COUNTRY PROGRAMME DOCUMENT 2008 – 2009

LEBANON









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FOREWORDS

EXECUTIVE DIRECTOR



In April 2007, the Governing Council of UN-HABITAT approved our 2008-2013 Medium-Term Strategic and Institutional Plan. This plan intends to promote the alignment of UN-HABITAT normative and operational activities at country level.

The UN-HABITAT Country Pro-

gramme Documents (HCPD) are tangible components of this Plan as well as a genuine endeavour of UN-HABITAT to better coordinate normative and operational activities in a consultative and inclusive process involving UN-HABITAT's in-country focal points, UN-HABITAT Programme Managers, national governments, UN country teams, sister-UN agencies, development partners and all divisions of our Agency. The UN-HABITAT Country Programme Documents are strategic tools meant as a guide for all UN-HABITAT activities over a two-year period. A major dimension of the UN-HABITAT Country Programme Document is to advocate UN-HABITAT's mandate and address the urban challenges facing the world's developing countries.

The UN-HABITAT Country Programme Documents identify national urban development goals and priorities including shelter, urban governance, access to basic services and credit. Important cross-cutting issues such as the environment, gender, responses to disasters, and vulnerability reduction are also addressed. The UN-HABITAT Country Programme Documents focus on UN-HABITAT country programming. They

serve as a work plan for UN-HABITAT Programme Managers and a reference tool for national and local actors involved in sustainable urban development. According to the Medium-Term Strategic and Institutional Action Plan adopted by the UN-HABITAT Committee of Permanent Representatives on 6 December 2007, twenty UN-HABITAT Country Programme Documents were completed during 2008, including the One-UN Pilot countries where UN-HABITAT is active.

In line with the United Nations reform process, UN-HABITAT Country Programme Documents seek to strengthen the role of the United Nations and to demonstrate our commitment. I wish to thank our UN-HABITAT Programme Managers for their input and dedication and for putting together these documents under guidance of the Regional and Technical Cooperation Division and with support from all branches and programmes of the Agency.

Anna K. Tibaijuka

Executive Director, UN-HABITAT

LEBANO

MINISTER



Lebanon is situated on the Mediterranean Sea on 10,452 square kilometers with a total population of 4.1 million people and an urban population of 3.6 million people. Lebanon is considered a highly urbanized country with more than 85% of people living in urban areas; sustainable urbanization is a key

national development challenge.

Although cities in Lebanon embody the most pressing development challenges, including environmental pollution, unemployment and increased disparities, they also reflect the country's cultural diversity, multi-confessionalism and vibrant democracy. These features represent the driving force for the people's resilience to overcome challenges, re-build war affected cities and towns and contribute to local development.

Over the last 40 years, Lebanon has been facing series of internal crisis which have had devastating repercussions on the lives of Lebanese citizens, their livelihoods and the physical infrastructure of the country. As a response to the devastating consequences of these wars, the Government of Lebanon, with the support of the international community has contributed significantly to successful reconstruction programs.

As the country recovers from the series of crisis that occurred after the assassination of Prime Minister Rafik Hariri in 2005, the Government of Lebanon is committed to the implementation of a national reform programme that aims to stimulate growth, create employment, reduce poverty, and maintain social and political stability.

The national reform program emphasizes the importance of local development, balanced regional development and poverty reduction. To achieve this, we strongly believe that national and local stakeholders, including municipali-

ties, should have the necessary resources to play a key strategic role as local development agents.

The Ministry of Interior and Municipalities is committed to creating local authorities with democratic legitimacy and genuine powers for local decision making and self governance. In this context, the Ministry with the support of UN-HABITAT as well as other international organizations would implement an integrated initiative to promote decentralization reforms, enhance local governance processes and strengthen the capacities of local authorities.

We believe that partnerships with key international organizations like UN-HABITAT are instrumental to support our endeavors to create efficient institutions and municipalities able to manage our cities and towns in Lebanon.

Ziyad Baroud Minister of Interior and Municipalities Government of Lebanon

SITUATION ANALYSIS

NATIONAL URBAN POLICY CONTEXT

With an estimate of 87% of the total number of population living in urban areas (a rate higher than most other Arab States), urbanization is considered one of the key issues facing Lebanon. The population is distributed unevenly among regions. Around 48% of total number of the population is distributed in Beirut and Mount Lebanon regions alone, whereas only 13.6% live in Bekaa region (the largest governorate in size). This urban expansion poses a major challenge for Lebanon. Its impact, depending on how it is managed, would reflect on the quality of life, water resources availability, costs of infrastructures, and the future of natural, agricultural and landscape areas.

In an attempt to promote the sound planning of the country, the Government embarked in 2002 in a pioneer initiative to formulate a National Physical Master Plan. The draft report (submitted in 2006) emphasized the country urbanization challenges and concluded that in 2030, there will be a total of 884 square kilometers of urbanized areas (ratio 170 square meters of urban area per inhabitant), for a population of 4 million people. This represents a growth of 284 square kilometers within 30 years, which would have significant impact on the natural environment and agricultural lands. To date, the Council of Ministers did not yet endorse the plan.

War and peace are also considered key development challenges within the national urban policy context.

STATISTICAL OVERVIEW

Urbanisation (2008)

• Total population: 4.1 m

• Urban population: 3.6 m (87 %)

Annual growth rates (2005-2010)

National: 0.9 %Urban: 1.2 %

Major cities (2008)

• Beirut: 1.8 m

Source: UN DESA

Slum indicators

• Slum to urban population: 53 %

Source: UN-HABITAT, 2005

Since 1975 to date, Lebanon witnessed a number of crises. The long crisis that hit the country between 1975 and 1990 impacted the socio-economic status and quality of living for the country's population. The war resulted in massive population displacement, which remains until today a main challenge affecting the national urban context. Over the last 50 years or so, Lebanon has been facing massive population displacement due to the war with Israel leaving hundreds of thousands of displaced people from Bekaa and southern Lebanon remain in illegal settlements in Beirut Southern suburb.

