No 966/2012, the authorising officer responsible needs to ensure that these entities guarantee a level of protection of the financial interests of the Union equivalent to that required when the Commission manages Union funds. These entities comply with the conditions of points (a) to (d) of the first subparagraph of Article 60(2) of Regulation (EU, Euratom) No 966/2012 and the supervisory and support measures are in place as necessary.
- (9) The Commission should entrust budget-implementation tasks under indirect management to the partner country specified in the Annex 2 to this Decision, subject to the conclusion of a financing agreement. In accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012, the authorising officer responsible needs to ensure that measures are taken to supervise and support the implementation of the entrusted tasks. A description of those measures and the entrusted tasks are laid down in the Annex 2 to this Decision.
- (10) It is necessary to allow for the payment of interest due for late payment on the basis of Article 92 of Regulation (EU, Euratom) No 966/2012 and Article 111(4) of Delegated Regulation (EU) No 1268/2012.
- (11) Pursuant to Article 94(4) of Delegated Regulation (EU) No 1268/2012, the Commission should define changes to this Decision which are not substantial in order to ensure that any such changes can be adopted by the authorising officer responsible.
- (12) The measures provided for in this Decision are in accordance with the opinion of the European Neighbourhood Instrument Committee set up by Article 15 of Regulation (EU) No 232/2014 of the European Parliament and of the Council,

HAS DECIDED AS FOLLOWS:

Article 1

Adoption of the measure

The Annual Action Programme 2017 in favour of the Republic of Lebanon, as set out in the Annexes, is adopted.

The programme shall include the following actions:

⁵ Commission Delegated Regulation (EU) No 1268/2012 of 29 October 2012 on the rules of application of Regulation (EU, Euratom) No 966/2012 of the European Parliament and of the Council on the financial rules applicable to the general budget of the Union (OJ L 362, 31.12.2012, p. 1).

- (a) Annex I: "Towards a Decentralised Waste management Integrated Response (TaDWIR) - Lebanon"
- (b) Annex II: "Local development programme along the Litani river basin"
- (c) Annex III: "Support to Electoral Reform and Democratic Participation in Lebanon"

Article 2

Financial contribution

The maximum contribution of the European Union authorised by this Decision for the implementation of the programme referred to in Article 1 is set at EUR 3 million to be financed from budget line 22.040101 and EUR 41 million to be financed from budget line 22.040102 of the general budget of the Union for 2017.

The financial contribution referred to in the first paragraph may also cover interest due for late payment.

Article 3

Implementation modalities

Budget-implementation tasks under indirect management may be entrusted to the entities identified in the Annexes, subject to the conclusion of the relevant agreements.

The elements required by Article 94(2) of Delegated Regulation (EU) No 1268/2012, are set out in the Annexes.

Article 4

Non-substantial changes

Increases or decreases not exceeding 20% of the contribution referred to in Article 2, or cumulated changes to the allocations of specific actions not exceeding 20% of that contribution as well as extensions of the implementation period shall not be considered substantial within the meaning of Article 94(4) of Delegated Regulation (EU) No 1268/2012, provided that they do not significantly affect the nature and objectives of the actions. The use of contingencies shall be taken into account in the ceiling set by this Article. The authorising officer responsible may adopt such non-substantial changes in accordance with the principles of sound financial management and proportionality.

Done at Brussels, 30.11.2017

For the Commission
Johannes HAHN
Member of the Commission



This action is funded by the European Union

ANNEX 1

of the Commission Implementing Decision on the Annual Action Programme 2017 in favour of the Republic of Lebanon to be financed from the general budget of the Union

Action Document fo "Towards a Decentralised Waste management Integrated Response (TaDWIR) - Lebanon"

1. Title/basic act/ CRIS number	“Towards a Decentralised Waste management Integrated Response (TaDWIR) - Lebanon”, CRIS contract number: ENI/2017/040-298 financed under the European Neighbourhood Instrument.			
2. Zone benefiting from the action/location	Beirut and Mount Lebanon (BML).			
3. Programming document	Single Support Framework for EU support to Lebanon 2017-2020			
4. Sector of concentration / thematic area	2- Local governance and socio-economic development	DEV. Aid: YES.		
5. Amounts concerned	Total estimated cost: EUR 21,000,000 Total amount of EU budget contribution: EUR 21,000,000			
6. Aid modality and implementation modality	Project Modality Indirect Management Italian Agency for Development Co-operation, Office Beirut (AICS) will be the responsible entity for the execution of the programme, subject to a positive outcome of the ongoing pillar assessment.			
7 a) DAC code(s)	14050 – Waste management / disposal 15110 – Public sector policy and administrative management 73010 – Reconstruction, relief and rehabilitation			
b) Main Delivery Channel	11000			
8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective

	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	X
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	X
	Gender equality (including Women In Development)	<input type="checkbox"/>	X	<input type="checkbox"/>
	Trade Development	X	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	X	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	<input type="checkbox"/>	X
	Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>
9. Global Public Goods and Challenges (GPGC) thematic flagships	Strategic Area: Environment and Climate Change			

SUMMARY

This programme aims at enhancing the capacity of the Governorates of Beirut and Mount Lebanon (BML) in waste management in order to alleviate tensions in the country related to health and environmental hazards hence preserving Lebanon's stability. BML generate around 60% of municipal solid waste in the country. The programme's specific objective is to strengthen the operational, financial and environmental performance of municipal solid waste management in BML. The action will directly contribute to:

- reinforce waste governance at all levels.
- establish environment-friendly municipal solid waste management systems
- establish environment-friendly electronic, medical and slaughterhouses waste management systems

1 CONTEXT

1.1 Sector/Country/Regional context/Thematic area

1.1.1 Public Policy Assessment and EU Policy Framework

1.1.1.1 Economic and social situation and poverty analysis

Lebanon is characterized by regional socio-economic disparities with almost 30% of the population living under the poverty line and 8% under the extreme poverty line.¹ Due to the absence of a modern legal framework on decentralisation, a lack of appropriate human and financial capacities and a non-performing fiscal system, the quality of and accessibility to public services is often quite low.

The influx of refugees and displaced from Syria has contributed to add additional pressure on an already stretched situation. According to the United Nations High Commissioner for Refugees (UNHCR) (June 2017), there are now over 1,000,000 Syrian, Palestinian refugees and Lebanese returnees in most parts of the country spread across more than 1,500 different locations, but the highest concentration is in the north (27.44%), including the city of Tripoli, and in the South (12.25%).

This represents an increase of 31.3% and 12.2% of the population in these regions. With respectively over 31.2% and 37.3% of the region's families living below the poverty line, both regions are among the poorest in Lebanon. They are characterised by weak infrastructure and limited livelihood opportunities. Even before the influx of refugees resources were limited and are now stretched to the limit.

1.1.1.2 National development policy

Regarding the national development policy of the sector itself, direct responsibility for Solid Waste Management (SWM) lies with the municipalities. Currently 42 Unions of Municipalities in Lebanon are addressing these common issues. However, very little collaboration takes place despite the high transaction costs associated with fragmented delivery systems.

While municipalities are responsible for operating all collection and treatment systems they suffer from lack of resources as well as a lack of operational solid waste management experience that prevents them from delivering services effectively. Different plans and guidelines have been prepared over the last years under the supervision of the Ministry of Environment (MoE) for the construction and operation of sorting and composting plants and sanitary landfills, as well as compost guidelines for the Municipalities as presented in the next section.

1.1.2 Sector context: policies and challenges

1.1.2.1 Policies

Most of the existing legislation regarding SWM is outdated or incomplete. Other instruments were enacted spontaneously with little regard for implementation. The main relevant document regarding SWM is the Municipal Solid Waste Management plan of Lebanon which was approved by the Council of Ministers (CoM) in June 2006 and revised in 2010. This Master Plan recognizes four service areas - North Akkar; Beirut & Mount Lebanon, Bekka & Baalbek-Hermel and; South and Nabatieh, and proposes an integrated approach to SWM

¹ UNDP Poverty, Growth and Inequality in Lebanon, 2007.

involving collection and sorting, recycling, composting and landfilling (June 2006) and incinerating and waste-to-energy (September 2010).

To date there is no short/long-term sustainable solution for waste management in BML and the government has not released any realistic strategic plan for solid waste management. In anticipation of a new possible crisis, municipalities of BML are working on local decentralised solutions.

1.1.2.2 Challenges

Growing population, a changing lifestyle, urbanisation and the influx of Syrian refugees to the Lebanese territories due to the Syrian conflict has led to an increase of waste generation which will continue in the near future (see table below). Before the crisis, Lebanon generated around 1.94 million tons (2010) of solid waste per year, with a municipal solid waste generation growth of 1.65% per year. At that time, SWM was already among the most significant environmental challenges for Lebanon.

Projected waste generation for years 2015, 2020, 2025 (MoE-EU 2015)

	2015	2020	2025
Waste generation (t/y)	2,263,000	2,445,500	2,664,500
Waste generation (t/d)	6,200	6,700	7,300

The system is mainly based on collection and open dumping in most of the areas in Lebanon, except for Beirut and part of Mount Lebanon, where treatment of waste consists in sorting and composting and sanitary landfilling (although most of the waste are directly dumped without pre-treatment). Private operators are dealing with all SWM related activities from collection to disposal as part of the emergency plan. In the absence of a clear legal framework, municipal solid waste is mixed with other waste streams from non-domestic sources to some (but yet not known) extent (such as industrial waste, agricultural waste, hazardous waste, construction waste). This has a potentially major impact on the natural environment particularly in terms of polluting surface, ground and marine waters, together with increasing soil pollution.

However, in the absence of long-term strategic vision and with no real sustainable short term solution for Beirut Mount Lebanon a new solid crisis is very likely to occur in the coming months once the current dumpsites reach saturation point. In addition, Civil Society Organisations (CSOs) and environmental NGOs, as well as the international press, have raised serious concerns and been very vocal about the sustainability of the current situation and of the potential harmful health/environmental impact resulting from past and current waste management solutions. It should be recalled that in 2015 the garbage collection crisis led to massive street protests and civil unrest.

1.1.3 Stakeholder analysis

Numerous government institutions (ministries or autonomous agencies) are involved in solid waste planning and management in Lebanon, with overlapping mandates and responsibilities and unclear lines of authority. While government institutions have been playing an increasingly important role, significant activities have also been undertaken on an ad hoc basis by the private sector and CSOs. A closer look at the institutional setting reveals in fact that there is no clear distribution of responsibilities among the different stakeholders, a situation that significantly contributes to the inadequate management of the sector.

As a result, both the Ministry of Interior and Municipalities (MoIM) and the Ministry of Environment (MoE) have jurisdiction over SWM policy, legislation, strategy, and planning. Both have developed municipal solid waste management strategies for the country. On the other hand, the Council of Development and Reconstruction (CDR), acting under authority of

the Prime Minister, has been responsible for implementing an emergency waste management plan in the Greater Beirut area, and has developed proposals for the upgrading of waste management elsewhere in the country, as well as implemented several solid waste management projects throughout the country since the nineties. The main stakeholders are:

Ministries and public institutions:

- Council of Development and Reconstruction (CDR);
- Office of the Minister of State for Administrative Reform (OMSAR)
- Ministry of Interior and Municipalities (MoIM);
- Ministry of Environment (MoE);
- Ministry of Energy and Water (MoEW);
- Ministry of Public Health (MoH);
- Lebanese Center for Energy Conservation (LCEC);
- Municipalities and Unions of Municipalities;
- Private sector;
- Civil Society Organisations (CSOs).

Regarding the role of CSOs, the EU acknowledges the need to ensure that citizens are proactively and constructively part of the dialogue and avoid polarisation that could contribute to deepen the political crisis. Key CSOs such as Beirut Madinati, Lebanon Eco Movement, Zero Waste, Green Globe or Arc en Ciel have been consulted during the programme identification and formulation. They will also be directly involved during the implementation of the project, for instance by monitoring compliance with sustainable environmental measures. Their statutes and roles are detailed in Annex I.

1.1.4 Priority issues for support/problem analysis

According to the 2014 country report published by SweepNet, urban areas in Lebanon are fully covered (100%) by Solid Waste Management (SWM) services compared to 99% of rural areas. The service quality of SWM collection varies widely. In rural areas, for example, contractors may not have the skills or equipment to effectively collect waste and municipalities do not have adequate enforcement capacity, as compared to larger municipalities or urban areas.

Since 1994, waste collection and treatment services in Mount Lebanon have been provided by a private company (Sukleen) acting under a contract awarded by the Council for Development and Reconstruction, which used the Independent Municipal Fund to finance the operation without giving any role to the municipalities. In the rest of the country, the waste management model is generally based on a combination of collection in each municipality, partial treatment and illegal dumping with some exceptions (e.g. Zahlé). To date, the country has more than 800 illegal dumpsites (source Ministry of Environment, 2017).

Since the closure of the Naame landfill in July 2015, this model came under increased questioning, prompting the adoption of the so-called Chehayeb plan: closure of Naame after a short reopening period, creation of two large coastal landfills (Costa Brava and Bourj Hammoud), and the long-term perspective of a more environmentally friendly waste management model (through decentralisation, sorting at source and recycling) after a transitional period.

Protests launched by Kataeb party on 11 August 2016 against the Bourj Hamoud landfill led to declarations by several stakeholders and by minister Chehayeb on the need to shorten the

transitional period and allow municipalities to start adopting measures for managing their own waste. However, no clear commitment has been made to start the transfer of funds to municipalities. At the same time, Beirut and other municipalities are taking steps to adopt their own solutions, which could include construction of incinerators.

All in all, the policy options are the following: continuing the current course until the selected dumpsites reach their capacity limits; a decentralised solution based on sorting, recycling and composting; construction of one large incinerator; and construction of small incinerators by the municipalities. The EU supports the planning and implementation of sustainable solutions based on decentralisation, sorting at the source, recycling and composting.

The long-term plan of the government intends to support the construction of incinerator(s) in Beirut Mount Lebanon (BML). Two 'conflicting' plans are currently under the table: (i) the WtE initiative for BML backed by the Council for Development and Reconstruction (CDR) to cover the entire BML area with a capacity of 2,000t/day and the (ii) plan of the Municipality of Beirut for a smaller incinerator with a capacity of 600t/day. In both scenarios, the acceptability by the Lebanese citizens of this solution is questionable given the high health/environmental associated if not well-managed. In both cases incinerators are oversized. According to an EU-funded study "Waste-to-Energy as an element of Waste Management in Lebanon: Options and conditions" (June 2017) such technical option could be possible provided that the following main barriers are lifted:

- absence of a clear legal and institutional framework,
- lack of technical expertise,
- lack of awareness at institutions
- public and a general strong opposition of the public against waste incineration.

