

Action Fiche for Lebanon**1. IDENTIFICATION**

Title/Number	CLOSER: Community and labour oriented scheme for education reform (ENPI/2012/023-433)		
Total cost	EU contribution: EUR 8 million		
Aid method / Method of implementation	Project approach / Direct centralised management		
DAC-code	11000	Sector	Education
	11330		Vocational training

2. RATIONALE**2.1. Sector context****General Education:**

Public education system in Lebanon – a network of 1,360 schools spread across the entirety of the territory and welcoming students from all backgrounds – plays an irreplaceable role in promoting social cohesion and democratisation of education, as guaranteed by the Lebanese constitution. However, the system suffers a deficit in terms of quality and internal efficiency. The public schools have, in general, poorer resources than the private sector, much of the teaching force is under-qualified, and the class repetition, retardation and drop-out rates are unacceptably high. Furthermore, there are pronounced regional disparities, with school wastage being much higher in the North, the Bekaa and the South than in Beirut or Mount Lebanon.

Recognising these shortcomings, the Cabinet of Ministers of the Lebanese Republic adopted, in April 2010, the National Education Strategy (NES) and the related Education Sector Development Plan 2010-2015 (ESDP) which set out a clear reform agenda for public education.¹ Specifically, the ESDP outlines ten priority programmes for the upcoming five years:

- Programme No 1: 'Early Childhood Education';
- Programme No 2: 'Improving Retention and Achievement (decreasing repetition rates)';
- Programme No 3: 'Development of Infrastructure (equitable distribution of schools)';
- Programme No 4: 'Professionalisation of the Teaching Workforce';
- Programme No 5: 'Modernisation of School Management (school-based management)';
- Programme No 6: 'Achievement Assessment and Curriculum Development';
- Programme No 7: 'Citizenship Education';

¹ NES and ESDP can be found on the Lebanese Ministry of Education and Higher Education website: <http://www.mehe.gov.lb/Templates/Internal.aspx?PostingId=20>.

- Programme No 8: 'Information and Communication Technologies in Education';
- Programme No 9: 'National Qualification Framework';
- Programme No10: 'Institutional Development (planning, Education Management Information Systems, budgeting, etc.)'.

Since its endorsement, the majority of ESDP programmes have started, however, progress has been slow, hindered primarily by:

- the prevailing climate of deadlocked decision-making and legislative processes;
- heavily centralised nature of the sector management (both decision making and budget);
- a significant communication/information gap between the ESDP strategic centre at the Ministry of Education and Higher Education and the school level;
- deficient information base on the sector performance, disabling evidence-based decisions;
- and lack of feedback, as the culture of transparency, accountability and evaluation within the sector is insufficient for the moment.

The implementation of the ESDP programmes and the co-ordination with the public sector, that is among the Ministry of Education and Higher Education, Centre for Education Research and Development (CERD) and Inspection, is under the auspices of the Education Sector Development Secretariat (ESDS), a unit established at the Ministry of Education and Higher Education. A number of donors, including the EU with the project '*Support to Education and PFM Reforms*²', have already provided substantial support to the Ministry of Education and Higher Education and the ESDS for the implementation of the reform programmes (see 2.3 *Complementary Actions*). On the other hand, only little support has been so far given to the actual practitioners of the education services, to the schools and school staff. Thus the gap between the 'top' based decision-makers and 'bottom' based practitioners remains. Thus, there is a question of whether, once the reforms reach the school, the practitioners and the institutional conditions and capacities will be ready to implement them successfully.

Vocational and Technical Education (VTE)

Similarly to the General Education sector, the vocational public schools fall short of meeting the needs of the people attending them. The training delivered in the majority of vocational training institutes fails to provide the skills which would match with the needs of the labour market. This is considered to significantly contribute to the high unemployment rates of the youth and a long 'waithood' period before the graduates secure their first jobs. Aligning of training with the job needs is expected to further grow in importance as 19,000 people are estimated to enter the Lebanese labour market each year in the next ten years.³

The Ministry of Education and Higher Education, more precisely the Directorate General of Vocational and Technical Education (DGVTE), which runs the public VTE system has recognised the need and has engaged in a few initiatives which provide students with exposure to real work situations and practical learning opportunities.

² C(2009)7826 of 19 October 2009.