Since the return to stability in the nineties, the country has witnessed a comprehensive planning and development. The government has been addressing issues of land development, urban and regional planning, upgrading and social development along with a fiscal restructuring of the tax system. The reconstruction was motivated by a strong belief that Lebanon can regain its position as the Middle East center for culture, entertainment and services.

Since 2005, after the assassination of PM Rafic Hariri, the country has witnessed several crisis and wars (July 2006 and Naher El Bared Crisis in 2007). The overall security situation remains precarious in light of the continued internal and regional tensions.

In this context, the absence of a national urban development strategy and the devastating consequences of the last 20 years of war resulted in:

- Conflicting land uses which are consequently prompting the deterioration of physical and environmental conditions;
- Urban sprawl without adequate provisions of roads and infrastructure, open public spaces, parking facilities, etc;
- Loss of agricultural land;
- Disappearance of coastal land;
- Destruction of natural and archeological sites.

Part one of the HCPD is divided into the mutually reinforcing focus areas of UN-HABITAT's Medium Term Strategic Institutional Plan for 2008-2013, as approved by the Governing Council in 2007.



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FOCUS AREA 1: ADVOCACY, MONITORING AND PARTNERSHIPS

INSTITUTIONAL SET UP AND CAPACITY DEVELOPMENT

Since Lebanon gained independence, many attempts to prepare a national master plan were aborted. The most serious efforts in that direction were made but still unsuccessful. Later on, in 1977, two years after the war started, the Council for Development and Reconstruction (CDR) was created for the purpose of developing the needed National Master Plan.

Urban planning in Lebanon is traditionally practiced at the central level of government by key ministries (such as Ministry of Public Works, Ministry of Interior and Municipalities, etc.) and Councils (such as the Higher Council for Urban Planning and the Council for Development and Reconstruction-CDR). Traditionally, human settlements planning have been exercised at the central level with very limited involvement of local communities. This often generates obstacles during the implementation phase.

The Directorate General of Urbanism (DGU), created in 1959 in the Ministry of Public Works, was entrusted with the planning of the development of land through the preparation of comprehensive master plans for the urban and regional development of Lebanon. However, after more than 40 years of its inception, the DGU produced several localized master plans for the purpose of managing urban growth. These master plans addressed land use and parcelization,

Floor to Area Ration (F.A.R), building heights, and setback regulations, with little concern to the general strategic master plan of the region. Furthermore, all other spatial, volumetric, and environmental issues were not considered. The only construction control is stipulated in F.A.R of 0.8 that does not differentiate between rural, urban, agricultural or natural sites.

At the intermediate administrative level, the Mohafazat council (Governorate) was created as an application of de-concentration. Its responsibility is to report the local needs to concerned administrations in the numerous fields of construction, socio-economic, agricultural, health, etc.

At the lower level of administration, municipalities and municipal councils enjoy administrative and financial autonomy and have a broad mandate as determined in the municipal law. However, the majority of municipalities are under-resourced in terms of human and financial capacities to fulfill their mandate efficiently.

Absence of national development policies, weak decentralization, overlapping of powers, lack of finances and poor institutional capacities are the several key problems causing poor human settlements planning.

GENDER EQUALITY IN HUMAN SETTLEMENTS

Significant progress has been made in recent years in terms of gender issues. The female illiteracy rate (as % of population 15 and over) dropped from 27% in 1990 to 17.8% in 2003. The fertility rate for percentage of the population aged 15



Alain Grimard

to 24 dropped from 11% in 1990 to 5% in 2003. Primary School Enrolment for females (as Gross % of School Age Population) rose from 76.2% in 1990 to 89.4% in 2001, and Secondary School Enrolment for females (as Gross % of School Age Population) rose to 79% in 2002. Seats in parliament held by women rose from three in 2000 to six in 2005.

DISASTER MANAGEMENT AND RECOVERY

Despite the country's precarious security situation, Lebanon lacks a national disaster management plan. Additionally prevention plans to mitigate natural disasters (mainly earthquakes) are also inexistent.

The past post-war reconstruction experiences have contributed to the response to reconstruction needs. In 1992, the Government of Lebanon embarked in a nationwide reconstruction program covering large scale infrastructure projects and key national facilities such as the airport and Sports city. While the 2006 post-war reconstruction operation achieved remarkable progress in terms of reconstruction of large scale infrastructure hit by bombardments (partly due to the mobilization of financing mechanisms from the international community as well as private sector and individuals), the reconstruction of totally destroyed houses remains generally

slow. This is primarily due to the lack of sufficient financial resources to cover all affected houses.

With its re-establishment in Lebanon in 2007, UN-HABITAT has been providing technical assistance to municipalities and households in devastated towns and villages in Southern Lebanon to enable them manage, control, monitor and evaluate the reconstruction of totally destroyed houses according to pre-defined standards and norms.

In general, critical efforts need to be carried out in order to develop national disaster management plans, which would focus on disaster prevention, preparedness and mitigation.

FOCUS AREA 2: PARTICIPATORY URBAN PLANNING, MANAGEMENT AND GOVERNANCE

LOCAL URBAN GOVERNANCE

The legal set up of local government in Lebanon was laid out in 1977 according to decree 118 that defined municipalities as "local administration that enjoys within its geographical boundaries the power delegated to it by law. It enjoys moral personality and

administrative and financial autonomy within the limits defined by law". The 1977 law gives a broad delineation of the role of municipalities. It stipulates that any work having a public character or utility within the area of the municipality falls under the jurisdiction of the municipal council. The Lebanese administrative structure is characterized by a dual form:

- De-concentration of authorities represented by the regional (muhafaza or governorate) and subregional (gada or district) administrative levels.
- Decentralization of authorities represented by local authorities (Baladiyat).

Although the 1977 law has given significant functional attributions to municipalities, most of them are paralyzed in their actions by centrally-made decisions. The country is still dominated by a central government that aims to control and restrict the existing margins of maneuvering of local governments.