2 RISKS AND ASSUMPTIONS

Category of risk	Level of risk (E/M/F)	Mitigation measures
<p>Political</p> <p>The Syrian conflict could further spill-over into Lebanon. This could jeopardise the project and cut-off access to Lebanese territory for international organisations and actors.</p>	Medium	<p>1- The programme will remain flexible, allowing a reorientation of the activities if needed.</p> <p>2- The programme will carefully balance its soft (awareness, dialogue) and hard (infrastructure) activities according to the security threats.</p>
<p>Local politics and governance issues:</p> <p>1- Lack of commitment of central and/or local authorities (e.g. election of a new government that doesn't prioritize the SWM sector, lack of co-ordination among municipalities).</p> <p>2- Lack of capacity of the Municipalities to deal with the contractors involved in the</p>	<p>Medium</p> <p>Medium</p>	<p>1- During the inception phase the programme will adopt an inclusive and participatory approach for the local development plan together with the Government and the Municipalities and Unions of Municipalities involved.</p>

<p>construction, design and O&M.</p> <p>3- Corruption associated with the construction of infrastructure.</p>	<p>Medium</p>	<p>2- This risk will be mitigated by a strong support of the technical assistance through dedicated on-the-job training to municipalities.</p> <p>3- This risk will be mitigated by a strong involvement of the CSOs in the implementation and monitoring of the project's activities.</p>
<p>Economic</p> <p>The national or regional political situation is impacting negatively the local economic activity and prevents the Government and/or the Municipalities and the Unions of Municipalities to invest in the Waste Management Sector.</p>	<p>Medium</p>	<p>The programme will support through technical/financial support and advocacy along the process to limit the consequences of a difficult economic situation.</p>
<p>Social risks</p> <p>Lack of acceptance of the programme by Lebanese citizens.</p>	<p>Medium</p>	<p>The approach of the programme will be flexible and rely on inclusiveness and wide participation, including through CSOs involvement. Outreach campaigns targeting the end and direct beneficiaries of the programme and highlighting the environmentally-sustainable aspects of the programme will ensure that they fully understand the benefits of the programme, the opportunity it offers them to express their concerns and to contribute to the improvement of their own welfare and natural environment.</p>
<p>Sustainability</p> <p>1- The human and financial resources of the local authorities do not allow them to maintain the O&M of the facilities.</p> <p>2- Created jobs opportunities stops after the end of the programme.</p>	<p>Medium</p> <p>Medium</p>	<p>1- The programme will promote dialogue with the relevant Lebanese authorities, especially with the Ministry of Environment, the Ministry of Interior and Municipalities, the relevant Municipalities and Unions of Municipalities and OMSAR to see the benefits of the results achieved by the programme.</p> <p>2- During the inception phase, the programme will check the understanding of the new municipal councils of the need to improve the urban environment of all the communities living in their constituency and to dedicate enough financial resources to maintain the supplied or rehabilitated equipment. Additionally, the participative approach will empower the civil society to hold the local authorities accountable of their commitments.</p>
<p>Corruption/Fraud</p> <p>Lack of trust between the end beneficiaries, on</p>	<p>Medium</p>	<p>The participative approach should set up a</p>

one hand, and the local and central authorities and their implementing agencies, on the other hand.		policy dialogue between the local authorities and civil society. Additionally, a close monitoring of the programme, at each of its stage, by the end beneficiaries is foreseen.
Assumptions		
<ul style="list-style-type: none"> - The security situation is not deteriorating further to an extent that will prevent the continuation of the activities; - Commitment of the Government to agree on a long-term strategic solution; - Consensus is reached at Municipalities and Unions of Municipalities level to agree on SWM solutions. - - CSOs are ready to collaborate with all parties, including the Government 		

3 LESSONS LEARNT, COMPLEMENTARITIES AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

A major lesson drawn from past projects within the sector is the need to have all the major stakeholders directly involved in supporting strategic political dialogue in order to prepare short and long-term responses to the solid waste crisis (with the participation of the private sector and the civil society). This involvement is also important during the programme's identification, formulation and execution.

The previous programmes in the Waste Management sector have shown that the situation on the ground can develop faster and further than anticipated. For this reason, a large degree of flexibility shall be sought in order to allow for an effective response to the changing needs of the beneficiary populations.

Management of solid waste facilities cannot always be handled by the Municipalities and Unions of Municipalities due to their lack of specific skills and resources. Therefore, supporting operation and maintenance (O&M) activities is crucial. The EU supports Public-Private Partnership (PPP) for O&M of the facilities. O&M of the solid waste facilities is currently funded by Office of the Ministry of State for Administrative Reform through a dedicated budget from the government. Financial sustainability of the Municipalities through local fee collection and transfer from the central to the local level of the relevant Independent Municipal Fund (IMF) has to be reached in order to ensure sustainability of O&M. On the other hand, most municipalities do not have the required management capacities to operationalise the use of these funds in an accountable and efficient way. Reinforcement of the capacities of the municipalities is needed to ensure an efficient and accountable use of the municipal funds.

The magnitude of the crisis has strained the public sectors resources, hampering an adequate response. Synergies with the private sectors are to be explored to fill the gap and maintain an adequate level of services to avoid further consequences for the population. Private operators' capacities on the management of facilities need to be enhanced.

Mainstreaming all aspects of the waste management process (reduction, recovery, reuse, recycling, and disposal), providing adequate information to the public about ongoing or planned initiatives and encouraging all citizens to participate actively, is essential in order to get sustainable long term results.

3.2 Complementarity, synergy and donor co-ordination

The objectives and results of the programme presented in this Action Document will complement the following EU-funded projects:

- **"Protection and sustainable development of maritime resources in Lebanon – PRO MARE"** (2017-2020 Component 3: EUR 13 million) The specific objective of Component 3

is to protect the coastal zones and maritime resources from any environmental degradation by land-based sources of pollution. The programme contributes to the development and improvement of comprehensive waste management schemes at municipalities' level.

- **"Upgrading the Solid Waste Management capacities in Lebanon (SWAM 1 & 2)"** Programmes (2014-2020; EUR 35 million). The objective of these two programmes is to contribute to mitigating the impact of the Syrian crisis on Lebanese host communities by alleviating tensions related to health and environmental hazards by upgrading the provision of basic services regarding SWM. The activities of the project will include the Construction or extension of 8 sanitary landfills and 8 Solid-waste treatment plants and the provision of disposal and collection equipment (bins, trucks and compactors).

- **"Assistance to the Rehabilitation of the Lebanese Administration (ARLA)"** (2003-2011, EUR 14 million), which has successfully supported eleven rural municipalities in improving their solid waste services. This project financed the construction of SWM facilities (in particular solid waste treatment plants) and equipment (bins and trucks). It was closed in March 2011 and since then OMSAR is still providing technical and financial support to these municipalities that will be targeted by Component 2 of this project.

- **"Support to Reform – Environmental Governance (StREG)"** (2011-2017, EUR 8 million). This project aims at strengthening environmental inspection and enforcement through the improvement of the Ministry of Environment administrative capacity. Activities include specific activities on Solid waste management (e.g. Lebanon Assessment Environmental Impact of Syrian Conflict, Assessment of the Health Impacts of the Naameh Sanitary Land Fill and Tripoli Controlled Dump and Establishing an Environmental Monitoring Plan for their Post-Closure) and the drafting/revision of legal frameworks in fields that are related to SWM (e.g. waste-to-energy laws, responsibilities and mandates of SWM).

- The **"Support to municipal finance (MUFIN)"** programme (2011-2017, EUR 20 million) which has been reoriented to enhance the municipalities' ability to design and implement infrastructure projects for water supply, sanitation and solid waste disposal. This project will strengthen the resilience of host communities and Syrian refugees by upgrading municipal service especially with regard to SWM.

3.3 Cross-cutting issues

The environmental impact of the projects is expected to be positive given the pollution generated by improper SWM in Lebanon (ground water, air, soil). In addition, the intervention will reinforce the capacities of existing solid waste infrastructure hence also supporting Lebanon in coping with the additional needs created by the presence of a high number of Syrian refugees in the country.

The project will have a positive effect on gender equality as it will facilitate public services provision to the most vulnerable families in particular the provision of solid-waste related services. Access to SWM services by women will be promoted under this project by expanding its outreach to households in which women have traditionally a critical role to play when it comes to solid-waste disposal (e.g. rolling up collection and sorting facilities, awareness campaign at household level).

By working directly with Local Authorities and their capacities, the project will significantly contribute to good governance and support Lebanese authorities in their management of local assets and services. In addition, community empowerment activities will engage citizens and refugees in the identification of needs and possible solutions to the challenges faced by affected areas. Through its efforts to mitigate the impact of the influx of refugees the project will assist in defusing potential tension between refugees and host communities and positively affect refugee protection and conditions.

4 DESCRIPTION OF THE ACTION

4.1 Objectives/results

The programme's **long-term overall objective** is to alleviate tensions in the Governorates of Beirut-Mount Lebanon (BML) related to health and environmental hazards hence preserving Lebanon's stability.

Its **specific objective (outcome)** is:

Specific Objective SO1: To strengthen the operational, financial and environmental performance of municipal solid waste management in BML

The **expected results (outputs)** as follows:

- Result R1 (horizontal to SO1 and SO2): Waste governance is reinforced at all levels
- Result R2: Environment-friendly and sustainable municipal solid waste management systems are established
- Result R3: Environment-friendly electronic, medical and slaughterhouses waste management systems are established

4.2 Main activities

The main **activities** to achieve the expected results can be summarised as follows:

1. *Activities for Result R1 (“Waste governance is reinforced at all levels ”)*

Main activities may include:

- Policy dialogue with all stakeholders involved on waste governance;
- Support capacities of the Local authorities and the Civil Society Organisations²;
- Development of the O&M capacities of private operators (SMEs, green jobs), together with the reinforcement of the supervision capacities of local authorities.
- Technical support to O&M of the facilities in Beirut Mount Lebanon;
- Legal support in drafting agreements;
- Technical assistance to accompany Government's solutions development and implementation (e.g. Waste-to-Energy).
- Technical assistance to the Minister of Environment for the enforcement of the law 444/2002 (Law for the protection of environment) "polluter payer"
- Technical assistance could also be made available if there is a will to set up a supervision authority and support inspection of Waste-to-Energy.
- Awareness activities

2. *Activities for Result R2 (“Environment-friendly municipal solid waste management systems are established in Beirut Mount Lebanon ”)*

² . Relevant organisations could be involved through different options (which does not necessarily involve financial support but can be integrated as outreach components in the foreseen support modalities):

- implementation of certain activities (i.e. awareness raising, information campaigns, monitoring of public services);
- Include indicators related to civil society dialogue/community involvement;
- Involvement of CSOs in data collection and monitoring related to waste management;
- CSOs are invited to be members of steering committees;
- Build technical and advocacy capacities of CSOs/CSO networks active in the area of waste management, public service delivery, awareness raising (for example through regularly informing/debriefing relevant CSOs on the measures implemented).

Main activities may include:

- Construction/extension/rehabilitation of solid-waste treatment plants for organic and non-organic waste;
 - Construction/extension/rehabilitation of sanitary landfills;
 - Sanitary landfills-related infrastructure such as access roads;
 - Provision of disposal and collection equipment (bins, trucks and compactors);
 - Enhanced support of O&M activities together with supervision of the operator.
 - Support to material recovery and reuse value chains.
3. *Activities for Result R3 (“Environment-friendly electronic, medical and slaughterhouses waste management systems are established across the country”)*

Main activities may include:

- Diagnostic/mapping of hazardous wastes situation (involving civil society and community-based organisations should be considered for this mapping/diagnostic).
- Provision of dedicated disposal and collection equipment;
- Provision of processing equipment (e.g. autoclave and shredder system);
- Support to the creation of specialised recycling plants (e.g. e-waste);
- Construction/extension/rehabilitation of leachates treatments facilities.
- Construction of medical waste treatment facility,
- Rehabilitation of Slaughterhouse / treatment of slaughterhouse waste

4.3 Intervention logic

Stabilisation is the overarching political priority of the EU's revised Neighbourhood Policy³. The intervention logic of the current programme stems from the understanding that stabilisation at the country level (long-term overall objective of the programme) cannot be reached without alleviating the tensions related to health and environmental hazards in particular related to Waste Management.

Waste management is a highly political issue in Lebanon. The inability of the government to respond to basic needs or mitigate health/environmental damages has triggered massive demonstrations in recent years. Refugee presence exacerbates the situation. The objective of this project is precisely to preserve the stability of the country by alleviating health and environmental hazards connected to waste management.

This project will be part of a larger framework of intervention in BML which could include waste-to-energy solutions. Due to the mistrust of many Municipalities and Unions of Municipalities of BML towards the Government's capacity to formulate an acceptable solution beyond the emergency plan, most of them are currently developing their own technical solutions independently. Beirut Municipality is contemplating the construction of a Waste-to-Energy solution while all the other municipalities are in the process of developing Sorting, Recycling, Composting and safe disposal solutions of the inert materials based on the model that is already in place in the areas outside BML. The EU programme will promote

³ Joint Communication of the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Review of the European Neighbourhood Policy, Brussels, 18.11.2015, JOIN(2015) 50 final.

cheap, decentralised, simple, environmentally friendly, job creative solutions and initiatives at Municipalities' and Unions of Municipalities' levels. For the Waste-to-Energy solution, the programme could accompany the process mainly through the provision of technical assistance. Regarding Sorting, Recycling, Composting solutions, the project could also support technical assistance and could also financially contribute to the activities. For all activities, a dialogue between all stakeholders will be conducted including with the CSOs in order, amongst other things, to reinforce the transparency and accountability of all activities in the sector.

The proposed approach is three-fold:

Result 1: Reinforcement of the involvement of all the stakeholders

Strengthening the governance of the waste sector is critical given the contribution of the private and non-profit sector in waste collection and disposal. Municipalities face numerous structural challenges in terms of competences, capacities and fiscal resources. Despite these challenges, municipalities (the only directly elected institutions in the last 7 years) have played a pivotal role in the country's resilience. A new draft Law on Administrative Decentralisation (2014) proposed a substantial reform focusing on accountability and local public service delivery. Future dialogue on the decentralisation reform should emphasise clear administrative responsibility, as well as the transfer of sufficient financial resources to local authorities keeping in mind the need for broad-based citizen participation. In this context, a special set of activities should be dedicated to advocating and accompanying the decentralisation process in particular with respect to the transfer to municipalities of the Independent Municipal Funds (IMF) monies. Besides, increasing levels of public participation and consultation should take place on such issues as locations for transfer stations and landfills, cost recovery policies, and priorities for environmental enforcement.

Private sector participation is a key element in solid waste management in Lebanon. Municipal solid waste, and in particular in BML, is effectively undertaken by private sector operators. Normally, the private sector in Lebanon is more effective than the public sector in solid waste management (both at the technical and financial levels), due to the fact that the municipalities lack the necessary means, resources and skills. On the other hand, municipalities are often not adequately equipped for negotiating and managing contracts with the private sector. This, together with the absence of a reliable procurement procedure for waste management projects, may lead to some failures, difficulties or delays.

Building on pilot experiences conducted elsewhere in the country, the EU will promote engagement of municipalities, private sector and civil society around local development strategies and integrated solid waste management plans through fostering multi-stakeholders platforms. In parallel, actions aimed at building up confidence between communities will be supported to foster stabilisation efforts.

Result 2: Solid Waste Management

In Beirut Mount Lebanon (BML), a region generating 57% of the country's total waste, the closure of the Naame landfill in 2014 left many municipalities without short/medium term options regarding solid waste management. Many municipalities of Beirut Mount Lebanon are now trying to develop solutions at the Caza level (Jbeil, Kerserwan, Metn, Baabda, Aley, Chouf). The EU programme will promote a decentralised approach (already rolled out in other regions of the country) in BML, in response to the interest expressed by many municipalities in benefiting from EU institutional, financial and technical support. A co-funding approach with volunteering Municipalities and Unions of Municipalities will be used. Even in the case of an agreement from all parties for a centralised waste-to-energy solution for Beirut or Beirut Mount Lebanon, the proposed decentralised approach will remain valid

since a prior sorting of organic/non-organic waste is always necessary. Various institutional partners and IFIs (e.g. EIB) have already shown their interest in participating in the waste-to-energy component.

Result 3: Hazardous and non-hazardous waste

Most of the hazardous and non-hazardous waste such as electronic, medical and slaughterhouses waste have no environmentally management systems:

- **Electronic Waste:** Lebanon, like the rest of the world, is experiencing a quantum leap in electronic waste, also known as e-waste. E-waste includes computers and peripherals, batteries, printers, faxes, scanners, cameras, mobile phones and accessories, and network components. In the absence of a national strategy, most e-waste enters the Solid Waste stream and ends up in dumpsites or landfills, which pollute soil and water.

- **Medical Waste:** Around 55% of hospitals in Lebanon are treating their infectious by autoclaving either internally (5 hospitals) or externally through a service provider (Arcenciel & Safe). BML hospitals are almost fully compliant. In other regions in the country, hospitals are disposing of their waste in the Municipal waste stream. Pathological waste is either treated with the infectious waste or buried in cemeteries. Chemical, pharmaceutical and cytotoxic waste is not being treated as Lebanon lacks the proper infrastructure to treat and dispose of this type of waste.

- **Slaughter House waste:** There are five main slaughterhouses in Lebanon (Tripoli, Beirut, Saida, Zahle and Nabatiyeh). Waste resulting from these slaughterhouse activities, such as tissues, intestines, and bones are either buried or burned on site without any emission controls. The remaining ashes, around 1,000 t/year, which is highly contaminated and is heavily toxic, is disposed of along rivers causing adverse environmental and health risks.

The disposal of this waste needs adapted solutions which could include the construction of treatment facilities for hazardous non-infectious and cytotoxic waste in Lebanon and the export of waste for e-waste and/or medical waste in compliance with the Basel Convention on the Control of Transboundary Movements of Hazardous Wastes and their Disposal or the construction of a rendering facility for slaughterhouse waste.