In 1989, in accordance with the Taef Agreement, that marked the end of the civil war (1975-1990), Lebanon has reinforced its commitment to the principle of strengthening municipal governments. In 1993, an important step toward implementing the Taef Agreement was taken through the establishment of the Ministry of Municipal and Rural Affairs whose main task is to oversee the support of municipalities, their revival and reform.

Year 1998 was a turning point in the history of municipal sector in Lebanon. Municipal elections took place after an absence of more than 30 years and gave hope for the revival of municipal life. Due to the Israeli occupation of South Lebanon, municipal elections took place only in 2001, after the Israeli withdrawal.

The majority of municipalities in Lebanon are unable to operate efficiently and effectively due to several constraints, mainly:

- Interruption of municipal elections for more than 30 years (1963-1998), which is reflecting on the weak municipal experiences.
- Limited capacities including understaffing and lack of financial resources.
- Inefficient municipal sector due to the large number of municipalities (940).

During the past decade, policy reforms for administrative decentralization as well as municipal strengthening were the priority areas of assistance of several multilateral and bilateral organizations. While some of these programs were implemented centrally through concerned government organizations such

as the Ministry of Interior and Municipalities, Office of Minister of State for Administrative Reform, Council for Development and Reconstruction, other programs were directly implemented by relevant municipalities.

The Ministry of Interior and Municipalities expressed the current urgent need to (1) exploit existing opportunities, (2) capitalize on past accomplishments and (3) consolidate opportunities and accomplishments to move forward with the adoption of a national decentralization policy.

ECONOMIC DEVELOPMENT AND RURAL-URBAN LINKAGES

Although the national political discourse repeatedly emphasizes the need for a balanced development, regional disparities remains one of the key chronic development issues in Lebanon. Although 25% of the population lives in relative hardship, only 4% live in extreme hardship (Living Conditions Index, 2004). However, there are large regional disparities in poverty incidence and intensity in the country. Available statistics show that peripheral regions suffer from high rates of extreme poverty (reaching 11% in North and South Lebanon, compared to 1% in Beirut and some regions of Mount Lebanon). Data also reveal that densely populated urban areas, such as the Northern and Southern Suburbs of Beirut, Tripoli, Saida and Baalbeck, have the largest concentrations of the poor.

Lebanon's overall economic performance is very much linked to the country security situation, war repercussions and access to domestic and external financing through market borrowing. Given the magnitude of the 1975-1990 conflicts, the 1990 post-war reconstruction was mainly financed through international support, primarily in the form of concessional loans. Overall more than two-thirds of all capital expenditures during the 1990s were funded by market borrowing at high interest rates.

In late 2000, against the background of a vicious cycle of rising fiscal deficits and debt and a stagnating economy, the government developed an economic reform program, for which it sought external support in the context of the Paris II Meeting in 2002. Through these efforts, the international community provided US\$2.4 billion in direct financial support (non-project financing). A combination of financial contributions from Lebanon's financial sector (Banque du Liban and commercial banks), the external support improved the confidence in financial markets and resulted in a significant decline in interest rates.

During the Paris III international conference, which came after July 2006 war, the Government of

Lebanon presented an economic reform program accompanied by a comprehensive social reform program. The main objectives of the social action plan are to: (i) alleviate poverty and improve the quality of education and health indicators; (ii) improve the efficiency of public social spending and keep it at an appropriate and sustainable level; and (iii) reduce regional disparities in development indicators through a proper distribution of investment and other resources and encourage investment and other job-creating activities in the more deprived areas".

The government is committed to economic and social reform policies into social development and labour strategies.

HOUSING POLICY AND PLANNING

The housing sector in Lebanon faces challenges at two main levels:

At the policy level, the country lacks a national housing policy.

At the institutional level, the sector does not have presently a specialized ministry (although it existed in the past). Two main government institutions are currently dealing with the housing sector for low income communities:

- a. The National Institute for Housing (NIH) established in 1996. It offers long-term housing loans at low interest rates to Lebanese families. The conditions set by the agency state that beneficiaries should have a fixed job and a fixed monthly income (not exceeding US\$ 2,000) which directly prevents low income families access to loans.
- b. The Directorate General of Cooperatives (DGC). It has a legal framework that allows the establishment of housing cooperatives (loans and savings) with the aim of improving the overall socio-economic and housing situation of its members. In 1968, a National Corporation for Cooperatives Lending was established to support the Government of Lebanon in addressing housing problems of low income communities. The Corporation collects financial resources from the housing cooperative sector and re-distributes them to member cooperatives (registered at the DGC) in the form of loans to set up housing projects.

The housing cooperative sector did not achieve significant success in terms of addressing the housing crisis for low income groups. This is due to: 1) lack of knowledge and awareness concerning the principles of the cooperative sector and 2) weak human and financial resources. In some cases where

housing cooperative projects were implemented, the concern of the project initiators was to benefit from tax-exempted advantages instead of contributing to affordable and sustainable housing for the poor.

With a limited Government involvement, the responsibility for providing housing is handled by the private developers. Solutions for the shortage of housing require the enabling role of the government to re-active existing institutions and to guide private mechanisms for investments in the required direction. Alternative mechanisms for affordable housing provision with the intervention of local authorities, are also a requirement to increase output in order to meet the needs of various segments.

FOCUS AREA 3: PRO-POOR LAND AND HOUSING

HOUSING

In general, housing has for long been a critical issue in Lebanon. This is due to several reasons, mainly:

a. War-displaced families: an unresolved issue

The 1975-1990 post war reconstruction saw several government plans to make sure that displaced people return to their villages and towns. The Government embarked on several important initiatives, mainly:

- The establishment of the Central Fund for the Displaced in order to help war-displaced people to return to their towns and villages in Mount Lebanon. The Fund reimburses eviction compensations to the displaced families who occupied dwellings of the owners of which were displaced as well. Around 20 years after the end of the war, a number of displaced families did not return to their villages because they were not compensated by the Fund.
- The establishment of a public agency (ELYSSAR) for the Planning and Development of the South Western Suburbs of Beirut, an area that encompass illegal settlements housing of about 500,000 people (war displaced since 60's of past century). The expansion of Beirut towards the south has always been hindered by the existence of these settlements which have grown illegally as a result of years of deprivation and neglect. ELYSSAR was established to plan and re-arrange the area and to relocate the residents of the settlements while improving their living conditions and provide them with housing facility and adequate infrastructure.

ELYSSAR failed to fulfill its mission of constructing public housing units due to resistance from



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concerned political parties. As a result, illegal settlements still exist in the Southern Suburb of Beirut and still represent a key housing challenge to hundred of thousand of people who live in unsafe environment and inadequate shelter.

b. July 2006 War housing crisis

The recent war in July 2006 caused massive physical losses affecting the lives and livelihoods of people. The overall cost of reconstruction was estimated to around US\$ 2 billion, out of which housing reconstruction and rehabilitation constituted the largest portion (around 50%).

Although Lebanon was able to mobilize the international community in order to assist in the reconstruction of devastated villages and houses, the government's response to the housing crisis remains slow due to the lack of financial resources.

c. Palestinian Refugee issues

It is estimated that there are around 415,000 Palestinian refugees in Lebanon. The majority (around 400,000) is registered with the United Nations Relief and Works Agency, the Lebanese authorities, or both institutions.

There are presently 12 official refugee camps in Lebanon, with 214,736 registered refugees living in these camps. According to a recent assessment carried out by the Danish Refugee Council, there are also about 39 Palestinian informal gatherings or unofficial settlements, and which were established by refugees. Although these unofficial settlements are not managed by UNRWA, it still provides direct education, relief, health and social

services to registered and non-registered refugees living in these settlements or 'gatherings'.

Housing is one of the most serious problems affecting Palestinian refugees in Lebanon. The land area occupied by the 12 official refugee camps has remained mostly unchanged since 1948, despite substantial population growth in camp populations. In the more populated camps, the refugees could only expand upwards. Construction is not controlled nor do buildings conform to international safety standards. None of the camps have any formal infrastructure. There is a lot of poverty and the unemployment rate is very high. The area of land allocated to the camps has remained the same since 1948.

The 2007 clashes between the Lebanese Army and the Fath El Islam group in Naher El Bared Camp for Palestinian refugees contributed to increased deterioration of living conditions of Palestinians. Around one year after the end of the crisis, a significant number of the population did not return to the camp.

LAND TENURE

In Lebanon, land is the stronghold of the private sector. Land is closely linked with the structure of the Lebanese economy: the investment on building and land estate is one of the main sources of profit in the country. The guaranteed income economy based on land speculation concerns small and big owners and is a structural feature of Lebanese economy.

The land tenure system follows the civil law system of France, which grants absolute ownership of the land. Ownership, as defined by the code, is the "rights

to absolutely free enjoyment and disposal of objects provided they are not in any way contrary to laws and regulations". There is a national consensus concerning private property (almost all the country is constructible, related to the Constitution) and it is impossible to set up non-constructible zoning on private property, except if the State is able to buy the land. This is one of the main reasons why it was impossible until today to define a national physical planning strategy.

Lebanon appears like a modern country concerning urban planning. Construction and urban planning laws have been implemented since several decades with a lot of operational (remembering, expropriation, land corporate companies, public and private development companies...) and regulation (zoning, natural reserve, public domain, maritime domain...) capabilities. Adjustments have been made on these laws before, during and after the war.

The land tenure security in Lebanon is faced with four main challenges:

- Land tenure insecurity: Land tenure is insecure for most rural inhabitants especially the poor, and mainly the farmers, because of the monopoly of the landlords and the corrupt administrative practices of traditional chiefs and government officials;
- Unclear or overlapping land rights: whether due to legal ambiguity or de facto practices;
- Land encroachment and illegal settlers: farmers experienced tenure insecurity because of land encroachment and invasion by illegal settlers. Affected farmers cannot prevent invasions without legal protection;
- The existence of not surveyed land, which in turn makes it impossible to carry out needed zoning and urban planning.

In light of the overall urban context in Lebanon, the access of the urban poor to land represents a key challenge, especially in the case of warrelated squatted lands and illegal housing in Beirut Southern Suburbs and other Lebanese regions.

FOCUS AREA 4: ENVIRONMENTALLY SOUND BASIC URBAN INFRASTRUCTURE AND SERVICES

Lebanon's natural resources are being mined and degraded at an unsustainable rate. Lebanon's water resources, its landscape, and its overall environment are among its main assets and are sources of attraction to tourists and Lebanese. The years

of war, however, followed by a long period which lacked a clear environmental strategy, regulations, or enforcement, have severely degraded these resources. In 2000, the cost of environmental degradation in Lebanon was estimated at between 2.8 percent and 4.0 percent of GDP per year.

In recent years, progress was made towards environmental sustainability until early 2006, at which time Lebanon was ranked 36 out of 133 countries and came in first within the Arab region on the Environmental Performance Index (EPI). However, the July/August 2006 War with Israel caused significant environmental damage and imposed a significant economic burden.

The post-war era (in early 90's of past century) has witnessed large scale government interventions to improve basic infrastructure and services in Lebanon. The key central agency in charge of those projects is the Council for Development and Reconstruction (CDR). The CDR 15 year plan describes thoroughly on-going and future plan for service improvement covering several sectors, mainly education, health, water, wastewater, solid waste...

With respect to wastewater sector, it is estimated that more than two-thirds of households are connected to a public sanitation network in the major cities of the country; however not more than 20% of the households are connected to public sanitation network in the rural areas. The rest of households are equipped with on-the-plot wastewater treatment systems - septic tanks, cesspits - with poor and not monitored pollution removal rates. This represents a main threat to the quality of underground water. The Government plan is to set up large scale wastewater treatment plan. For instance, treatment plants in the cities and towns of Tripoli, Saida, Nabatiyeh, Chekka and Zahle are under construction or completed, but they are not yet commissioned. Additional financial resources are required to set up treatment plants in remaining areas. From an institutional perspective, it is to be noted that the wastewater management sector was the responsibility of the municipalities prior to the year 2001. Prior to the issuance of the laws No. 221 dated 29-05-2000 related to "the organization of the water sector" and its amendment the law No. 377 dated 14-12-2001 related to "merging the wastewater sector with water supply sector" the wastewater sector was the responsibility of the municipalities.