5 IMPLEMENTATION

5.1 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 Regulation (EU, Euratom) No 966/2012.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is **60 months** from the date of adoption by the Commission of this Action Document.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

5.3 Implementation modalities

The envisaged assistance to Lebanon is deemed to follow the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU.

5.3.1 *Italian Agency for Development Co-operation, Office Beirut (AICS)*

This action will be implemented in indirect management with the AICS, subject to a positive outcome of the ongoing pillar assessment, in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012. This implementation entails financial support to local initiatives, technical assistance and investments in municipal infrastructures. This implementation is justified because of the complexity and the political sensitivity of the programme and, after careful comparison between fields of activities and expertise of the various EU Member States development agencies, AICS was considered as the most appropriate to conduct the activities foreseen in this programme. It is one of the most experienced international partners in Lebanon in the field of environmental protection and rehabilitation. In the field of integrated waste management, it is operating since 2007 through different funding modalities and modus operandi. It is currently implementing with the Ministry of Environment a EUR 2.3 million intervention to enhance waste management system in the west of the country.

The entrusted entity would carry out the following budget-implementation tasks: provide technical and financial resources to the Technical Co-ordination Unit (see 5.7) and supervise its operations; award of contracts and payments for the provision of services; perform due diligence on works (legal, technical, financial, environmental and social) and supplies (technical and financial) contracts awarded by the Technical Co-ordination Unit; supervise the construction of facilities.

If negotiations with the above-mentioned entrusted entity fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in section 5.3.3.

5.3.2 *Changes from indirect to direct management mode due to exceptional circumstances*

5.3.2.1 Grants: Call for proposals "Support to the development of waste management schemes" (direct management)

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

The objectives and the type of actions eligible for financing and the expected results are those described under expected results 2 and 3.

(b) Eligibility conditions

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

(c) Essential selection and award criteria

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

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

(d) Maximum rate of co-financing

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

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

officer in the award decision, in respect of the principles of equal treatment and sound financial management.

(e) Indicative trimester to launch the call

Second trimester of 2018.

(f) Exception to the non-retroactivity of costs

Not applicable.

5.3.2.2 Procurement (direct management)

Subject in generic terms, if possible	Type (works, supplies, services)	Indicative number of contracts	Indicative trimester of launch of the procedure
Support to waste governance in Beirut-Mount Lebanon	Services	1	Q2, 2018
Communication and visibility	Services	1	Q4, 2018

5.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provision.

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

5.5 Indicative budget

Programme Components	EU contribution (amount in EUR)	Indicative third party contribution
Italian Agency for Development Co-operation, Office Beirut (AICS)	20,700,000 ⁴	n/a
<i>Expected result 1</i>	<i>1,700,000</i>	
<i>Expected result 2</i>	<i>14,000,000</i>	
<i>Expected result 3</i>	<i>5,000,000</i>	
Audit/Evaluation	300,000	n/a
Total	21,000,000	n/a

⁴ Includes provision for communication and visibility.

Capital expenditures to build solid waste treatment facilities (composting and recycling of organic municipal waste only) for reducing municipal solid waste by 60% in the BML region were estimated at US\$ 59.7 million in 2012.

5.6 Organisational set-up and responsibilities

The programme will be managed through a Delegation Agreement with the *Italian Agency for Development Co-operation, Office Beirut (AICS)*, which will be responsible for the implementation of the programme under the direct supervision of the Commission.

AICS will work with the Ministry of State for Administrative Reform (OMSAR); OMSAR as an implementing partner. In this context, OMSAR will set up and staff a Technical Co-ordination Unit (TCU) to support the programme implementation. OMSAR will set up and chair the Steering Committee (SC) that will include members of line Ministries and other stakeholders, including CSOs. The TCU will serve as the technical secretariat of the Steering Committee and ensure the widest possible dissemination of information about the programme and its various activities. AICS will set up a managerial unit responsible to handle all financial and procurement details.

In the inception phase, the TCU will first elaborate the criteria for the socio-economic assessment of the vulnerabilities of the different targeted communities and will propose them to the European Commission for approval. The list of subsequently selected communities will also be proposed for approval to the Commission. The activities proposed in section 4.1 will be identified more precisely in the inception phase based on an inclusive and participatory approach of local developments plans. Once identified, an inception report and an action plan for one year will be prepared and presented to the European Commission for approval. The inception report and the action plan will be discussed with the SC, knowing that the SC will remain a consultation and co-ordination body and that the EU will remain free to act according to its own understanding of the local situation and challenges.

5.7 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of AICS' responsibilities. To this aim, AICS shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annually) and final reports. Every report shall provide an accurate description of the activities conducted under the programme, of the difficulties encountered, of the changes introduced, as well as of the degree of achievement of the results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the log-frame matrix (for project modality). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.8 Evaluation

Having regard to the nature of the action, a mid-term and a final evaluation will be carried out for this action or its components via independent consultants.

The mid-term evaluation will be carried out for learning purposes, in particular with respect to the intention to expand the geographical coverage of the project or to launch similar projects in other areas of the country in the future.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that some activities of this programme are innovative and pilot actions.

The Commission shall inform AICS at least 2 months in advance of the dates foreseen for the evaluation missions. AICS shall collaborate efficiently and effectively with the evaluation experts and, *inter alia*, provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. AICS and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

5.9 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

5.10 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation. Given the politically sensitive nature of this issue and its relevance as regards the effectiveness of EU assistance, considerable importance will be attached to this component in order to ensure that Lebanese citizens understand the purpose of EU assistance in this area and the end objective of a sustainable waste management system for Lebanon.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the procurement and grant contracts, and delegation agreements.

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

ANNEX I: List of public stakeholders and roles

▪ **Ministry of Environment**

According to MoE's new organisational structure (Decree No. 2275, dated 15 June 2009), solid waste issues fall under the Service of Urban Environment (Department of Urban Environmental Pollution Control). Notwithstanding resource availability, the Department should:

- Review all studies and tender documents related to solid waste and wastewater treatment plants.
- Participate in committees for the reception of works linked to SWT facilities and landfills.
- Prepare and formulate Master plan for the management of MSW.
- Define environmental limit values for the disposal of non-hazardous solid waste (and liquid waste) in water bodies and on soil.

▪ **Ministry of Interior and Municipalities**

As mentioned above, the legal framework clearly assigns the responsibilities of waste collection, disposal and management operations at the sub-national level to municipalities (according to Law No. 118 of 1977), represented by MoIM at the national level. CoM Decision 1 of 17 (2016) tasked the Minister of Interior and Municipalities to prepare a draft law for the incentives provided to those municipalities that host landfills.

▪ **Ministry of Public Health**

The ministry aims to improve population health by ensuring equal access to reliable health services. Based on Decree 8377 dated 13/12/1961 and Law 546 dated 20/10/2003, the Ministry is responsible for licensing health institutions including hospitals and clinics. MOPH is therefore indirectly responsible for health care waste. The ministry, through regional Health Councils, is indirectly involved in the permitting of small-scale waste treatment facilities. Additionally, the Syndicate of Private Hospitals plays a major role in the evaluation, classification and accreditation of hospitals.

▪ **Ministry of Energy and Water**

The Ministry of Energy and Water is the main public body attempting to promote Energy Efficiency and Renewable Energy programmes in Lebanon. To date, the most noteworthy achievement is the sponsoring of the Lebanese Centre for Energy Conservation Programme (Presently LCEC), further discussed below. A more recent initiative is the Policy Paper for the Electricity Sector.

▪ **Lebanese Centre for Energy Conservation**

Established in 2002, the Global Environment Facility funded the Lebanese Centre for Energy Conservation (LCEC) which is currently hosted at the Ministry of Energy and Water and managed by UNDP. The LCEC was registered as an organisation in 2011 (Attestation No. 172 dated 27/1/2011) to address end-use energy conservation and renewable energy at the national level. The Centre provides policy and technical support to the MOEW to promote energy efficiency and renewable energy at the consumer level. LCEC is a financially and administratively independent and operates under the direct supervision of the Minister of Energy and Water (MoE-UNDP 2010).

- **Council of Development and Reconstruction (CDR)**

The CDR is a public authority established in early 1977 by Legislative Decree No 5, whose role was later amended by several legislative decrees, in partial replacement of the Ministry of Planning, to be the government unit responsible for reconstruction and development. It lends support to the COM and manages infrastructure projects financed through international loan agreements. Whereas Law 501 (dated 6 June 1996) charged CDR with the implementation of the WB-funded Solid Waste Environmental Management Programme (SWEMP), the programme was terminated and the loan was withdrawn after extensive delays and strong public opposition to proposed landfill sites. CDR continues to be in charge of the implementation of the Emergency Plan for SWM in GBA and has also developed proposals for improving SWM services in other cities such as Tripoli and Zahle. In 2003, the COM requested CDR to devise a national municipal SWM plan (Decision No. 16 dated 14/08/2003) but the plan was aborted after strong public opposition. At present, direct responsibility for MSW management in the Mohafaza of Beirut and much of the large area of Mount Lebanon, as well as Tripoli lies with the CDR, and to a lesser extent, the MoE and the MoIM. As earlier mentioned, after the issuance of Decision 55 dated 1 September 2010, the government started putting plans for the design and construction of WtE facilities in Greater Beirut area. The CDR in co-ordination with MoE has already hired an international consultant Ramboll for the preparation of related designs and tender documents (MoE-UNDP, 2010; SweepNet, 2014).

- **Office of the Minister of State for Administrative Reform (OMSAR)**

The Office of the Minister of State for Administrative Reform (OMSAR) is a governmental organisation that seeks to develop the institutional and technical capacities of ministries, other government and public agencies, and municipalities. Under the EU-funded programme Assistance to the Rehabilitation of the Lebanese Administration (ARLA), OMSAR launched a municipal SWM programme to improve the provision of solid waste services in rural areas. A new unit was created within OMSAR to manage the implementation of the €14.2 million EU-funded programme (to build and equip the facilities) and related investments worth \$15 million from the national treasury (to operate and maintain the facilities) (MoE-UNDP 2010). In addition, OMSAR is assisting the municipalities with 3 years of operation of its SWM facilities with the financial support of the government (SweepNet 2014). OMSAR is currently managing the EU-funded Programmes SWAM I & II on Solid Waste Management which are covering the areas outside Beirut Mount Lebanon (€35 million).

- **Municipalities and Unions of Municipalities**

According to Decree-Law No. 8735 (dated 23 August 1974) on the maintenance of public cleanliness, municipalities are responsible for the collection and disposal of household wastes, and the location of waste disposal sites should be approved by the health council of the Mohafaza. The Municipal Law of 1977 (legislative decree No. 118, Article 49) authorises municipal councils to build solid waste disposal facilities. Municipalities report to the local governor and the MoIM, which manages the allocation and distribution of funds from the IMF, under the control of the MoF. Outside the GBA, municipalities use IMF resources to pay for SWM services including street sweeping, waste collection, and disposal. Decree No. 9093 (dated 15 November 2002) provides financial incentives to municipalities for hosting SWM facilities or landfills. In particular, municipalities who agree to host a sanitary landfill or a SWM facility would according to the decree receive five-folds their annual allocation from the IMF and 10-folds this allocation in case the facility serves 10 municipalities or more. To date, the decree has never been implemented. Several municipalities (Tripoli, Zahle, etc.) have developed their own MSWM services and are providing this service quite successfully and cost-effectively.

- **Private sector**

Private sector participation is a key element in solid waste management in Lebanon. MSW in main cities is effectively undertaken by private sector operators.

- (i) **Greater Beirut and parts of Mount Lebanon**

In Greater Beirut and parts of Mount Lebanon, the quality of service performed by the private sector (Sukleen) for waste collection and street cleaning is of high level of urban cleanliness, but at costs which are quite significant. These relatively high costs are mainly due to the type of contract award on a non-competitive basis. With regard to waste treatment and disposal, the quality of service performed by the private sector (SUKOMI waste treatment and SUKOMI Landfills) is mainly based on bailing, wrapping, haulage and landfilling, with insufficient sorting and little composting, and at costs which are substantially high.

It is to be noted that international contractors (Radians-USA) have also been involved (1999-2010) in the reclamation of a waste dumpsite in the Normandy area along the Beirut waterfront. The contract was awarded through competitive bidding by SOLIDERE, the company responsible for the development of Beirut Central District.

Outside Greater Beirut and Mount Lebanon (such as Tripoli and Zahleh), the quality of service by the private sector in the main cities is relatively acceptable (although with lower quality than Greater Beirut and Mount Lebanon) but with at costs which are substantially lower.

- (ii) **Rest of the country**

In Tripoli, the private sector participates in waste collection (Lavajet) and disposal (BATCO) through competitive bidding. In the city of Zahleh, the private sector participates as well in waste collection and disposal through competitive bidding. In Saida, the private participation has been involved in the construction of an anaerobic digester to treat the municipal waste of the city, based on a BOO contract. However, although already constructed, this plant is still not operational. Local private waste management companies have been involved in the construction and operation of some composting plants, which have been implemented in some villages through financing from the USAID and the EU (through OMSAR). Elsewhere, local contractors are involved in waste collection and disposal in dumpsites at the municipality level. Given the scarcity of waste collection vehicles and the problems that might arise, municipalities generally prefer to contract waste collection to a local contractor who is typically selected through competitive bidding. However, the selection of contractors may be overwhelmingly based on cost, not value for money or even competence to perform the service. Consequently, service delivery may be very poor.

- **Civil Society Organisations (CSOs)**

NGOs and CSOs have a major role to play in spreading awareness, building society's capacity and actively participating in WM efforts. These organisations are present throughout the Lebanese territory and are major partners in WM and the cleanliness of their communities. They have also played a watch-dog role by tracking any misconduct of parties involved in WM activities (UN Habitat 2015).

ANNEX 2 - Indicative Log-frame matrix

(The log-frame matrix will be completed during the inception phase, especially regarding baselines and targets when data are not available)

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall objective (long-term)	The programme's long-term overall objective is to alleviate tensions in the country related to health and environmental hazards hence preserving its stability.	- The number of negative articles related to waste management reported in media and social media	Tbd (2018)	Decrease by 50%	Ad hoc report from the entrusted entity ⁵	
		- The number of incidents between host communities and refugees	Tbd (2018)		Ad hoc report from the entrusted entity ⁶	
Specific objectives (Outcomes)	To strengthen the operational financial, and environmental performance of municipal solid waste management in BML	- Quality of waste collection service ⁷	Tbd (2018)	Tbd (2018)	Ad hoc report from the entrusted entity ⁸	
		- Recycling rate ⁹	8% (2014)	Low / Medium (10-24%)	Ad hoc report from the entrusted entity	
		- Financial sustainability ¹⁰	Tbd (2018)	Medium	Ad hoc report from the entrusted entity	

⁵ Source: Reports of Municipal and State institutions; Reports of and research centres, NGOs & other implementing agencies; Annual and quarterly reports from the Ministry of Interior and Municipalities (e.g. annual report on security, communications to the media).

⁶ Source: Reports of Municipal and State institutions; Reports of and research centres, NGOs & other implementing agencies; Annual and quarterly reports from the Ministry of Interior and Municipalities (e.g. annual report on security, communications to the media).

⁷ Qualitative indicator to assess the quality of the waste collection/ street cleaning service. This is a composite indicator. The first three criteria focus on 'primary collection', the second focuses on the next step, getting the waste to (perhaps more distant) final treatment or disposal facilities. The last two criteria examine respectively the appropriateness of service planning and monitoring, and health and safety of collection workers (see *Manual for Wasteaware ISWM Benchmark Indicators*, Wilson et al. 2014).

⁸ Source: Reports of Municipal and State institutions; Reports of and research centres, NGOs & other implementing agencies; Annual and quarterly reports from the Ministry of Interior and Municipalities (e.g. annual report on security, communications to the media).

⁹ Percentage of total municipal solid waste generated that is recycled (Ibid.).

¹⁰ Represents the degree to which a city's solid waste management service is financially sustainable. This is a composite indicator made up by the following criteria, i.e. transparent cost accounting procedures; adequacy of the total budget, irrespective of the source of revenues; local cost recovery from households; affordability of user charges; coverage of disposal costs, focusing on how far disposal is 'priced'; and ability to raise capital for investment (Ibid.)

	Intervention logic	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Outputs	<u>Result R1:</u> Waste governance is reinforced at all levels	Local institutional coherence ¹¹	Tbd (2018)	Medium	Ad hoc report from the entrusted entity	The security situation is not deteriorating further to an extent that will prevent the continuation of the activities; Commitment of the Government to agree on a long-term strategic solution; Consensus is reached at Municipalities and Unions of Municipalities level to agree on SWM solutions. - CSOs are ready to collaborate with all parties, including the Government
	<u>Result R2:</u> Environment-friendly municipal solid waste management systems are established	Waste captured by the solid waste management and recycling system ¹² Number of illegal or uncontrolled dumps (risk sensitivity index above 25) rehabilitated and closed	Tbd (2018) 3 (2011)	Medium / High (90-98%) 0	A d hoc report from the entrusted entity Ad hoc report from the entrusted entity	
	<u>Result R3:</u> Environment-friendly electronic, medical, and slaughterhouses waste management systems are established	Waste captured by the waste management and recycling system ¹³ Proportion of electronic, medical, and slaughterhouses landfilled with municipal solid waste	Tbd (2018) Tbd (2018)	Low / Medium (50-69%) Tbd (2018)	Ad hoc report from the entrusted entity Ad hoc report from the entrusted entity	

¹¹ A measure of the institutional strength and coherence of the city's solid waste management functions. This is a composite indicator made up by the following criteria, organisational structure, institutional capacity, city-level strategic planning, availability and quality of data, management control and supervision of service delivery and inter-municipal co-operation (Ibid).

¹² Percentage of waste generated that is actually handled completely by the waste management and recycling system, thus the waste that is *not lost* through illegal burning, burying or dumping in unofficial areas (Ibid.).

¹³ Percentage of waste generated that is actually handled completely by the waste management and recycling system, thus the waste that is *not lost* through illegal burning, burying or dumping in unofficial areas (Ibid.).



This action is funded by the European Union

ANNEX 2

of the Commission Implementing Decision on the Annual Action Programme 2017 in favour of the Republic of Lebanon to be financed from the general budget of the Union

Action Document for "Local development programme along the Litani river basin"

1. Title/basic act/ CRIS number	"Local development programme along the Litani river basin" CRIS decision number: 2017/040-299 financed under the European Neighbourhood Instrument.	
2. Zone benefiting from the action/location	Lebanon The action shall be carried out along the Litani river basin, which includes the Governorates of the Bekaa valley, Baalbeck-Hermel, Nabatiyeh and South Lebanon	
3. Programming document	Single Support Framework for EU support to Lebanon 2017-2020	
4. Sector of concentration / thematic area	2- Local governance and socio-economic development	DEV. Aid: YES.
5. Amounts concerned	Total estimated cost: EUR 20.000.000 Total amount of EU budget contribution: EUR 20.000.000	
6. Aid modality and implementation modality	Indirect management with the Republic of Lebanon in particular with the Economic and Social Fund for Development (ESFD) of the Council for Development and Reconstruction (CDR) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012	
7 a) DAC code(s)	11330 – Vocational training 15112 – Decentralisation and support to sub-national government 31166 - Agricultural extension 32130 - Small and medium size enterprises (SME) development 41081- Environmental education/ training 73010 – Reconstruction, relief and rehabilitation	
b) Main Delivery Channel	11000	

8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	X
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	X
	Gender equality (including Women In Development)	<input type="checkbox"/>	X	<input type="checkbox"/>
	Trade Development	<input type="checkbox"/>	X	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	X	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	<input type="checkbox"/>	X	<input type="checkbox"/>
	Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input type="checkbox"/>	X	<input type="checkbox"/>
	Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>
9. Global Public Goods and Challenges (GPGC) thematic flagships	Strategic Area: Local development			

SUMMARY

The “local development programme along the “Litani River Basin” has an integrated approach with the following objectives.

The programme's **overall objective** is to contribute to stability in Lebanon by promoting local development and improving the socio-economic resilience of the local population along the Litani River Basin (LRB).

It has **two Specific Objectives:**

Specific Objective SO1: To strengthen the institutional capacities of local governments located in the LRB to efficiently assume their local governance functions, through improved collaborative planning and in close partnership with their local communities.

Specific Objective SO2: To promote public and private partnerships aiming at improving local socioeconomic conditions through generating employment opportunities and delivery of basic needs.

As a horizontal component, this multi-sector programme will promote capacities of local entities in policy planning, development strategies, project implementation and financial management, including supporting capacities of civil society organisations to make local authorities accountable. Cross-cutting thematic areas include gender mainstreaming and environmental conservation.

1 CONTEXT

1.1 Sector/Regional context/Thematic area

The Lebanese administrative territory is divided into 8 Mohafazat (Governorates), 26 Cazas (Districts), 1108 municipalities and 53 Union of Municipalities (UoM). Municipalities and UoM are the administrative bodies entitled by law to provide services to citizens and receive financing whereas Mohafazat and Cazas mainly ensure the central government control over the decisions taken by the Municipal Council but have not specific management role. Therefore Municipalities and UoM are acknowledged by most national and international agencies as local development focal points. These institutions also command high levels of trust among host communities. Moreover, their legitimacy was reinforced by the municipal elections held in 2016, making them the only directly elected institutions in the last seven years.

Both municipalities and the UoM enjoy legal, financial and administrative independence. In recent years, there has been an increase in Government recognition of villages as municipalities. Nonetheless, most of the newly-established local authorities lack adequate human and financial capacities and logistic infrastructure. They remain dependent on either the Independent Municipal Fund (despite irregular disbursements) or international funding provided mainly through Non-governmental Organisations (NGOs) and addressing basic services.

Lebanon remains constrained by the spill over of the Syrian conflict and resulting local tensions. Since the beginning of the onset crisis in 2011, an unprecedented number of refugees, estimated at 1.5 million and accounting for nearly 30% of the country's population, are hosted in Lebanon. This has led to an exacerbation of the already fragile security, political, and economic issues facing the country, and a further decline in tourism, private investments and economic activities. Most refugees are concentrated in the already impoverished areas, particularly in Beqaa valley (35%) and North Lebanon (32%). Municipalities have borne the bigger part of the burden of the refugee crisis with a negative impact on capacities for basic service delivery and local job market. Competitiveness over the already limited socioeconomic opportunities and the extremely overexploited natural resources are prevailing. High unemployment rate among active labour age has been reported by municipalities and UOMs, leading sometimes to tensions between Lebanese and Syrian communities and an increasing tendency to emigrate among youth in particular. Poverty affects nearly 28% of the Lebanese population and extreme poverty touches 8%.

The Government of Lebanon endeavours to address the Syrian crisis consequences. Since 2014, the Lebanese government, with the support of and in consultation with donors and as well as major NGOs, has elaborated and updated the *Lebanon Crisis Response Plan (LCRP)*, which main objective is to mitigate the consequences of the Syrian crisis through: a) ensuring that humanitarian assistance and protection covers the most vulnerable communities (Lebanese and Syrians); b) strengthening the capacity of national and local service delivery systems; c) reinforcing Lebanon's economic, social, environmental and institutional stability.

The Litani River Basin (LRB) lies in the midst of this tenuous socioeconomic context. It covers a total of 2,175 km², equal to 20% of Lebanon total surface area in four Mohafazat (Governorates): Baalbek-Hermel and Bekaa (80% coverage of LRB), and Nabatiyeh and South Lebanon (20% of the LRB). All these Governorates include poverty pockets, rural abandonment, and weak local governance structures. In fact, more than 200 municipalities are estimated to be part of the LRB. The Litani, as a River, is the largest in Lebanon and one of the very few perennial waterways in Lebanon with 16 tributaries, with a length reaching 170

Km and a water annual capacity of 750 m³. The Basin embraces a mix of religious communities with different historical backgrounds as well as cultural and political specificities and ecosystems. Agriculture is the main socioeconomic sector of the entire LRB, followed by industries and services (restaurants). The LRB hosts also a significant number of villages that fall under the 251 most vulnerable cadastres (UN Interagency Co-ordination-Lebanon, 2015).

Despite its significance for irrigation and supply of potable water, the LRB faces a number of issues that are mainly the result of weak LRB governance and lack of enforcement measures. This is causing complex and dire socioeconomic and environmental problems that severely impact on the livelihoods of communities living in the region. Most human activities are located in the upper basin where the river and associated aquifers supply water to 60,000 irrigated hectares as well as potable water to close to half a million residents. Hundreds of environmentally non-compliant industrial units - both registered and unregistered that include industries owned by Syrian refugees²- contribute significantly to its pollution. Available municipal wastewater pipes discharge directly into the river without any prior treatment. Groundwater is being over exploited through hundreds of unregulated wells and water pumping stations that contribute to the deterioration and waterlessness of many permanent rivers. The lower Litani basin has recently started to be increasingly affected by human activities, mainly due to quarries (sand and stone) and tourism-related activities (restaurants) spread down to the coastline. Several agricultural crops, including potato and vegetables have been banned from being cultivated in the near vicinity of the river due to the overuse of fertilisers. Fruit plantations are seriously affected by the ban of using Litani waters for agricultural purposes.

The rehabilitation of the LRB - including the de-pollution of the river aimed at restoring its positive impact on a number of areas such as agriculture, tourism and the general improvement of living conditions within those municipalities dependent on it - is an ambitious endeavour that should have immediate positive results for the affected municipalities. It should bring about employment generation as well as long-term benefits in terms of sustainable economic activity to source the livelihoods of communities and attract tourism and investment.

1.1.1 Public Policy Assessment and EU Policy Framework

The Decree-Law 118/1977 is the legal basis, complemented by several amendments, for Municipalities. It stipulates that any work of public character or interest carried out in a municipal area falls within the scope of the Municipal Council's competence. Municipalities are in charge of the budget, decide on their revenues and expenditures, collect fees, tender for local works and accept or refuse grants and donations. The Decree Law 118/1977 allows also the constitution of UOMs entitled to carry out projects of common interest to adhering municipalities.

Even though the Lebanese administrative system is still centralised, there is an increasing interest in decentralisation and, in 2014, a draft law on Administrative Decentralisation proposed a substantial reform focusing on accountability and local public service delivery. Yet, the absence of a decentralised system of public services delivery remains weakly unfulfilled and unaccountable. Observers and representatives of local authorities are sceptical

1. Source: www.litani.gov.lb

2. Source: Marwan Rizkallah, Director of *Lebanon* Environmental Pollution Abatement Project(LEPAP), World Bank/ Ministry of Environment.

whether such a process can be achieved due to a perception that the central government prefers to maintain the *status quo*.

The Lebanese government has launched initiatives aiming at boosting growth and local and economic development. In the *National Physical Master Plan of the Lebanese Territory* (2009), the Government of Lebanon defines the principles for the development of different regions and underlines the importance of a closer co-operation between municipalities and the central level. The *Municipal Finance Studies Programme* (2011) is a strategic framework prepared by the Ministry of Interior and Municipalities (MoIM), whose main goal is to contribute to strengthening municipal government in Lebanon.

At the LRB level, a ministerial committee was formed to address issues affecting the Litani River waters (CoM resolution no.32 dated 9th May 2014). Accordingly, a roadmap for the “implementation of the necessary measures for the Abatement of Pollution in the Qaraoun Lake” (2014) has been developed and regularly updated on the basis of the recommendations of the business Plan for the Qaraoun Lake and Upper Litani Basin (2011). Another detailed roadmap is expected to be developed following the recommendations of another business plan expected to propose intervention needs in the lower Basin (under development and expected to be finalized by end 2017). Despite the slow process reported by the local authorities to implement the roadmap, this initiative is a first where central government adopts a comprehensive approach to address issues independently from geographic and religious considerations.

The new programme is consistent with Priority 2 of the Single Support Framework 2017-2020 for Lebanon ("*Fostering local governance and socio-economic development*") as it aims at promoting integrated and multi-sectoral local development strategies that take into consideration local needs and to create economic opportunities at local level.

The European Union and the Government of Lebanon agreed in November 2016 on the EU-Lebanon *Partnership Priorities (PP)* as well as a Compact for the period 2016–2020. One of the four priorities of the PP ("*Fostering Growth and Job Opportunities*") includes sub-headings on support to municipalities, stimulating private investment, rehabilitation and expansion of infrastructure, expanding trade, agriculture and industry and conservation of natural resources. All these tracks will be pursued in a coherent approach. The EU-Lebanon Compact further outlines specific mutual commitments to address the impact of the Syrian crisis and also contains a section dedicated to fostering growth and job opportunities to improve the socio-economic prospects, stability and resilience of the whole of Lebanon.

The current programme is also consistent with the new Partnership on Research and Innovation in the Mediterranean Area (PRIMA). The main objective of the ten-year initiative (2018 – 2028), which is partly funded by the EU's research and innovation programme Horizon 2020, is to develop solutions to improve water availability and sustainable agriculture production.

The programme also meets the commitments of the EU in its communication on "*Empowering Local Authorities in partner countries for enhanced governance and more effective development outcomes*" (15 May 2013, COM(2013) 280 final).

1.1.2 Stakeholder analysis

Several government institutions (governmental agencies) are involved in local development in Lebanon, with unclear mandates and distribution of responsibilities, a situation that significantly contributes to inadequate central management of local development policies and plans. Moreover, a national federation of municipalities that would allow the co-ordination between the central and local level, does not exist.

Government bodies involved in local development include the Ministry of Interior and Municipalities (MOIM), the Council of Development and Reconstruction (CDR), and the European Social Fund for Development (ESFD). As the Syrian response in Lebanon encompasses several sectors (livelihood, WASH, etc.), additional central stakeholders became directly or indirectly part of local development programmes, such as: the Ministry of Social Affairs (MoSA); the Ministry of State for Administrative Reform (OMSAR); the Ministry of Energy and Water (MoEW); and the Ministry of Agriculture (MOA).

In the past years, given the large number of municipalities and their limited budget, many programmes implemented through international stakeholders have had the tendency to privilege co-operation with UoM in infrastructure, socioeconomic, and basic service delivery projects, due to their comparatively solid financial and organisational structure and their ability to co-ordinate and resolve conflicts between member municipalities. Significant activities in the local development and employment creation have also involved local Civil Society Organisations (CSOs), such as Community Base organisations, co-operatives, women groups, youth clubs; and, on *ad hoc* basis the private sector (regional Chambers of Commerce, professional associations, trade unions, private sector, media, farmers' syndicates, banks and micro-finance institutions). Examples of projects relevant to the current programme include among others: value chain support in agriculture, microcredit support, industrial cleaner production, youth empowerment, awareness raising, etc.

The Litani River Authority (LRA) is a public institution of administrative and financial autonomy established in 1954, to which the Government of Lebanon entrusts functions related to implementation of projects along the Litani River (e.g. irrigation, potable water, electricity). Co-ordination of the "Governance" sector of the roadmap is entrusted to the LRA, including co-ordination with municipalities and UoM as well as private sector of the LRB. The LRA has recently proceeded to amend its mandate and to become an agency with full governance powers. The programme will strengthen the co-ordination capacities of the LRA to achieve its role in close partnership with local authorities. It will involve all these stakeholders on a more inclusive approach, privileging prior consultation and involvement of each group in the design of their concerned activities, according to existing capacities and commitments.

1.1.3 Priority areas for support/ problem analysis

The recent municipal elections reflected a weak knowledge among elected members on their municipal responsibilities. They also confirmed the limited human and financial resources made available to elected councils to deliver services. The dependency of local authorities on either the Independent Municipal Fund (despite the irregular disbursements) or on international funding (mainly through NGOs) limits their ability to diversify the supply of basic services. Wastewater maintenance, alternative power generation, and internal road rehabilitation are key municipal services covered in the past decades through EU and International assistance. For the majority –if not all- local authorities, solid waste collection became the major financial burden particularly with the presence of Syrian refugees, that equal or exceed the hosting community's population in several villages of the Bekaa and Hermel, and some others in South Lebanon. Consequently, social and educational services are deemed a lesser priority. Municipalities lack the expertise and resources for creating employment for youth while the level of enforcement of prevailing rules and regulations is weak. Confusion on who is accountable by law - "*central versus local*"- prevails.

Capacity building, transfer of competences, and local planning are constant thematic areas addressed through several internationally funded projects. Yet, these interventions have been sporadic and did not lead to efficient governance. Municipal committees (composed of elected members) are not always the adequate human resources to train. The involvement of

municipality members and CSOs by local communities has been tested through a number of projects. Some initiatives have demonstrated their efficiency and led later to CSO representatives, including women, being elected at municipal level.