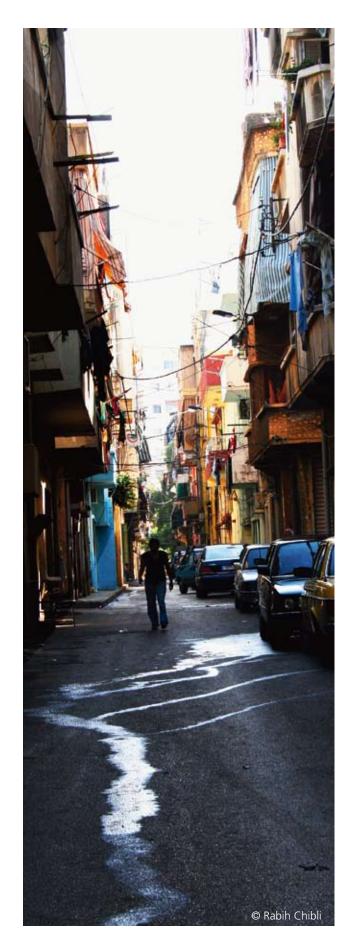
With respect to the water sector, water services reach 90% of the population (except for few villages and towns in Northern Lebanon and other regions). Access to safe, regular supply at the household level is not assured to a quarter of the population. The main

problem in this sector relates to the inadequacy of the provided service. In some areas, where water is not available, people are drilling wells haphazardly, which is causing deterioration of groundwater quality. In order to cope with the current situation the government of Lebanon proposed several locations for dams in the different parts of the country; a total number of 17 dams are planned in order to collect run-off water for irrigation and water supply use (NPMPLT, CDR 2005). The GoL has already started executing his plan through the execution of the Chabrouh dam in the high mountains of kesrouan region.

With respect to the waste sector, it represents one of the main environmental challenges in Lebanon, especially for waste dumping sites in major coastal cities such as Saida and Tyre. While solid waste collection and treatment in Greater Beirut and other major cities such as Tripoli and Zahle are handled by the private sector, waste in rural areas is still disposed off in dumps, mostly on the banks of valleys causing high risk to water pollution, and thus health and tourism activities. With the nationwide escalation of this problem, the GoL appointed a steering committee constituted of representatives from the Council for Development and Reconstruction (CDR), the Ministry of Environment (MoE), the Ministry of Interior and Municipalities (MoIM), and the Directorate General of Urbanism (DGU) to prepare a National Municipal Solid Waste Management Plan dictating on every region (Caza) to manage its own waste within its boundaries (with the exception of Beirut and Mount Lebanon Cazas).

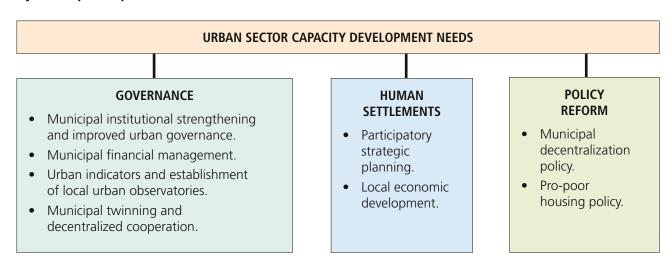
FOCUS AREA 5: STRENGTHENED HUMAN SETTLEMENTS FINANCE SYSTEMS

The existing finance systems for human settlements in Lebanon are carried out by both private and public sectors. For instance, with respect to the housing sector, finance systems include loans provided by the banking sector as well as government housing funds and subsidized loans offered by the government for middle income families. Lower income groups usually do not have access to mortgage finance, due to weak participation in the formal finance system, informal nature or irregularity of income flows, and lack of guarantees. Housing finance reforms have usually come along with broader reforms of the financial sector.



URBAN SECTOR CAPACITY DEVELOPMENT NEEDS

The table presents the three main capacity development needs of the following components: Governance, Human settlements and Policy reform. These are cross-cutting components, and highlight capacity development priorities for all focus areas.



RECENT AND ON-GOING WORK

The following tables provide an introduction to projects recently implemented or currently underway in Lebanon by UN-HABITAT and its partners. The matrix below illustrates details of donors, budgets and outlines the main activities and objectives of each program.

ONGOING PROJECTS

Project title	Time frame	Budget (USD)	Funding partners	Partners	Objectives	Main activities
Good Governance for Enhanced Post- War reconstruction	2007- 2009	1,080 mil- lion	Dutch Government	21 municipalities members in the Union of Municipalities of Tyre. Bint Ibeil and Jabal	- To strengthen the capacities of municipalities to plan, guide, monitor and control the reconstruction of totally destroyed	Set up technical offices within the three unions of municipalities.
in Southern Lebanon		683,998	Cyprus Government	Amel, American University of Beirut, Beit Bil Jnoub Organization, Agence de Coopération Technique et de Développement	houses. - To develop the capacities of affected communities to manage the reconstruction of their houses. - To enhance the role of municipalities as a main agent to promote local development planning.	 Establish three local urban observatories. Support 21 municipalities technically and financially in executing small community projects. Build the capacity of the three unions of municipalities to improve service delivery.
		634,500	Finnish Government			 Produce urban profiles covering 21 villages. Build the capacity of the three unions of municipalities with regards to governance, administrative and planning issues.
Al Fayhaa City Development Strat- egy (CDS)	2008-	41,290	Cities Alliance	Al Fayhaa Union of Munici- pality, World Bank, Medcities, AFDBarcelona and Marseille cities	 To promote economic growth in Al Fayhaa cities. To contribute to poverty alleviation. To improve urban governance and management. 	To provide capacity building and training activities dealing with participatory planning, municipal governance and CDS approach.
Building capacity of local elected leaders for enhancing recovery of Naher el Bared surrounding municipalities	2008- 2009	08,000	UNDP (Italian Cooperation funding)	UNDP, 6 municipalities in camp adjacent area, Inter- national Management and Training Institute	To enhance the capacity of urban gover- nance actors to play a significant role in promoting sustainable recovery and devel- opment.	To implement a 28-day training program targeting local elected leaders and community groups on topics related to municipal governance, finance and strategic planning.
Integrated support to the rehabilitation of NBC adjacent area	2008-	368,774	ЕСНО	UNDP, ILO, UNRWA, UNICEF Muhammara Municipality	To provide the necessary assistance and relief to Palestinian refugees in Lebanon and the most vulnerable Lebanese affected by the conflict in the Nahr el Bared refugee camp and its repercussions.	 To establish joint municipal planning committees involving Palestinian and Lebanese. To build the capacity of the municipality and Palestinian stakeholders to properly plan and implement recovery projects.