More comparative success was witnessed at the UoM, which is considered nowadays as a more *realistic* structure to empower in local development, strategic planning, and service delivery. The fact that some UOMs have functional technical and financial departments is one of the enabling factors of success leading towards achieving good governance. The involvement of UOMs in conducting dialogue and addressing common governance issues they face in the LRB can contribute to alleviating the different socioeconomic pressures they face with their communities. This can also help them to lobby for their role and needs before the central government. In 2016, Parliament approved Law no.63 dated 27/10/2016 (amended on 23/2/2017), which aims at allocating funds for the execution of a number of projects and expropriating lands located in the River Basin from source to estuary, for a total of L.L.1.100 billion (to be secured through grants, loans and government treasury). Five sectors were identified: 1) governance; 2) domestic wastewater; 3) solid waste; 4) industrial waste; 5) pollution from agriculture. Under Governance, a pledge of honour was signed by 27 major municipalities of the Upper Litani River to help and participate in finding solutions for the Litani pollution problem and assist in implementing the recommended solutions. Their participation seems to be informative without any concrete involvement. Furthermore, the National Campaign for the Protection of the LRB was launched in 2016. Led by a Parliamentarian representative, it includes municipalities and UOMs from source to estuary. An effective involvement of local authorities, and their accountability at local level, needs to be empowered. Good governance is a long-term process. Once mainstreamed, one of its major outcomes will be an alleviation of the socioeconomic and environmental issues. In other words, the viability of LRB resources can be restored if good governance is practiced and maintained.

2 RISKS AND ASSUMPTIONS

Category of risk	Level of risk (E/M/F)	Mitigation measures
Political: Political instability due to ongoing conflict in Syria and volatile security situation along the LRB hindering entities' access and ability to function.	Medium	Flexibility adopted allowing for a reorientation of the activities, according to the security threats.
Local politics and governance issues: Weak participation of local authorities in the process impacted by limited execution of government pledges to improve LRB context.	Medium	Empowerment of local authorities to become a strong interlocutor in front of the government. Adoption of an inclusive and participatory approach involving all local concerned actors.
Social risks: Continuous unemployment and rural abandonment demotivate youth involvement. Escalation of tensions between Lebanese and Syrians	Medium	Focus as of early stages on listening and supporting youth concerns. Development of tailor-made assistance to dialogue, resilience building, and, socioeconomic activities
Economic: Local economic context continues to be exacerbated by the impact of the Syrian crisis.	Medium	Support provided to local authorities and communities through financial and business development services.

Category of risk	Level of risk (E/M/F)	Mitigation measures
Sustainability - Structured inter-communitarian dialogue and sustainable partnership will not continue after the end of the programme. - Human and financial resources of the local authorities do not allow them to maintain the new basic services and infrastructures.	High High	- Dialogue engagement on sustainability with actors involved. - Selection of basic/ municipal services that match between mandates of local authorities on one hand, and their capacities to allocate the necessary financial resources for operations and maintenance (O&M).
Corruption/Fraud - Lack of trust between the end beneficiaries and the local authorities.	Medium	Participative policy dialogue introduced and empowered through inclusive local communities.
Assumptions		
Political and security stability. Stability in the concerned local governments' representation structure (no resignation). Parliamentary elections and consequently changes at Cabinet level maintain LRB as a national priority.		

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

Key lessons learnt and shared among EU-funded programmes were:

- Interventions implemented at meso- or local levels have demonstrated more relevance, impact and sustainability than nationally conceived ones (bureaucratic procedures, political instability).
- Supporting strategic political dialogue should be inclusive in order to reach common and agreed-upon responses to arising problems. Such involvement is crucial during the programme's identification, formulation and execution.
- Interventions designed for local authorities as beneficiaries should take into account the functions and services that these authorities can assume.
- Municipalities express a high level of motivation and a sense of belonging with respect to their community in providing specific and focused services to vulnerable groups identified with a *bottom up* approach.
- Considering that the situation on the ground can develop faster, a large degree of flexibility shall be sought in order to allow for an effective response to the changing needs of the beneficiary populations.
- Programmes should be designed to favour local-local dialogue to support sustainability and ensure public benefits to local communities.
- Programme design should take into account the identification of clear and measurable indicators, the establishment of cause-effect relationship between benefits reported and interventions made, and guarantee of the interventions to remain sustainable.

- The impact of activities such as construction, renovation, supply and equipment, and upgrading of machinery can be high. The impact can be improved if interventions focus on rehabilitating existing infrastructure rather than building new ones.

3.2 Complementarity, synergy and donor co-ordination

Local development has always been a pillar in EU interventions taking place in Lebanon. Several programmes addressed directly the empowerment of local authorities to take on their mandate and deliver basic services. A number of EU-funded projects were identified to potentially propose a synergy modality with the new programme. Other concluded projects were useful to draw some key lessons learned in the context of local development. Examples of these programmes are: “*Appui au développement du Nord Liban*” (ADELNORD)- 2011-2016; “*Recovery of Local Economies in Lebanon*” (RELOC) – ongoing; “*Support to Municipal Finance Reform*” (MUFIN) - ongoing; “*Improvement of development process and local governance in the municipality of Tripoli*” - ongoing; “*EU Regional Trust Fund in response to the Syrian Crisis, the ‘Madad Fund’*” - ongoing.

Other long term programmes addressed sector-based management such as solid waste management, water resources and wastewater management either directly implemented by local authorities or through central government (CDR/ESFD, OMSAR) or international agencies. The EU also worked on focusing at meso (private sector advocacy, business development services) and micro levels (direct support to MSMEs, clusters, specific segments of the value chain). Funds were also allocated to civil society groups to get further involved and their capacity to lobby improved at local level (e.g. human rights, gender, socioeconomic development, policy dialogue, youth empowerment).

The programme builds also on the Government of Lebanon's roadmap targeting LRB, in particular the governance sector (emphasis on the involvement of local authorities and private sector, which has not been addressed yet). It is also conceived on the basis of complementarity taking place between donors involved in the LRB initiative. Consultations took place with the Ministry of Environment (MOE), the CDR/ESFD, the MOA, and the LRA. Complementarity with projects funded and taking place in the LRB through other EU-funded programmes, World Bank, USAID, Kuwait Fund, UNDP, and the Netherlands will also be ensured for maximum added-value and comparative advantage.

Donor co-ordination with regards to local development took place during 2008-2010 as part of the EU's division of labour among Member States. The programme will revive this working group, in particular to maintain a good synergy and complementarity in the LRB area. The group will be co-led by the LRA (being the co-ordinator of governance sector in the government roadmap) with the participation of representatives of the competent ministries and municipalities.

3.3 Cross-cutting and other issues

Good governance is the pillar of the project addressed through its first specific objective. Capacity-building of local entities will focus on co-ordination, enforcement of measures, policy planning, project implementation and financial management, as well as supporting capacities of CSOs to make local authorities more accountable at local level. Typical CSOs in this area include business and professional associations, chambers of commerce, social and economic councils, entrepreneur associations, trade unions, co-operatives, micro finance institutions, consumer associations, farmer associations, women and youth organisations, CSOs promoting social inclusion and their rights, think tanks and research institutions, media, etc. By working directly at local level, the programme will significantly contribute to support local authorities in their management of local assets and services. Inter-community dialogue will also engage citizens in the identification of needs and possible solutions to the challenges

faced by affected areas. Consequently an increased level of exchange and trust among different targeted communities will be ensured.

Environment protection is an underlying aspect of this programme. Considering the current environmental degradation along the Litani River, the programme intends to contribute towards reducing major sources of pollution. Its interventions will allow for the enforcement of prevailing laws and measures to be achieved through alternative technologies (small and medium industries and agriculture) and capacity building activities. The programme will contribute substantially to the Government's goal of environmental sustainability.

Gender equality will be promoted through women's participation at each stage of the programme. A municipal gender budgeting exercise will be introduced. Vocational training activities specifically dedicated to women will also be considered. Role in lobbying, awareness raising and socioeconomic activities will be ensured through their involvement in local communities, support to CSOs and co-operatives, and initiation of entrepreneurial businesses.

Youth is another cross-cutting aspect of the programme. Youth involvement will be ensured through dedicated local committees that will ensure the protection of the interests of youth in relation to education and employment throughout all the activities under the programme; the development of a vocational training programme (including internships); the promotion of entrepreneurial initiatives; and the identification of employment opportunities, including innovative work opportunities associated with the green economy. The programme will contribute to reducing unemployment rates and halt rural exodus.

4 DESCRIPTION OF THE ACTION

4.1 Objectives/results

The programme's **overall objective** is to contribute to stability in Lebanon by promoting local development and improving the socio-economic resilience of the local population in the Litani River Basin (LRB). For this purpose, the programme will promote an inclusive local development process with a multi-sector approach.

To reach this objective, two complementary and interrelated specific objectives are proposed.

Specific Objective SO1: To strengthen the institutional capacities of local governments located in the LRB to efficiently assume their local governance functions, through improved collaborative planning and in close partnership with their local communities.

Specific Objective SO2: To promote public and private partnerships aiming at improving local socioeconomic conditions through generating employment opportunities and delivery of basic needs.

Each specific objective has **3 expected results** that are complementary. Successful achievement requires their implementation in full coherence and understanding of their linkages and impact on the entire programme process.

The programme will be implemented in the **LRB**. Through good governance, it reinforces and complements the efforts deployed by the Government of Lebanon to address the negative consequences of LRB degradation on natural resources and the deteriorating living conditions of communities in this geographical area. The main beneficiaries are the Unions of Municipalities (estimated to be 12 in the basin) and their member municipalities. Equally important beneficiaries are the various civil society organisations in the targeted area. As the LRB accounts for 20% of Lebanon surface area, it is crucial to delineate the programme's geographic boundaries. Such demarcation will take into account the nature of the various interventions proposed.

- The local-local dialogue and local-central dialogue will bring together all UOMs and independent municipalities of the LRB (under SO1).
- The capacity building (CB) component (under SO1) will involve 6 UOMs (approximately equivalent to 60 municipalities), which selection takes into account the following parameters:
 - Acceptance and commitment to take part in the CB component to be provided on the basis of peer-to-peer and hands-on learning (time availability; identification of adequate human resources);
 - Involvement of 2 neighbouring UOMs to enable mutual collaboration and support;
 - Acceptance of involving members of the local civil society groups in the capacity building process.
- The set-up of local committees (composed of both local authorities and CSOs) will be made in the same UOMs selected for capacity building purposes (under SO1).
- The detailed socioeconomic assessment will involve the entire Basin. However, municipal project development and grant delivery will be for 6 targeted UOMs (under SO2).
- Youth support and vocational training will be open to UOMs able to demonstrate capacity to offer and manage a vocational training centre, either directly or in partnership with a civil society group, including private sector (under SO2).
- Socioeconomic support (including microcredit, BDS, on-the-job training, equipment) offered to MSMEs, co-operatives, youth, women groups, and farmers will be open to the entire LRB on the basis of thorough selection criteria, feasibility and sustainability (under SO2).

4.2 Main activities

The **following main activities** are foreseen under each of the 6 expected results (ER).

SO1-ER1: *Co-operation modalities at local-local (UoM-to-UoM) and local-national levels are promoted and reinforced*

A local-national platform will be put in place to ensure that government priorities are in line with local needs, and local authorities are involved in resolving issues identified at local level. For this purpose, the programme will set first a local-local platform, which intends to bring closer targeted UOMs and municipalities of LRB on agreeing on common priorities that could be communicated later at ministry, cabinet and/or parliament level. Most importantly, the local-local platform will be a consensus-reaching mechanism to enable UOMs and municipalities work together on common priorities and dialogue accordingly with central government. The platform shall promote economic opportunities and job creation and play a role in law enforcement. The local-national platform will also nurture dialogue on decentralisation reform.

SO1- ER2: *Participation of local populations in addressing their own priority issues is enabled).*

Activities shall include the set-up of local communities- made of local authorities and CSOs- in up to 6 UOMs. Three local communities are expected per UoM. Each one has a specific role::1) raising local awareness on local government role and responsibilities; 2) support provided to UoM to address a thematic issue (pollution; best agricultural practices); 3) raising concerns of youth. Women participation in each of the committees shall be guaranteed. The programme will put at the disposal of each committee a limited budget to implement activities jointly identified by the committee members.

SO1- ER3: *Capacities of local governments are empowered to assume the roles and responsibilities entrusted to them in the Municipal law.*

Activities involve an innovative form of empowerment. It consists of identifying a core group of actual and former mayors and presidents of UOMs, as well as Judges of the Financial Court to provide hands-on training and support to LRB local authorities. The ultimate purpose is to enable local authorities to adequately assume their responsibilities as per the Decree-Law 118/1977. Some civil society representatives will be also involved in the training to support their municipalities. The LRA will be also a beneficiary of this result to better assume its co-ordination role of the governance sector (as per the roadmap). Collaborative trainings will also be conceived to bring closer the LRA and the UOMs. Training shall result for instance in: development of local development plans and strategic planning, community engagement of citizens in public affairs, common directives to law enforcement, improvement of staff competences in monitoring environmental violations, municipal gender budgeting, ensuring coherence between service delivery, private enterprise and job creation, etc...

SO2- ER1: *Private sector and local authorities are mutually supported to generate employment opportunities and improve the local living conditions.*

Socio-economic support shall start on the basis of a detailed assessment of all socioeconomic activities taking place in the LRB (SMEs, industries, commercial units, farms, co-operatives, other) and a database to be established at both UoM and LRA. Database management/update will be entrusted to the LRA as part of its foreseen mandate to become an agency. A monitoring system of economic performance and compliance will be put in place accordingly. Based on assessment results, at least 2 industries and 2 agricultural crops will be supported (value-chain process). Basic service-delivery or rehabilitation of infrastructures will be implemented at each of the 6 targeted UOMs. Service selection should respond to a municipal mandate (e.g. maintenance of wastewater and drainage systems, provision of drinking water, promotion of energy efficiency measures, education, social and leisure services, community market places, common slaughterhouse, other).

SO2-ER2: *Entrepreneurial venture and other forms of small businesses are established and nurtured.*

Support will be provided to local businesses (MSMEs, individuals, co-operatives, etc.) on the basis of market assessment studies and identification of new business opportunities that could include supporting the work of business incubators specialised in the identified area. Accordingly, vocational training focused on youth (followed by internships and job identification), microcredit, business development services, access to job opportunities and other necessary packages are proposed to reach compliance with the national standards and regulations on one hand, and meet the market needs on the other.

SO2- ER3: *Agricultural sector in selected UOMs is enhanced through extensive guidance and alternative technologies introduced.*

Farmers and co-operatives will be supported to maintain their yields and to identify ways for scaling up and improving their production or reaching new markets that may require structural reform in production. Best agricultural practices, introduction of alternative irrigation and production techniques (including agro-food processing), and on-the-job and plot-demonstration training modules will be proposed. Strategies for involving youth in these activities will be devised to preserve the agricultural identity of the region and impact positively on social cohesion.

4.3 Intervention logic

Stabilisation is the overarching political priority of the EU's revised Neighbourhood Policy³. The intervention logic of the current programme stems from the understanding that stabilisation at the country level (long-term overall objective of the programme) cannot be reached without a multi-sector approach at local level able to face daily constraints. Therefore, the understanding is that the enhancement of local development through an integral approach is needed (specific objectives of the programme). The approach is two-fold: 1) Promotion of local governance and citizens' engagement along the Litani river basin (SO1); 2) Enhance basic service delivery and promote economic opportunities (SO2).

The main targets of the programme being the local population of the selected areas and municipalities as the main agents of change, the key outputs (results) of the programme will concern the targeted local authorities. However, this programme is fostering a comprehensive approach based on local initiatives and is promoting the participation of civil society and private sector.

5 IMPLEMENTATION

5.1 Financing agreement

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

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this decision and the relevant contracts and agreements; such amendments to this decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

5.3 Implementation modalities

The envisaged assistance to Lebanon is deemed to follow the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU.

This action, with the objective of promoting local development in the LRB, may be implemented in indirect management with the Republic of Lebanon, in particular with the Economic and Social Fund for Development (ESFD)⁴/Council for Development and Reconstruction (CDR) in accordance with Article 58(1)(c) of Regulation (EU, Euratom) No 966/2012 according to the following modalities:

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.

³ Joint Communication of the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Review of the European Neighbourhood Policy, Brussels, 18.11.2015, JOIN(2015) 50 final.

⁴ The Economic and Social Fund for Development (ESFD) is a EU project which belongs to the stabilising initiatives of the Government of Lebanon. The ESFD is a permanent organisation for poverty alleviation, established as an autonomous department at the Council for Development and Reconstruction (CDR).

In accordance with Article 190(2)(b) of Regulation (EU, Euratom) No 966/2012 and Article 262(3) of delegated Regulation (EU) No 1268/2012, the partner country shall apply procurement rules of Chapter 3 of Title IV of Part Two of Regulation (EU, Euratom) No. 966/2012. These rules, as well as rules on grant procedures in accordance with Article 193 of Regulation (EU, Euratom) no 966/2012 will be laid down in the financing agreement concluded with the partner country.

5.4 Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provision.

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

5.5 Indicative budget

Programme Components	EU contribution (amount in EUR)	Indicative third party contribution
Indirect Management with ESFD/CDR	19,600,000	n/a
Evaluation and Audit	200,000	n/a
Communication and Visibility	200,000	n/a
Total	20,000,000	n/a

5.6 Organisational set-up and responsibilities

The main stakeholder at government level is the Council for Development and Reconstruction (CDR) as National Co-ordinator and as Contracting Authority. The CDR has demonstrated a comprehensive experience in managing and implementing infrastructure projects at country's level. The Economic and Social Development Fund (ESFD) will act as the direct implementer of the project due to its long experience in managing community development programmes that entail a wide array of basic services. ESFD has also a longstanding experience in programmes that involves local participatory mechanisms based on practical learning and inclusive engagement. The ESFD has proven to be successful in supporting marginalised groups, including women and youth, in business development and job creation in the poorest areas, through partnerships created with banks to establish a credit line and a risk sharing scheme. Its Business Advisory Services (BDS) is an ESFD trademark. It enables non-bankable and poor business owners to become bankable clients and enjoy the benefits of financial services.

Considering their importance in the local governance, UOMs and civil society groups will play a significant role in programme's design and implementation, but also as communication relays towards local populations who will directly benefit from the actions of the programme. Given the socioeconomic nature of LRB area, agricultural public institutions such as Lebanese Agricultural Research Institute (LARI), Green Plan, and Directorate General of Co-operatives will be involved where needed. Also, the Chambers of Commerce Industry & Agriculture (Zahleh and Bekaa; Saida), farmers' syndicates, private sector operators, and water users' associations will be involved in the programme. Finally, MOSA being the government co-ordinator of the Syrian response, the Social Development Centres'

Department will be approached to establish synergy with ongoing and planned projects supporting Syrian refugees in LRB.

5.7 Performance, monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the log frame matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

5.8 Evaluation

Having regard to the nature of the action, a final evaluation will be carried out for this action or its components via independent consultants.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that some activities of this programme are innovative and pilot actions.

The Commission shall inform the implementing partner at least 2 months in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts and, *inter alia*, provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

Indicatively, one contract for evaluation services shall be concluded under a framework contract during the fifth year of implementation of the action.

5.9 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, **on the basis of a risk assessment**, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

Indicatively, one contract for audit services shall be concluded under a framework contract at the end of the fifth year of implementation of the action.

5.10 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.5 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the procurement and grant contracts, and delegation agreements.

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

APPENDIX 1 - Indicative Log-frame matrix

(The log-frame matrix will be completed during the inception phase, especially regarding baselines and targets when data will be available)

LOGICAL FRAMEWORK OF THE PROJECT				
	Intervention logic	Objectively verifiable indicators of achievement	Sources and means of verification	Assumptions
Overall objective (OO)	The programme's overall objective is to contribute to stability in Lebanon by promoting local development and improving the socio-economic resilience of the local population along the Litani River Basin (LRB)			Political Stability Stability in the local governments representation structure (no resignation) Parliamentary elections and consequently changes at Cabinet level maintain LRB as a national priority
Specific Objective 1 (SO1)	To strengthen the institutional capacities of local governments located in the Litani River Basin to efficiently assume good governance-related functions through improved collaborative planning and in close partnership with their local communities	Indicator 1.1 At least 3 decisions are taken and implemented jointly by the Platform of UOMs and municipalities during project lifetime Indicator 1.2 At least one decision implemented has improved the LRB situation during project lifetime (environment de-pollution; sector-based improvement; and/or new job creation)	Progress work on Government Roadmap developed for Upper and Lower Litani Baseline study on each of the 3 issues identified by UOM. Copies of monitoring and compliance measures and decisions taken at local level	
Specific Objective 2 (SO2)	To promote public and private partnerships aiming at improving local socioeconomic conditions through generating employment opportunities and delivery of	Indicator 2.1: At least 2 industries improved their production systems and offered new job opportunities for local populations	Baseline assessment of existing industries' situation (LEPAP Programme/ MOE)	

	basic needs	Indicator 2.2: At least 50 employment opportunities (in each of upper, mid- and lower basin) created by and for youth or women remained operational by end of project Indicator 2.3: At least two agricultural crops adopt good and clean agricultural practices and access the Lebanese market	Baseline assessment of number and type of jobs existing, supported and maintained Laboratory tests before and during process and production (throughout value chain). Volume of sales (before and during project)	
SO1- Expected Result 1	Co-operation modalities at local-local (UoM-to-UoM) and national-local levels are promoted and reinforced	Indicator 1.1.1: 80% the UOMs and independent municipalities composing the LRB became active members of the Platform Indicator 1.1.2: The local-local platform became the interface of dialogue with central government, replacing the current Roadmap committee composed of 3 UOMs and one municipality	Roadmap developed by the Platform members Copies of decisions undertaken by each adhering UOM and independent municipality to back-up decisions undertaken by the Platform Number of violations halted Minutes of meetings between central and local governments	
SO1- Expected Result 2	The participation of local populations in identifying and addressing their own priority issues is enabled	Indicator 1.2.1: At least one modality of local committee structure has proven its relevance and efficiency to support local governance Indicator 1.2.2: Awareness of local population on the role of local authorities in managing and delivering services is increased Indicator 1.2.3: Youth role at local level has increased	Progress reports on the composition, priorities and process of local committees Minutes of meetings of hall town community discussions on each of the thematic areas selected by the local committees List of people involved; photos; social media	

		Indicator 1.2.4: Percentage of youth involved in each local committee (at least 30% of members)	
SO1- Expected Result 3	The capacities of local governments are empowered to assume the roles and responsibilities entrusted to them in the Municipal law	Indicator 1.3.1: 70% of UOMs involved applied tools and techniques introduced through the project	Municipal decisions Performance updates
SO2- Expected Result 1	The private sector and local governments are supported to generate employment opportunities and improve the local living conditions	Indicator 2.1.1: At least 2 industries proved to be environmentally compliant and generate employment Indicator 2.1.2: At least 3 municipal services respond to needs of community marginalized groups	Reports of LEPAP/MOE on industrial compliance Feedback of communities on selection and execution of municipal proposed projects for funding
SO2- Expected Result 2	Entrepreneurial venture and other forms of small businesses are established and/or nurtured	Indicator 2.2.1: At least 15 new businesses led by youth (in each of upper, mid- and lower basin) are developed and continue to operate by the end of the project Indicator 2.2.2: At least 20 existing small businesses and other 15 new ones are empowered and functional (in each of upper, mid- and lower basin) Indicator 2.2.3: Number of women participants in vocational training programmes (average 30%, depending on the priority sector identified in the assessment) Indicator 2.2.4: Number of women entrepreneurs having benefitted from the	Feasibility studies Marketing studies Financial performance reports (each business)

		socioeconomic support (at least 25%)		
SO2- Expected Result 3	Agricultural sector in selected UOMs is enhanced through extensive agricultural guidance and alternative technologies introduced	Indicator: 2.3.1: Number of farmers who increased their revenues Indicator 2.3.2: Number of farmers who adopted new techniques to improve yield	Baseline data Progress reports	
Activities		Means	Sources of information on progress made	<i>Preconditions to be met before the action starts</i>
<i>Activities related to SO1/ERI</i>				
<i>Co-operation modalities at inter-regional (UoM-to-UoM) and regional-central levels are promoted and reinforced</i>				
A1.1.1	Initiation of a joint local platform of Municipalities and Union of Municipalities in the LRB	Breakdown of costs TBD		Responsiveness/ commitment of selected UOM ensured
A1.1.2	Establishment of mission, vision and priority actions of the Platform			
A1.1.3	Conducting regular meetings among the Platform members (at least once a month) to discuss priorities issues and take decisions of relevance to health, environment, socioeconomic and other concerns of local populations			
A1.1.4	Identification of 5 common priorities at Platform level, and development of related action plans			
A1.1.5	Organisation of regular meetings with concerned national bodies to enable the Platform members to voice concerns and mainstream regional priorities at national level			

A1.1.6	Organisation of quarterly hall town meetings to present to local communities and civil society groups progress made on each of the 5 common priorities identified in A1.1.4			
Activities related to SO1/ER2				
<i>Local population participation in addressing local priority issues is enabled</i>				
A1.2.1	Set-up of 3 local committees at the level of each of the selected UOMs, each with a specific task and responsibilities (issue confronting UOM; awareness raising on LA and UOM role; youth involvement in local decision making). Committees are composed of: local authorities; schools; co-operatives and farmers; women groups; youth; major individual stakeholders, etc.)			Willingness of local authorities to enable the set-up of committees Commitment of potential local committees' members to participate
A1.2.2	Training of committees members on project management; strategic planning; financial management; monitoring			Clear understanding of local committees on the purpose of putting in place the local committees Projects selection is not infrastructure
A1.2.3	Definition of role and tasks of each of the 3 local committees			
A1.2.4	Definition of the priorities to be implemented by each of the 3 local communities over 3 years of work (1 priority per year)			
A1.2.5	Implementation of one yearly project by each of the committee (3 initiatives per committee/ UOM). 18 initiatives in 6 UOMs			
A1.2.6	Presentation of outcomes to local populations (on a yearly basis).			

	18 town halls			
A1.2.7	Providing continuous coaching to local committees' members			
Activities related to SO1/ ER3				
<i>Local capacities are reinforced on prevailing municipal systems identified in the law</i>				
A1.3.1	Undertake a local assessment of capacity building initiatives taking place in the LRB (donors; type of capacity building; topic addressed; quality and impact, etc.)			Commitment of local authorities to assign personnel to maintain an updated database
A1.3.2	Identification of capacity building thematic areas needed by UOMs and Municipalities' human resources on the basis of their mandate identified in the Municipal Decree-Law and in complementarity with on-going capacity building initiatives undertaken by other donors (avoid overlapping)			Commitment of local authorities and their personnel to participate in coaching activities
A1.3.3	Identification of a core group from current and former mayors, presidents of UOMs, Judges of the Financial Court- at national level- to support local governments in LRB on issues considered as problematic and to replicate success stories (e.g. planning, law enforcement, sector-based, organisational/ institutional empowerment)			Selection of a core group of trainers (at least 9 experts) from both ongoing or former mayors (municipalities), presidents (UOMs) and Judges (Court of Finance). Additional expertise may be selected from civil society groups to support training where needed
A1.3.4	Implementation of an on-the-job coaching programme targeting selected UOMs and Municipalities			LRA is aware that training local authorities will support its future initiative in transforming LRA into an agency. Involvement of LRA in training is a must
A1.3.5	Initiate an internal CB process			

	within the local platform members where stronger UOMs support weaker UOMs in the local governance process			Contracted entity (by EU) understands that coaching means continuous presence in the field
A1.3.6	Training a core group from civil society representatives to support municipalities in specific thematic areas (by experts; programme complementary to A1.3.4)			
A1.3.7	Training LRA on assuming co-ordination tasks on the governance sector (as per the roadmap) (by experts; programme complementary to A1.3.4)			
A1.3.8	Securing continuous mentoring/coaching			
Activities related to SO2/ERI				
<i>The private sector and local authorities are supported to execute employment opportunities and environmentally compliant initiatives</i>				
A2.1.1	Conducting a detailed assessment of all socioeconomic activities taking place in LRB (SMEs, industries, commercial units, farms, co-operatives, other)			Collaboration of local authorities is ensured to conduct the assessment
A2.1.2	Establishment of region-based database (UOM level) on different locally based socioeconomic activities taking place in the LRB. Database will be established in at least 3 UOMs (capacity to update) and LRA			Assessment can be undertaken involving local community groups (NGOs, university students, other)
A2.1.3	Identification of 2 industrial lines that are pollution-generating and introduction of environmental compliance measures coupled with technical (equipment) and			Providing grants to UOMs should have as a pre-requisite (at least): existing or draft local plan; demonstrated capacities to implement/enforce municipal

	financial incentives			mandate; approval of all members composing UOMs (and not only president); financial contribution (through donors, diaspora or LA's core funds)
A2.1.4	Provision of financial support to Federation of UOMs to implement common priority actions (not foreseen in the Government roadmap); small scale infrastructural interventions (mainly health and environmental projects) (Provision of performance-based grants to selected UOMs and Municipalities). Linkage of UOM planning			
A2.1.5	Seeking support opportunities from government and other donors support to complement the interventions made by the project. Involvement of UOMs, local committees, and private sector in the process			
Activities related to SO2/ER2				
<i>Entrepreneurial venture, and other forms of small businesses are established and/or empowered</i>				
A2.2.1	Complement the study A.2.1.1 by an assessment to identify the types of vocational jobs needed and new entrepreneurial opportunities in LRB			UOMs are willing to invest in a training location and management (through NGO, direct management or other)
A2.2.2	Develop a vocational training programme addressing at least 4 sectors of priority to LRB			
A2.2.3	Implement a vocational training programme involving at least 300 youth and extending for at least 6 months per training			
A2.2.4	Negotiations with businesses and industries in LRB to secure internship opportunities for			

	successful candidates, estimated no less than 250 of total trained (2 months each)			
A2.2.5	Provision of microcredit and BDS support to MSMEs and individuals in the sectors identified as priority in the socioeconomic assessment			
A2.2.6	Provision of at least 150 job opportunities, particularly to youth and women (LRB and surrounding areas)			
A2.2.7	Ensuring continuous coaching to beneficiaries of SO2/ER2			
Activities related to SO2/ER3				
<i>Agricultural sector in selected UOMs is enhanced through extensive agricultural guidance and alternative technologies introduced</i>				
A2.3.1	Development of a coaching programme to maximum of 10 co-operatives in LRB (business development; product-based feasibility study; niche market concept; marketing; business quality assurance)			
A2.3.2	Identification of 2 agricultural crops that are pollution-generating and introduction of environmental compliance measures coupled with technical (equipment) and financial incentives			
A2.3.3	Coaching and awareness raising among farmers to introduce technologies based on rainwater collection and use (instead of relying on groundwater and springs), best agricultural practices			

A2.3.4	Ensuring continuous coaching to beneficiaries of SO2/ER3			
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This action is funded by the European Union

ANNEX 3

of the Commission Implementing Decision on the Annual Action Programme 2017 in favour of the Republic of Lebanon to be financed from the general budget of the Union

Action Document for Support to Electoral Reform and Democratic Participation in Lebanon

1. Title/basic act/ CRIS number	Support to Electoral Reform and Democratic Participation Lebanon 2017/40690			
2. Zone benefiting from the action/location	Country: Lebanon The action shall be carried out at the following location: whole territory of Lebanon			
3. Programming document	Single Support Framework for EU support to Lebanon 2017-2020			
4. Sector of concentration/ thematic area	151 Government and civil society, general	DEV. Aid: YES		
5. Amounts concerned	Total estimated cost: EUR 3,000,000 Total amount of EU budget contribution: EUR 3,000,000			
6. Aid modality(ies) and implementation modality(ies)	Project Modality Indirect Management United Nations Development Programme (UNDP), through the Lebanese Elections Assistance Project (LEAP), will be the responsible entity for the execution of the programme.			
7 a) DAC code(s)	15151 Elections			
b) Main Delivery Channel	41000			
8. Markers (from CRIS DAC form)	General policy objective	Not targeted	Significant objective	Main objective
	Participation development/good governance	<input type="checkbox"/>	<input type="checkbox"/>	X
	Aid to environment	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality (including Women In Development)	<input type="checkbox"/>	X	<input type="checkbox"/>
	Trade Development	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Reproductive, Maternal, New born and child health	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Main objective
	Biological diversity	X	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	X	<input type="checkbox"/>	<input type="checkbox"/>
Climate change mitigation	X	<input type="checkbox"/>	<input type="checkbox"/>	

	Climate change adaptation	X	<input type="checkbox"/>	<input type="checkbox"/>
9. Global Public Goods and Challenges (GPGC) thematic flagships	N/A			
<p>Summary: The programme’s objective is to develop the capacity of national stakeholders for the conduct of credible, periodical, transparent and inclusive elections in Lebanon. Furthermore, it aims at strengthening public confidence in the electoral process and, hence, contributing to democratic consolidation in the country.</p> <p>To achieve these objectives, the proposed programme will work closely with the Ministry of Interior and Municipalities (MoIM), which has responsibilities for electoral management, administration and overall electoral operations. Support to other electoral stakeholders is also foreseen, such as the Constitutional Council, Supervisory Commission for Elections (SCE) and judicial bodies with responsibilities for electoral disputes and electoral campaign monitoring. Close co-operation with civil society organisations active in the area of elections will be ensured.</p>				

1 Context

1.1 Sector/Country/Regional context/Thematic area

Since 2005, Lebanon has witnessed widespread calls for electoral reform that would bring Lebanese elections closer to being in line with international standards. The electoral Law approved in September 2008 provided some improvements in comparison with the 2005 Law, including polling on one day and the establishment of a Supervisory Commission on Elections Campaign (SCEC) to oversee the regulation of campaign finance and media coverage. While these aspects were positive, many other proposals and key recommendations from the 2005 and 2009 EU Election Observation Missions (EUEOMs) remained outstanding¹.