FORECASTED PROJECTS

Project title	Time frame	Budget (USD)	Funding partners	Partners	Objectives	Main activities
Effective decentral- ization for improved municipal governance	2009- 2011	2.5 million	To be determined	UNDP Ministry of Interior and Municipalities	 To support the Ministry of Interior and Municipalities in implementing administrative decentralization reforms in Lebanon. To strengthen the institutional set up of the ministry to design, plan deliver and evaluate a national capacity building and training program. To promote information exchange and networking between municipalities. 	 To draft a policy reforms for administrative reforms. To active the municipal training unit at the ministry level. To design, implement and evaluate a national municipal capacity building plan. To organize study tour between municipalities in Lebanon through the creation of a best practice database.
Early Recovery of Naher el Bared surrounding Lebanese communities affected by 2006 and 2007 conflicts	2009-	300,000	To be determined	To be deter- mined	To promote the social cohesion through restoring and improving livelihoods, capacity building and local level dialogue.	- Capacity building of municipalities in terms of service provision, management, organization and finance Provision of training for staff of municipalities in good governance. Initiation of municipal technical skills exchanges between the local governments. Organization of local training and capacity building sessions targeting local leaders, municipal institutions, NGOs and CBOs and other relevant key actors.
Up-scaling municipal planning instruments in the Union of Municipalities of Tyre (UOM)	2009- 2010	580,000	To be determined	Union of Municipalities of Tyre (58 municipalities)	 To support the Union of Municipalities in addressing thoroughly municipal governance issues. To improve the planning, administrative and financial capacities of unions of municipalities for providing public services to their members. 	 Provide technical assistance to the UoM to enhance local coordination mechanisms. Design and implement a municipal capacity building program. Establish a Local Urban Observatory. Develop local strategic plans.
Setting up a local urban observatory for Beirut	2009	000'09	Beirut Municipal- ity	Beirut Municipality, Directorate of Geographic	 To strengthen the capacity of the municipality of Beirut to produce high quality, timely, city disaggregated data. To foster networking and partnerships between national and local stakeholders. 	 Establish a LUO and make sure it is functional. Train the recruited staff. LUO is institutionalized and gains international exposure.
Reforms for pro-poor housing solu- tions	2009	10,000	To be determined	Directorate General of Cooperatives	 To assess existing institutional, legal, administrative and financial frameworks and capacities related to housing cooperatives. To propose concrete solutions to enhance the role of the DGC to provide adequate, affordable and sustainable housing for the poor. 	 To carry out a fact finding mission to assess and analyze the strengths & weaknesses of the current legal and gov- ernance structures covering both: housing cooperatives & DGC. To develop a proposal to revive the DGC

STRATEGY



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UN-HABITAT will focus its country-based intervention on three thematic areas: sustainable rehabilitation and development of human settlements, urban governance, and improved policy reforms for poverty reduction.

NATIONAL DEVELOPMENT GOALS AND PRIORITIES

The Government paper submitted to Paris III Donor conference in 2007 (prior to July war 2006) highlights the national reform program which aims to "stimulate growth, create employment, reduce poverty, and maintain social and political stability". In this context, the Government five-year reform program includes several components dealing with structural reforms, privatization, social sector reforms and pension, fiscal adjustment, monetary policies. The Government is committed to achieving the MDG's with focus on several aspects, mainly poverty alleviation, improvement of quality of education and health services as well as reducing regional disparities. The government intends to reduce poverty by improving a number of existing programs and introducing new programs within the framework of the Ministry of Social Affairs.

The most important programs are cash transfers to poor senior citizens, female-headed poor households, and disabled poor. The government will also work on reducing regional disparities through promoting local development as an efficient tool for balanced regional development and poverty reduction.

National policies and interventions dealing with the urban sector are still very limited. Presently, the agenda of the Government as well as donors is primarily focusing on policy reform issues (as declared in Paris III donor meeting). As such, it is imperative for UN-HABITAT to focus on supporting governments with added value technical assistance to mainstream the urban agenda with on-going and planned policy reforms initiatives.

The Common Country Assessment (CCA) is clearly aligned and supportive of the current national development framework. The UNDAF (2010-2014) is supported by five pillars, mainly governance, economic development and regional disparities, environment, gender and human rights. Through the UNDAF process, UN-HABITAT's mandate has been mainstreamed into the UNCT priorities under two pillars: governance and economic development and

regional disparities, which would contribute towards the two following Country Program Outcomes:

- Good governance reforms, with specific focus on national dialogue and inclusive participation, and government effectiveness and accountability institutionalized at all levels.
- The socio-economic status of vulnerable groups and their access to sustainable livelihood opportunities and improved quality basic social services are improved within a coherent policy framework of reduction of regional disparities.

HABITAT'S PROPOSED STRATEGY FOR THE URBAN SECTOR

UN-HABITAT strategic interventions in Lebanon would capitalize on the agency's added value, specialized in urban issues in general, and in issues related to urban governance and policy reforms as well as human settlements development in specific. UN-HABITAT can play a vital role as a catalyst and organizer of all concerned stakeholders at the local, regional and national levels address, in a participatory manner, the most pressing urban issues the country is facing.

Human settlements-related issues would be addressed in an integrated manner at the national, regional and local levels. Those would be translated into normative, technical and practical interventions with crosscutting efforts to build human and institutional capacity and mainstream gender and participatory approached.