After the successful organisation of the 2009 elections, parliamentary elections were due to take place in 2013. While due preparations were carried out by the MoIM, the elections failed to be implemented due to uncertainty and security concerns. A similar situation occurred in 2014 when the elections were again postponed and the parliament extended its mandate for an entire term, until June 2017.

Against this background, the successful organisation and conduct of the 2016 municipal elections represented a turning point for the democratic path of the country. These elections indirectly unlocked the election of the President of the Republic in November 2016 and gave new momentum for political discussions and compromises on a new electoral law.

In June 2017, the Lebanese Parliament approved a new electoral Law 44/2017 which represents a breakthrough in terms of electoral system in Lebanon, voting and counting procedures, introduction of unified ballot papers and the existence of a quasi-permanent Supervisory Commission for Elections (SCE). The new electoral framework provides for a proportional system in 15 major districts and it grants a preferential vote in 26 minor districts.

1. These recommendations included: a non-confessional electoral system to be based on some form of proportional representation (PR), improvements to voter secrecy, including through the introduction of officially printed ballots, the establishment of an independent election management body, the setting of the minimum voting age at 18 (currently at 21, when the age of legal majority is 18), implementation of an out of country voting mechanism, improved regulation of campaign funding, strengthened media monitoring and complaints procedures, enhanced women’s representation (Lebanon has of the lowest rates in the world, at 3.1% far less than the regional Arab average of 12%) and transfer of voter registration to the actual place of residence.

The new law also preserves the 128 parliamentary seats divided on sectarian basis as per the previous law 26/2008. This unique combination of proportional representation, preferential voting and sectarian divide poses the main challenge in terms of implementation and particularly in terms of the level of understanding on how the elections will work. The new law contains measures to address some of the recommendations included in the EU-EOM report mainly in the areas of monitoring and supervision of the funding of elections and electoral campaign through the SCE, clear definition of the duration of the electoral campaign, out of country registration and voting and inclusive participation of persons with disabilities. However, the new electoral framework fails to tackle other recommendations such as: independent elections commission, decrease of voting age to 18, increased women participation through adoption of positive measures such as gender quota.

Currently the Ministry of Interior and Municipalities (MoIM), which has responsibility for electoral management and operations, has already started preparing for the upcoming elections scheduled for 6 May 2018, advancing as much as possible work on technical aspects such as: operational plan, voter education and information plans, training programs and the formation of the SCE. Therefore, the MoIM requested the EU to continue its support to elections in Lebanon, with an emphasis on the preparations for the 2018 parliamentary elections. Following this request of the MoIM, the UNDP through its project entitled "Lebanese Electoral Assistance Project (LEAP)" is prepared to continue its support for the conduct of credible, transparent and inclusive Parliamentary Elections in Lebanon scheduled for the May 2018. In this regard, the current program has been developed in close co-operation and consultation with the MoIM by early assessment of needs, division of roles and responsibilities and a proposed timeline of implementation. In addition, civil society actors have been consulted and joint programs and activities are considered in the area of women participation and representation, inclusiveness of vulnerable groups (PWDs) and access to relevant information.

The proposed programme at hand is in line with the Partnership priorities and Compact Commitments² agreed by the **EU and Lebanon** under the revised European Neighbourhood Policy³, as well with the priorities outlined in the Joint Communication of the European Commission and of the High Representative of the EU for Foreign Affairs and Security Policy "A partnership for democracy and shared prosperity with the Southern Mediterranean"⁴ and the Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions "A new response to a changing Neighbourhood"⁵ that embody the European Union's response to the demands in the region for greater freedom, justice and democracy.

1.1.1 Public Policy Assessment and EU Policy Framework

Governance in Lebanon suffers from weak institutional performance and a lack of a stable formula for governance. Elections and electoral reform are essential for inclusive participation, a better representation of all sectors of society, and a more stable system. The reforms are necessarily broad-based and diverse, but in one way or another all relate to

² Decision No 1/2016 of the EU-Lebanon Association Council agreeing on EU-Lebanon Partnership Priorities of 11.11.2016.

³ Joint Communication of the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, Review of the European Neighbourhood Policy of 18.11.2015.

⁴ Joint Communication of the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, A partnership for democracy and shared prosperity with the Southern Mediterranean, of 8.03.2011.

⁵ Joint Communication of the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions, A new response to a changing Neighbourhood of 25.05.2011.

matters of fundamental reform of the political system, in line with the vision outlined in the 1989 Taif Agreement that envisaged the consolidation of strong, capable and effective state in Lebanon.

The EU bases its electoral assistance on a strategic approach that favours long-term involvement and takes into consideration the full electoral cycle. The focus is placed on the support to the institutional capacity of Electoral Management Bodies (EMB) and the long-term needs of civil society. The EU assistance aims at helping the Lebanese government in building an efficient and steady democracy, which is primarily a task for the Lebanese people and institutions. It is also to provide support for human rights, gender equality and free elections as part of the fundamental freedoms and essential parts of a functional and stable democracy.

1.1.2 Stakeholder analysis

In the electoral related field the main stakeholders are as follows:

Duty bearers:

Ministry of Interior and Municipalities (MoIM) – Electoral Management Body: Through its conduct of the 2009, 2010 and 2016 polls, the MOIM has established a reputation as an effective election administrator; however, in terms of its electoral capacity, the MoIM is both under-staffed and under-resourced. The MoIM Directorate-General of Political Affairs and Refugees (DGPARG), which has the main responsibility for electoral operations, has limited staff that covers electoral preparations, with many current unfilled positions in the management structure for elections. Other MoIM officials, including local governors and district level administrators (*qaemaqams*) may be called upon to supplement this team when needed. The DGPARG has commenced initial operational preparations for the 2018 elections but there are questions on whether their limited operational, technical, financial and human resources are sufficient to prepare for the challenges that will arise. Also, under the MoIM, the Directorate General for Personal Status (DGPS) is tasked to renew and update the voter registration data, conduct the exhibition and challenges process and produce the final voter's list that will be utilized during the 2018 elections. The Supervisory Commission for Election (SCE) is an autonomous institution that is mandated to monitor the electoral campaign and the financing of the political parties. After the approval of the new electoral law 44/2017 the dedicated parliamentary committee working on electoral reforms cease its activity as we are currently in the implementation phase.

Judicial Bodies (Constitutional Council and State Council): There is limited public knowledge and experience of the capacity of the judicial bodies that have jurisdiction on electoral disputes, including the Constitutional Council and the State Council; there is also limited knowledge within the members of those courts in the specific role of electoral dispute resolution. The EU-EOM final report for the 2009 parliamentary elections⁶ recommends strengthening the institutional capacity of the Constitutional Council and raising awareness on the claims and complaints framework and mechanism in order to make it more accessible and efficient. The proposed intervention will work precisely on these aspects in order to support the Constitutional Council to fulfil its duties and raise awareness of the Elections Dispute Resolution (EDR) mechanism at all levels.

Civil society: Lebanon's vibrant civil society structures have been actively engaged on issues related to electoral reform and promoting citizens' participation in the electoral process. They play an important role in promoting human rights and raising awareness on electoral related

⁶ European Union Election Observation Mission to Lebanon, Final Report on the 7 June 2009 Parliamentary Elections.

issues as well as an effective watchdog of the fairness of electoral processes in Lebanon and the region. Among the most prominent CSOs working in the area of elections it is worth mentioning the Lebanese Association for Democratic Elections (LADE) which traditionally is active in the area of human rights, electoral international standards and governance. LADE organised the main domestic observation mission for the 2016 municipal elections, deploying national observers in almost all the polling centres around the country.

International organisations: IFES traditionally supported electoral processes however interrupted its operations in Lebanon in 2015. The National Democratic Institute (NDI) is present in the country and organizes activities particularly focused on the capacity building of political parties and potential candidates. As for observation mission, notably there are the EUEOM and Carter Centre who usually monitor elections in Lebanon.

Rights holders:

The main beneficiaries of the intended intervention are the voters, the citizens and the overall Lebanese society. It is anticipated a positive impact on rights holders participation, knowledge, understanding and secrecy of voting through the expected improvement of the efficiency and quality of elections services and mechanisms as well as the strengthening of the implementation of electoral international standards at all the levels of the preparation and organisation of the electoral processes.

1.1.3 Priority areas for support/problem analysis

The new electoral framework has been approved and entered into force in June 2017. The Law provides for parliamentary elections to be organized in May 2018, which gives ten months of preparations including pre-electoral, electoral and post-electoral periods. In the period following the approval of the law, national stakeholders and implementing partners have started working together to assess needs and identify areas which require technical and advisory assistance and operational and logistic support.

Within this context, in preparation for the upcoming 2018 Parliamentary Elections, priority support areas were identified to assist the MoIM in the preparatory phase. These proposed areas of support will complement the activities that will be carried out by the Ministry. The MoIM will cover the main part of operations, personnel salaries and deployment which will require significant resources. In this regard, the support provided through this action intends to assist the Ministry through advisory support, capacity development, feasibility studies and required software. In terms of hardware, the support provided through this action will also complement and not duplicate the procurement of the MoIM, which will include costly and sizeable items such as: ballot papers, indelible ink, voter identification cards (tbc), transport of materials, salaries of personnel.

Therefore, the proposed intervention aims at complementing the overall effort of the Lebanese Government and the Electoral Management Body (MoIM), without overlapping and it will focus on soft support rather than procurement of materials. Also, the action builds on the capacity already built in the last five years and particularly during the 2016 municipal elections, to avoid unnecessary duplications in areas that are already effective and completed. Nonetheless, as the new electoral law provides for a completely new electoral system and internal procedures, some electoral processes will be revisited by the MoIM and some re-developed from the scratch. The participation of civil society is considered essential, where capacity support is especially needed in relation to Components 3, 4 and 5 of the action (see below). A particular focus will be given to the strengthening of women participation and representation in the new parliament. In the absence of a dedicated gender quota in the new law, the action intends to explore alternative avenues to support and enhance women involved in the process as voters, candidates, election officials, judges etc.

Some relevant examples are as follows:

- Candidates registration – was improved during previous elections but it needs upgrading and further support to fit the requirements of registering electoral lists;
- Results management system – was piloted in 2016 but it needs a complete overhaul as it is one of the main areas of automation and adaptation to the new law;
- Procurement – have been one area of support over the years but the Ministry will require additional new electoral materials, as per the new requirements of the law;
- Voter education and training program for elections officials are two important areas of assistance that need to be re-started and redesigned according to the new requirements;
- SCE is an institution that will be re-established from the scratch;
- While women participation was traditionally an area of support, the effort should continue to promote temporary special measures and voluntary quotas for increased representation of women.

2 Risks and Assumptions

A table describing potential risks and main assumptions is presented below:

Risks	Risk level (H/M/L)	Mitigating measures
Organisational Limited capacity of the Government and MoIM to prepare, organize and implement the parliamentary elections in 2018.	M	The organisational capacity of the MoIM has been strengthened since 2008 and the ministry continues to receive support and assistance with transfer of knowledge and training through the dedicated UNDP elections assistance project (LEAP), funded by the EU.
Assumptions		
Based on the successful organisation and conduct of the 2016 Municipal elections it is expected that the MoIM, with the support of LEAP (funded by the EU), will deliver free, fair and transparent elections in May 2018, contributing to democratic consolidation.		
Political There is a significant risk that in the run up to elections date, the political forces might try to boycott the process due to internal reasons, not related to elections and by this postpone the conduct of the polls as it occurred in 2013 and 2014.	M	The International Community, implementing partners and UN agencies should keep a positive pressure on the Government and political actors to respect their commitments and the legal framework of the country.
Assumptions		
May 2018 represents another milestone in the democratic path of Lebanon. A new failure to conduct parliamentary elections would create a constitutional crisis with unpredictable consequences on the stability and internal security of the country. The political parties are aware of this risk and they know that another postponement of the elections would be		

unattainable.		
Financial The estimated Governmental budget to organize and conduct the upcoming parliamentary elections comprises ambitious procurements of technology and hardware. Thereby, the associated costs are relatively high for the number of voters of the country (3.6 million voters).	L	The Government is expected to mobilize these funds as a separate budget for the organisation of elections. International community and implementing partners are contributing and supporting the process.
Assumptions		
Based on the experience of the 2016 Municipal elections it is expected that the Government would be able to mobilize the required funds.		
Security Syria crisis spill-over is generating tension and clashes especially in the border areas. that the security situation might affect the decision to hold elections on time.	H	The Government was able to conduct municipal elections all over Lebanon, including Aarsal, in 2016 when the situation was considered more dangerous. It is expected with the latest development to have more secure and controlled borders in Lebanon.
Assumptions		
Based on the experience of the 2016 Municipal elections it is expected that the Government would be able to secure the areas and organize the parliamentary elections		

3 LESSONS LEARNT, COMPLEMENTARITY AND CROSS-CUTTING ISSUES

3.1 Lessons learnt

The most recent lesson learnt exercise was conducted after the completion of the 2016 municipal elections which were supported financially by the EU through the UNDP Elections Assistance Project (LEAP). The exercise identified strengths and challenges of the process and the final report contained concrete lessons learnt and recommendations. Some of the main findings and recommendations included:

In the area of **elections management and administration**: Support the MoIM for a timely drafting and development of a comprehensive operational plan including clear activities, timelines and responsibilities such as: training for polling officials and electoral officials; Comprehensive awareness campaigns with clear targets, messages and information; Timely procurement plan; Enhance accessibility of persons with disabilities.

In the area of **voter education and awareness raising**: Timely assessment and planning for future information and education campaigns is required in order to ensure a standard quality of the creative concept, design and campaign materials, the voter/civic education should be initiated and start well in advance and the content should provide clear, timely and sufficient electoral information to voters, ahead of the E-Day; Better dissemination and coverage of the electoral related information, with the support of the MoIM; Post-electoral campaign survey in order to identify the impact of the campaign in numbers and figures.

In the area of **women participation**: Enhanced, sustained and continuous campaigning for affirmative actions towards the upcoming parliamentary elections; Enhanced coordination

mechanism between agencies and organisations working in the area of strengthening women participation is required; Advocacy for clear positive actions and measures such as electoral quotas through advocacy and awareness campaigns, thematic workshops and publications; Organisation and conduct of thematic trainings and workshops aimed at enhancing the capacity and understanding of stakeholders and decision makers on the importance of women participation and representation in public institutions.

Based on these lessons learnt report and on the recommendations of the EU observation mission in 2009, the current proposal intends to tackle the main assessed gaps and weaknesses and provide targeted support and assistance to the EMB and relevant stakeholders towards free, fair and inclusive 2018 parliamentary elections.

3.2 Complementarity, synergy and donor coordination

The EU Delegation has been very active following up on the recommendations of the observation missions from 2005 and 2009 through political dialogue with all stakeholders' as well as providing substantive assistance. Since 2012, the EU continued to support elections in Lebanon through the UNDP Lebanese Elections Assistance Project (LEAP), which was also co-funded by USAID and United Kingdom Government in the 2012-2014 period. Since 2015 the EU is the sole donor of the project which registered an important achievement in the successful organisation and conduct of the 2016 municipal elections. In this period, the EU co-hosted together with UNDP technical briefings in which experts and national stakeholders presented updates, technical aspects and the proposed electoral reforms.

The UNDP has been continuously engaged in providing electoral assistance in Lebanon since 2005. The UNDP ensured an effective coordination and co-operation between the different international agencies in the provision of electoral assistance. At the broader political level, the Office of the UN Special Coordinator for Lebanon (UNSCOL) has conducted regular electoral forums to provide all international actors with updated information on the electoral process and the various electoral assistance projects. The UNDP, in close collaboration with the Ministry of Interior and Municipalities is chairing a regular technical working group for the coordination of assistance activities. The last electoral forum was conducted in 2014 and it is expected to re-start this year, after the adoption of the new electoral law. The technical working groups continued to be organized throughout this period particularly around the municipal elections held in 2016 and are usually hosted by the EU Delegation or the UNDP.

EU's support for electoral reforms also includes co-operation with national CSOs and Non-governmental organisations (NGOs) working in relevant areas of assistance, advocacy and implementation. In this regard the EU supported the elections observation and monitoring efforts during the 2016 municipal elections through providing assistance to LADE in order to develop and organise the respective domestic observation mission. EU also actively advocated, together with the UN and International Community, the adoption of gender quota in order to ensure enhanced participation and representation of women in the future parliament. In this context, the EU established a dedicated project which co-operated closely with NCLW and LEAP project.

3.3 Cross-cutting issues

Good governance, human rights and gender equality are at the core of this action as the programme consists in addressing a core democracy concern: the organisation and conduct of free, fair and inclusive elections and democratic processes. The project will support the strengthening of the institutional capacity of the national institutions for the consolidation of the democratic governance in Lebanon. The mainstreaming of the gender component is one of the priority areas which aim at enhancing the participation of women in project's activities.

Participation, ownership, equity, organisational adequacy, transparency and accountability are guiding principles throughout the programme.

4 DESCRIPTION OF THE ACTION

4.1 Objectives/results

The **overall objective** is to strengthen democratic consolidation in Lebanon.

The **specific objective** is to support the preparation and organisation of the upcoming parliamentary elections by ensuring a fair, free, transparent and inclusive process.

The **expected** results are:

- ER1: A sustainable election management and administration capacity is built;
- ER2: The capacity of the SCE for the monitoring and supervision of elections is increased;
- ER3: awareness and knowledge on elections and the new electoral law is strengthened through voter education and awareness campaigns;
- ER4: The effectiveness and transparency of the electoral dispute resolution (EDR) mechanism is enhanced;
- ER5: Participation and representation of women in elections is strengthened and increased.

4.2 Main activities

ER1: A sustainable election management and administration capacity is built

Indicative activities:

- Reinforce the capacity for the management and administration of elections through the provision of continuous technical assistance to the MoIM, including:
 - Support to the voter registration update and exhibition and challenges period;
 - Support the implementation of a modern automated candidates' registration system;
 - Support the design, development and implementation of an automated results management system;
- Support the design, development and implementation of a comprehensive cascade training for polling officers and elections officials;
- Provide technical assistance in the development and implementation of an effective operational plan including communication, complementary procurement, operations room, call center etc.
- Establish lessons learnt process upon completion of election

ER2: The capacity of the SCE for the monitoring and supervision of elections is increased;

Indicative activities:

- Support for the development of the institutional capacity of SCE including support on preparations for its re-establishment;

- Support to the development of an improved regulatory framework for the monitoring of election campaigns;
- Comprehensive training program for SCE monitoring staff;
- Support the MoIM in the procurement of software and hardware as required by the SCE.

ER3: awareness and knowledge on elections and the new electoral law is strengthened through voter education and awareness campaigns;

Indicative activities:

- Design, development and production of comprehensive voter education campaigns on the following processes on voter registration, voter identification, voter education and information campaign.
- Design, development and production of a civic education campaign aimed at informing voters on their roles and responsibilities in relation to elections, role of the parliament etc.;
- Strengthening coordination on voter education initiatives implemented by different stakeholders, including official and civil society efforts in order to ensure effective targeting of appropriate groups.

ER4: The effectiveness and transparency of the electoral dispute resolution (EDR) is enhanced;

Indicative activities:

- Strengthening the capacity for the resolution of electoral disputes including support the provision of technical advice and assistance on the electoral dispute resolution framework;
- Support to increase transparency in the resolution of electoral disputes and capacity building for the Constitutional Council in electoral dispute resolution.

ER5: Participation and representation of women in elections is increased.

Indicative activities:

- Information campaigns focused on women participation and representation;
- Training program and information sessions for women potential candidates or involved in the elections process;
- Organisation of workshops and seminars focused on increasing women participation and representation; Design and publication of thematic brochures, toolkits and other materials;
- Co-operation with other national and regional stakeholders working in the area of strengthening women participation.

4.3 Intervention logic

The proposed programme will be articulated under the programme "**Lebanese Electoral Assistance Project (LEAP) for the 2018 Parliamentary Elections**". LEAP has been developed by UNDP following a request of the Lebanese Government to strengthen national capacities for the conduct of transparent and inclusive local elections in 2016 and

parliamentary elections in 2018 and increase compliance with international standards and EUEOM missions' recommendations.

The overall objective of LEAP emanates from the broader strategic democratic governance objective which aims at consolidating democracy and good governance in the country. In this context free, fair and inclusive periodical elections are a fundamental step towards a stable and sustainable democratic society and a responsive and accountable government and legislature. The adoption of the new electoral legal framework brings important changes and some expected reforms. In this regard, the upcoming parliamentary elections will be a test for the electoral management and administration body, for the security forces and for the voters and citizens of Lebanon.

Time wise the intervention will be divided in three main components as per the electoral calendar:

- Pre-electoral: in this period, all the preparatory measures and activities must be implemented including voter registration update and voter roll, candidates' registration process, procurement of sensitive and non-sensitive materials, formation of SCE, voter information and education campaigns and accreditation of domestic and international observers;
- Electoral period: this period will comprise all the operations implemented around E-Day including deployment of elections materials and personnel, E-Day operations, operation room coordination and management and results management process;
- Post-electoral period: this electoral component refers to activities and operations implemented after the completion of elections such as – retrieval of elections materials, warehousing and archiving, dissemination of elections results and resolution of electoral disputes. Furthermore, an external evaluation will be conducted to capture lessons learned and improve performance for future electoral assistance projects.

In conclusion, the proposed intervention intends to build on previous financial and substantive support provided by the EU since 2012 and ensure the organisation of free, fair and transparent parliamentary elections in 2018, as a stepping stone for future democratic consolidation in Lebanon. The programme will also include civil society as partners and beneficiaries of the action, especially related to expected results 3, 4 and 5.

5 IMPLEMENTATION

5.1 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 Regulation (EU, Euratom) No 966/2012.

5.2 Indicative implementation period

The indicative operational implementation period of this action, during which the activities described in section 4.1 will be carried out and the corresponding contracts and agreements implemented is 24 months from the day of entry into force of the financing agreement.

Extensions of the implementation period may be agreed by the Commission's authorising officer responsible by amending this Decision and the relevant contracts and agreements; such amendments to this Decision constitute technical amendments in the sense of point (i) of Article 2(3)(c) of Regulation (EU) No 236/2014.

5.3 Implementation modalities

The envisaged assistance to Lebanon is deemed to follow the conditions and procedures set out by the restrictive measures adopted pursuant to Article 215 TFEU.

This action may be implemented in indirect management with UNDP in accordance with Article 58(1)(c)(ii) of the Financial Regulation through the signature of a PAGODA. This implementation is justified due to the longstanding and constructive co-operation in the area of elections between MoIM and UNDP (UNDP has already co-operated with the MoIM for the 2005 and 2009 parliamentary elections and the 2016 municipal elections). UNDP counts with qualified staff, equipment and ability to handle the budget for the action and mobilise qualified trainers. The UNDP has also the capacity to launch tenders for procurement contracts. In addition, UNDP has the capacity to partner with civil society through a consolidated network of civil society organisations (CSOs).

The entrusted entity would carry out the following budget-implementation tasks: i) ensure the strengthening of electoral management, administration and supervisory capacities through the delivery of quality technical assistance and tailor-made training modules, in addition to the procurement of relevant software and hardware equipment; ii) carry out tailor-made electoral voter education as well as awareness raising initiatives, including towards the enhancement of women electoral participation and representation; the UNDP will seek to mainstream civil society initiatives in these last areas of work.

5.4 Indicative budget

Indicative Budget	EU contribution (amount in EUR)	Indicative third party contribution, in currency identified
Indirect management with UNDP	2,750,000	N/A
Evaluation & Audit	100,000	N.A.
Communication and visibility	150,000	N.A.
Total	3,000,000	N.A.

5.5 Organisational set-up and responsibilities

The programme will be managed by the UNDP under the programme ‘Lebanese Electoral Assistance Project – LEAP under close collaboration and supervision of the Commission.

UNDP will be responsible for setting up and running a Steering Committee (SC) that shall include MoIM, UNDP, EU and other relevant stakeholders, including civil society. Also, the implementing partner will set up a project management team and assign subsequent officers responsible to handle all technical, financial and procurement tasks.

5.6 Performance monitoring and reporting

The day-to-day technical and financial monitoring of the implementation of the project will be a continuous process and part of the implementing partner’s responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its results (outputs and direct outcomes) as measured by corresponding indicators, using as reference the log frame matrix (for project modality) or the list of result indicators (for budget support). The report shall be laid out in such a way as to allow monitoring of the means envisaged and employed and of the budget details for the action. The final report, narrative and financial, will cover the entire period of the action implementation.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for

independent monitoring reviews (or recruited by the responsible agents contracted by the Commission for implementing such reviews).

5.7 Evaluation

Having regard to the nature of the action a final evaluation will be carried out for this action or its components via independent consultants.

The final evaluation will be carried out for accountability and learning purposes at various levels (including for policy revision), taking into account in particular the fact that some activities of this programme are innovative and pilot actions.

The Commission shall inform the implementing partner at least 2 month in advance of the dates foreseen for the evaluation missions. The implementing partner shall collaborate efficiently and effectively with the evaluation experts and, *inter alia*, provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders. The implementing partner and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a financing Decision.

5.8 Audit

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audits or expenditure verification assignments for one or several contracts or agreements.

5.9 Communication and visibility

Communication and visibility of the EU is a legal obligation for all external actions funded by the EU.

This action shall contain communication and visibility measures which shall be based on a specific Communication and Visibility Plan of the Action, to be elaborated at the start of implementation and supported with the budget indicated in section 5.4 above.

In terms of legal obligations on communication and visibility, the measures shall be implemented by the Commission, the partner country, contractors, grant beneficiaries and/or entrusted entities. Appropriate contractual obligations shall be included in, respectively, the financing agreement, procurement and grant contracts, and delegation agreements.

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

APPENDIX - INDICATIVE LOG FRAME MATRIX (FOR PROJECT MODALITY) ⁷

(The log-frame matrix will be completed during the inception phase, especially regarding baselines and targets when data will be available)

	Results chain	Indicators	Baselines (incl. reference year)	Targets (incl. reference year)	Sources and means of verification	Assumptions
Overall objective: impact	Strengthen democratic consolidation in Lebanon.	Parliamentary elections are held in time according to international standards.	2005 and 2009 parliamentary elections	By the end of 2018 the parliamentary elections are conducted and a new parliament is in place.	Reports and assessments of international and national observation missions, expert groups and relevant stakeholders.	<ul style="list-style-type: none"> -The electoral process proceeds in a secure and peaceful environment. -There is political will for credible elections to take place, and in a transparent and inclusive manner. -There is political will for stakeholders to act without political interference. -The elections take place within the timeframe established by law, according to the electoral international standards.

7. Mark indicators aligned with the relevant programming document mark with '*' and indicators aligned to the EU Results Framework with '**'.

Specific objectives (Outcomes)	Support the upcoming parliamentary elections by ensuring fair transparent and inclusive process	<ul style="list-style-type: none"> - Sustainable capacity in place for elections to be held in a credible, transparent and inclusive manner. - Enhanced credibility, transparency and inclusiveness of the elections as compared with previous elections. 	<p>2005-2009 parliamentary elections</p> <p>2016 Municipal elections</p>	Free, fair and inclusive 2018 parliamentary elections organized according to the international standards.	<ul style="list-style-type: none"> - Election observers (national and international) and other independent assessors reports on transparency and inclusivity of electoral process. - Surveys on public perception on the conduct of the electoral processes. - Stakeholder reports or independent evaluations and reviews on the conduct of the electoral process. 	<ul style="list-style-type: none"> -The electoral process proceeds in a secure and peaceful environment. -There is political will for credible elections to take place, and in a transparent and inclusive manner. -There is political will for stakeholders to act without political interference. -The elections take place within the timeframe established by law, according to the electoral international standards.
Outputs	A sustainable election management and administration capacity is built;	<ul style="list-style-type: none"> - Level of effectiveness, transparency and inclusiveness of the management and administration of the electoral process. - Number of improvements and electoral reforms implemented in the management of elections compared with previous elections. 	<p>2005-2009 parliamentary elections</p> <p>2016 Municipal elections</p>	<ul style="list-style-type: none"> - Voters turnout increased - Number of invalid votes decreased - Accessibility of PWDs - Effective implementation of the CRS and RMS systems. 	<ul style="list-style-type: none"> - Independent reports from stakeholder and observers on the management and administration of the electoral process. - Post-electoral lessons learned report for the 2018 elections. - Surveys on public perception on the conduct of the electoral processes. 	<p>There is political will for MOIM to act without political interference. MOIM is committed to improving its capacity for the management of elections.</p>

The capacity of the SCE for the monitoring and supervision of elections is increased;	<ul style="list-style-type: none"> - Level of overall satisfaction in the monitoring of the electoral process - Level of effectiveness of the monitoring mechanism. - Level of impact of the monitoring decisions issued by the SCE on the electoral process. 	2009 parliamentary elections	<ul style="list-style-type: none"> - Functional SCE in place - Final monitoring report of the parliamentary elections endorsed by the parliament. 	<ul style="list-style-type: none"> - SCE monitoring report of the 2018 parliamentary elections - Independent reports from stakeholder and observers. - Surveys on public perception on the conduct of the electoral processes. 	<ul style="list-style-type: none"> - Political will for the SCE establishment, function to act without interference. - The SCE and MoIM are committed to improving the capacity for elections supervision. 	
Awareness and knowledge on elections and the new electoral law is strengthened through voter education and awareness campaigns;	<ul style="list-style-type: none"> - Percentage of citizens participating in an inclusive electoral process. - Level of citizen's awareness and knowledge of the electoral process. 	2005-2009 parliamentary elections 2016 Municipal elections	<ul style="list-style-type: none"> - Voters turnout increased. - Number of invalid votes decreased - Number of citizens reached by the voter education campaign through social media. 	<ul style="list-style-type: none"> - Voter turnout from previous elections based on the post-electoral reports. - Number of invalid votes registered in previous processes in the counting reports. 	<ul style="list-style-type: none"> - Stakeholders implementing voter education agree to coordination and co-operative efforts. 	

<p>The effectiveness and transparency of the electoral dispute resolution (EDR) is enhanced;</p>	<ul style="list-style-type: none"> - Level of effectiveness in the resolution of any electoral disputes; - Level of awareness on the electoral dispute resolution system. 	<p>2005-2009 parliamentary elections</p>	<ul style="list-style-type: none"> - Number of claims and complaints. - Number of workshops and awareness campaigns on EDR. 	<ul style="list-style-type: none"> - Constitutional Council decisions. - Number of thematic publications produced on EDR. 	<ul style="list-style-type: none"> -There is political will for judicial bodies to resolve electoral disputes without interference. -There is a adequate level of accessibility to the EDR mechanism.
<p>Participation and representation of women in elections is increased.</p>	<ul style="list-style-type: none"> - Number of workshops and campaigns aiming at improving women’s participation in elections. - Level of awareness on temporary special measures - Percentage of women participation in elections. 	<p>2005-2009 parliamentary elections</p>	<ul style="list-style-type: none"> - Percentage of women elected in the 2018 legislative body; - Number of thematic publications produced and disseminated; - Number of training, info sessions and workshops. 	<ul style="list-style-type: none"> - Independent reports from stakeholder and observers. - Official and independent data on women’s participation in elections. 	<ul style="list-style-type: none"> -Relevant electoral actors are committed to improving the participation of women in the electoral process; -Temporary special measures to improve the participation of women are adopted.