In order to cover priority components, a series of co-related projects were prepared. In each project, special attention was given to (a) include normative, technical and field activities with feedback mechanisms ensuring pragmatic approach, (b) continuous institutional and human capacity building through diversified mechanisms, (c) gender mainstreaming in project definitions and in its activities and (d) sustainability of the project outputs.

The country program development goal is to contribute to sustainable rehabilitation and development of human settlements, urban governance, and improved policy reforms for poverty reduction. For the achievement of this goal, the midterm inter-related thematic components are:

- Sustainable rehabilitation of human settlements – providing the needed support to municipalities and affected families to promote integrated recovery in war affected areas.
- Urban Governance including strengthening the institutional framework of related ministries, local authorities and civil society organizations.
- Building capacities of local authorities on participatory planning, municipal management, service delivery and municipal finance.
- Housing support the DGC in the formulation of legal and instrumental mechanisms to promote pro-poor housing.

PROGRAMME OBJECTIVES

The main objective of the UN-HABITAT Country Program for Lebanon is to focus on long term development strategies. Collaborating with the Government in coordination with other UN agencies operating in the country, UN-HABITAT expects to consolidate a comprehensive program to address governance and reform issues.

Based on the above strategy, the Country Program encompasses the following four components:

- Sustainable rehabilitation of human settlements.
- Participatory urban planning.
- Urban Governance.
- Housing reforms.



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IDENTIFIED SECTOR PRIORITIES

Building on government planning documents in alignment with the Common Country Assessment, the Lebanon Country Program Document will be used as a tool to assist national stakeholders in their effort to place the Habitat Agenda and the Millennium Development Goals on their priority list. Program and project objectives as described in the following table.

PARTICIPATORY URBAN PLANNING

• Elaborating city development strategies and participatory urban plans.

PRO-POOR HOUSING REFORMS

Improve the institutional and legal instruments to enhance pro-poor housing mechanisms within the Directorate General of Cooperatives.

IDENTIFIED SECTOR PRIORITIES

SUSTAINABLE REHABILITATION OF HUMAN SETTLEMENTS

- Providing technical assistance for improved post-war housing reconstruction.
- Improving municipal service delivery.
- Promoting inclusive planning for recovery.

URBAN GOVERNANCE

- Setting up local urban observatories
- Support the institutional set up of concerned government institutions to improve the capacities of municipalities in Lebanon
- Support municipalities in decision making process through the set up of local urban observatories and formulation and development strategies.
- Building the capacities of municipalities.

IMPLEMENTATION ARRANGEMENTS

KEY PRINCIPLES

UN-HABITAT will implement its projects with its partners by providing technical, administrative and managerial assistance. At the national level, the preparation and implementation of projects will be done with the full participation of a national counterpart, which will vary depending on the main theme of the project. Modalities for implementation are multiple, in some cases larger components will be managed by the agency (where local capacity is not well developed or available) and in others, by local institutions and national staff, strengthening and reinforcing national capacity.

Agreements of Cooperation with non-governmental organizations, universities and training institutes will be encouraged. UN-HABITAT would capitalize on the successful implementation of joint programmes with other UN organizations and would work on consolidating this experience through other projects.

Project Steering Committees will be created where required, otherwise tripartite meetings, during the project implementation period, will help in ensuring all partners are on board with the project implementation. UN rules and procedures for the implementation of programmes/projects will apply and all payments from donor or UN-HABITAT sources will be authorized by UN-HABITAT through the United Nations Development Programme country office.

INFORMATION

Information and communication has been considered cross cutting activities for all UN-HABITAT projects during the past two years. The agency developed numerous publications and visibility tools to promote and disseminate projects. Those included: booklets, brochures, posters, calendars as well as documentaries and multimedia presentations. In addition, UN-HABITAT has produced a quarterly newsletter to disseminate on-going and planned projects and activities.

The agency will continue to build-in a component for publication and dissemination of technical and informative material. Additional conventional and non-conventional tools will be produced, such as reports, publications, etc. Media coverage will be ensured for all country activities through national, regional and international TV channels and press as well as through UN-HABITAT web-sites (in Arabic and English).



PROGRAMME FRAMEWORK

RESULTS / RESOURCES BY THEMATIC COMPONENT

The following table organises the sub-sectoral priorities of the UN-HABITAT Country Programme Documents with budget in US Dollars.

	RESULTS / RESOURCES BY THEN	RESOURCES BY THEMATIC COMPONENT	
Results	Objective	Key partners	Ressources (USD)
HCPD component A: Sustainable Rehabilitation of Human Settlements	an Settlements		
Sub-Component I: Housing			
1. Enhancing housing reconstruction	To provide municipalities in Southern Lebanon with necessary technical assistance to adopt and implement effective housing reconstruction strategies and improved standards and norms.	Unions of municipalities, Beit Bil Jnoub organization, American University of Beirut	1,080, 000
2. Promoting community-led housing reconstruction	To develop the capacities of affected communities to manage the reconstruction of their houses by increasing their technical know how.	Unions of municipalities, 21 municipalities, Beit Bil Jnoub organization	344,300
Sub-Component II: Improved Municipal Service Delivery			
 Improving municipal response to reconstruction needs 	To assist municipalities identify, implement and evaluate recovery projects responding to urgent community needs.	21 municipalities	264,200
2. Municipal services adheres to sound standards	To increase the capacity of the municipality to carry out municipal service delivery by ensuring necessary machineries.	Muhammara Municipality	106,000
Sub-Component III: Inclusive recovery and conflict resolution	ution		
1. Community engagement in post-war reconstruction	To establish a dialogue platform engaging Lebanese and Palestinian to carry out local planning for recovery operation.	Muhammara Municipality	151,600
2. Implementing quick impact projects	To promote recovery by implementing quick impact projects agreed on by the local community.	Muhammara Municipality	111,120

	RESULTS / RESOURCES BY THE	RESOURCES BY THEMATIC COMPONENT	
Results	Objective	Key partners	Ressources (USD)
HCPD Component B: Participatory Urban Planning			
1. Elaborating local development strategies	To empower municipalities to implement inclusive strategic plans engaging local stakeholders and communities.	Unions of municipalities	926,000
2. Elaborating City Development Strategies (CDS)	To mainstream through capacity building participatory processes to develop and institutionalize the CDS in North Lebanon.	Al Fayhaa Union of Municipalities Marseilles, Barcelona , AFD, UNEP World Bank	41,290
HCPD Component C: Urban Governance			
1. Developing urban data and indicators	To standardize methodologies of data collection, compilation and dissemination of urban indicators through the establishment of Local Urban Observatories.	Beirut Municipality, Three unions of municipalities, DGA, CAS	195,000
2. Building the capacities of municipalities	To strengthen municipal capacities through engaging elected leaders, municipal staff and civil society in training programs covering governance, participatory planning and budgeting.	Local authorities, UNDP, Ministry of Interior and Municipalities	2,397,000
3. Institutional support to promote good urban governance	To enhance national and local capacity to formulate and implement municipal decentralization policies, strategies and programs.	Ministry of Interior and Municipalities, UNDP	700,000
HCPD Component D: Land & Housing			
1. Reforms for pro-poor housing solutions (phase one)	To provide institutional support to re-activate the housing cooperative scheme in Lebanon as an adequate, affordable and sustainable housing solution for the poor.	DGC	10,000

REQUIRED BUDGET

REQUIRED BUDGET

gramme for the four thematic components covered in the country programme. The table displays funding over a 2-year period and high-The table reflects the budget for Lebanon UN-HABITAT Country Programme Document. The budget presents a sum of the pro-

gramme for the rout themade components covered in the country programme. The table displays funding over a z-year period and might lights the secured versus the non-secured funding for each programme component presented. All funds in US Dollars.	table displays fulfications	ds in US Dollar	ear periou ariu iligi 5.	<u>-</u> -	
Thematic Areas / Programme Components	Year 1	Year 2	Secured funds	Unsecured funds	Total
HCPD component A: Sustainable rehabilitation of human settlements					
A 1.1 - Enhancing housing reconstruction A 1.2 - Promoting community-led housing reconstruction	540,000	540,000 172,150	1,080,000	000	1,080,000
A 2.1 - Improving municipal response to reconstruction needs A 2.2 - Municipal services adheres to sound standards A 3.1 - Community engagement in post-war reconstruction	264,200 0 75,800	0 106,000 75,800	264,200 106,000 151,600	000	264,200 106,000 151,600
A 5.2 - Implementing quick impact projects HCPD Component B: Participatory urban planning	D	02/,111	07/111	D	111,720
B 1.1 - Elaborating local development strategies B 1.2 - Elaborating city Development Strategies (CDS)	100,000	826,000 41,290	346,000 41,290	580,000	926,000
HCPD Component C: Urban governance					
C 1.1 - Developing urban data and indicators C 2.1 - Building the capacities of municipalities C 3.1 - Institutional support to promote good urban governance	97,500 1,198,500 350,000	97,500 1,198,500 350,000	135,000 297,000 0	60,000 2,100,000 700,000	195,000 2,397,000 700,000
HCPD Component D: Land and housing					
D 1.1 - Reforms for pro-poor housing solutions (phase one)	0	10,000	0	10,000	10,000
Programme Management					
Programme Management	100,000	100,000	0	200,000	200,000
Grand total	2,898,150	3,628,412	2,876,562	3,650,000	6,526,562

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EBANON

ACRONYMS

CCA Common Country Assessment

CDR Council for Development and Reconstruction

DGC Directorate General of Cooperatives

DGU Directorate General of Urbanism

ECHO European Commission Humanitarian Aid Office

FAR Floor to Area Ratio

GOL Government of Lebanon

HCPD Habitat Country Program Document

IAURIF Institut d'Aménagement et d'Urbanisme de la Région Ile de France

LED Local Economic Development

LEL Local Elected Leaders

LRO Local Reconstruction Office

MDG Millennium Development Goals

MTSIP Medium Term Strategic and Institutional Plan

MoE Ministry of Environment

MoIM Ministry of Interior and Municipalities

NBC Nahr El Bared Camp

NHI National Housing Institute

PRSP Poverty Reduction Strategic Paper

RUSP Rapid Urban Sector Profile

RTO Reconstruction Technical Office

UNCT United Nations Country Team

UNRWA United Nations Relief and Works Agency for Palestine Refugees in the Near East

EXECUTIVE SUMMARY

In April 2007, the Governing Council of UN-HABITAT approved the 2008-2013 Medium-Term Strategic and Institutional Plan, which intends in particular to promote the alignment of UN-HABITAT normative and operational activities at country level. The UN-HABITAT Country Programme Document (HCPD) for Lebanon is indeed one of the tangible components of the above Plan and serves as a strategic tool meant to guide all UN-HABITAT activities over a two-year period 2008-2009. The HCPD outlines the main objectives and priorities for UN-HABITAT in Lebanon and aims to promote the Habitat Agenda in collaboration with the Lebanese Government and other UN Agencies.

UN-HABITAT in Lebanon plays an active role in mainstreaming various urban issues within local and national programmes. Through an analysis of key urban sectors including Governance, Land and Housing, Shelter and Basic Services, Urban Planning and Management, the Environment and Capacity Development, the Lebanon HCPD provides an overview of the national policy context and the intervention areas to address urban development challenges.

The multilateral programming instruments presented in the Lebanon UN-HABITAT Country
Programme Document that help to guide national priorities and UN system priorities are the United Nations Development Assistance Framework, the Common Country Assessment and the Government of Lebanon's economic reform programme (presented during Paris 3 International Conference).



Taking into account the United Nations Development Assistance Framework and other United Nations system activities, the country programme in Lebanon is currently formulating a strategy to approach the urban sector through the development of long-term development strategies. As a whole, the UN-HABITAT Country Programme Document presents a clear programme designed to guide UN-HABITAT's current and future work in Lebanon.







UNHABITAT

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