³ Unemployment is the highest for the qualified (14% for university and 12% for secondary graduates - 18% and 26% respectively for women) and the young (25% - for men 30% - in the 25-29 age group). The time to find the first job is 2.2 years for secondary education graduates. '*Capital et travail: le grand gâchis de l'économie libanaise.*' Le Commerce du Levant, October 2011.

These are the Dual System (DS)/Meister/Small and medium enterprises (DSME) programme which links the VTE schools to a network of 630 companies, the Agro-Food Technical Institute which is based on a private-public partnership with the Syndicate of Lebanese Food Industries and the Dekwaneh Hospitality School which operates a for-profit branch.

Among these initiatives, the DSME programme – introduced as an innovation in the Lebanese VTE in co-operation with German agency for international co-operation Gesellschaft für Internationale Zusammenarbeit (GIZ) in 1996 – has gained the best reputation so far, thanks to its strong practice-orientation (work-based learning ranges from 35% in the first year to 50% in the 2nd and 3rd year) and positive employment results and financial return for the trainees (between 70-80% of DS graduates report to find jobs immediately after graduation in their field with the average salary of USD 800/month). Although successful, the DSME training remains to be an island, involving 6 technical and 2 non-technical occupations and some 1,600 students, and needs further consolidation and expansion.

Though VTE featured low on the education policy agenda in the past and does not feature among the ESDP ten priority programmes, the new Minister of Education and Higher Education (since June 2011) has pushed the issue to the forefront of the policy debate, with parallel support being voiced by the Ministers of Labour and the Minister of Economy. As a result, a national VTE strategy is currently being elaborated by a committee assigned by the Minister of Education.

2.2. Lessons learnt

There are three main lessons we have learned from the first year of the implementation of the '*Support to Education and PFM Reforms*' project that are:

- the heavy centralisation of the education system (and the reform process) results in an immediate cessation or slow-down of the change process in case of any political instability;
- the Lebanese education and VTE systems lack in solid education research (mainly non-academic field research and evaluations) which incapacitates effective policy debate and design;
- the limited consultation and co-ordination, both within the public sector and outside it, restricts the information to a small group of specialists thus failing to gain the momentum necessary for the reform.

The result oriented monitoring and the evaluation report on the project *Renforcement de l'intégration socio-économique d'enfants et de jeunes en difficulté (I&II)* have revealed that it is effective and efficient to work with schools and communities to tackle the issues of dropout and social cohesion/citizenship (Municipal Committees working with the local public schools).

The EU-financed *Education/Employment* project (completed in August 2011) has shown three major challenges faced by the traditional school-based public VTE: lack of strategic frameworks, weak links with the private sector and lack of attractiveness. The final evaluation of the project recommends the EU to undertake '*interventions with the German Agency for International Co-operation, or GIZ, who ...has been able to overcome the main issues and obstacles and raise awareness towards linking Education to Employment. Its intervention method, because of its anteriority and longstanding presence, became a reference for the DGVTE.*'

2.3. Complementary actions

The proposed programme is complementary to:

1. Other initiatives in support of the ESDP (with the Ministry of Education and Higher Education):
 - EU-funded '*Support to Education and PFM Reforms*' (EUR 13.7 million, 2011-2015) supporting the Ministry of Education and Higher Education in the implementation of ESDP programmes No 2 'Improving Retention and Achievement', programme No 7 'Citizenship Education' and programme No 10: 'Institutional Development (in particular, budgeting)';
 - United States Agency for International Development (USAID) funded *D-RASATI project* (USD 75 million, 2010-2015)⁴ and the World Bank (WB) funded Education Development Project II (USD 40 million, 5 years)⁵ support the ESDP programmes No 1, 3, 4 and 10 while at the same time include some activities towards the gradual implementation of the Ministry of Education and Higher Education drafted '*New Vision of the School*', aligned with the ESDP programme No 5 'Modernisation of School Management'. These initiatives, particularly pertinent to the current project, include strengthening of leadership skills of the school principals and administrative staff, training of parents' councils, support to community engagement, creation of a 'Lebanon School Improvement Network', development of school improvement plans and a seed school innovation fund;
 - United Nations Children's Fund (UNICEF), United Nations Educational, Scientific and Cultural Organization (UNESCO) and United Nations Development Programme (UNDP) have provided approximately USD 6.5 million for pilot initiatives and the expertise of the ESDS;
 - Grant in support to the 5-year plan of the Ministry of Education and Higher Education funded by France for the period 2011-2014;
 - Agence Française de Développement (AFD) (EUR 30 million) is negotiating a new project with the Ministry of Education and Higher Education focusing on the French instruction and school infrastructure.
2. Initiatives in support of VTE:
 - EU-funded *Education/Employment* project (EUR 5 million, 2006-2011) supported the creation of the Agro-Food Technical Institute (a private-public model);
 - German-funded support to the DSME programme (EUR 12 million, GIZ, 2007-2014);
 - European Training Foundation initiatives, including the Torino Process and support projects for the National Qualification Framework, entrepreneurial learning, and career guidance.
3. Selected EU-funded projects with civil society:

⁴ D-RASATI project: A United States Agency for International Development (USAID) funded project aiming to rehabilitate schools, equip science and informatics laboratories, develop capacity of teachers and involve parents and pupils in school activities.

⁵ *Education Development Project II*: A World Bank loan focused on kindergartens and development of administrative capacities of the Ministry of Education and Higher Education cadres and school principals.

- *Renforcement de l'intégration socio-économique d'enfants et de jeunes en difficulté (Mouvement Social Libanais)* addressing school wastage and citizenship education through school-based projects and work with municipalities;
- Accelerated Vocational Training Programme for reintegration of drop-outs.

2.4. Donor co-ordination

Donor interventions in the education field have in practice adopted a sector approach, based on the ESDP strategic framework. As agreed, the Ministry of Education and Higher Education should ensure systemic donor co-ordination, however, for the moment only quarterly reports on the progress of the ESDP implementation (including the progress of donor-funded initiatives) are being circulated. That is why the major donors and UN agencies, i.e. EU, USAID, WB, AFD, UNICEF, UNESCO – have established a donor co-ordination group on education which has a rotating presidency and takes place on quarterly basis. Furthermore, there is close co-ordination of donors during formulation stages of projects (shared meetings, shared formulation reports and documents).

3. DESCRIPTION

The proposed project entitled 'CLOSER: Community and labour oriented scheme for education reform' sets out to complement the top-down centre-led approach adopted by the previous EU-funded projects⁶ with support to school-based and labour market-based initiatives. In so doing, CLOSER project will contribute to bridging the gap between the decision-makers and the sector practitioners and beneficiaries, thus complementing (not countering) the on-going reforms led by the ESDS and DGVTE. Furthermore, CLOSER project proposes to strengthen the education and VTE information base and the culture of consultation and transparency which in turn will impact on the quality of education services.

The adopted approach is aligned with the *Evaluation of the European Commission support to education sector* which urges to increase focus on quality improvements and on the Non-State Actors' watchdog role, 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*'⁷ which emphasises the need for civil society involvement and for job-oriented vocational training, and with the principles of the Communication from the Commission to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions '*Increasing the impact of EU Development Policy: an Agenda for Change*'⁸ which calls for inclusiveness of education and job-related actions. Equally, the project resonates with national priorities established in the *2011 Ministerial Declaration of the Lebanese government* that calls for faster progress of the reforms in the education sector.

⁶ Namely, Support to Education and PFM Reforms and Education/Employment Project.

⁷ COM(2011)200 of 8 March 2011.

⁸ COM(2011)637 of 13 October 2011.

3.1. Objectives

Overall objective: To improve the quality and relevance of teaching and learning at the Lebanese public schools and vocational training institutes.

The specific objectives are:

- To create the conditions, capacities and supportive environment at the level of schools which would facilitate school-oriented, evidence-based and transparent implementation of the Education Sector Development Plan at the school level.
- To increase the level of responsiveness of the public VTE system to the needs of the labour market.

3.2. Expected results and main activities

The programme is articulated in two components:

Component I: Support to ESDP Implementation

Component I will foster the institutional conditions and capacities and transparency and accountability at the school level. In so doing, it will prepare the school environment for the implementation of the reforms and contribute to the increasing role of the schools in decision-making and project initiation as foreseen in the ESDP programme number 5 '*Modernisation of School Management*'. Thematically, the focus will be on the ESDP programmes 2 and 7 (Retention/Achievement and Citizenship Education) which are already being supported by the EU in the scope of the project '*Support to Education and PFM Reforms*'.

Sub-component I.a: Community-Owned Reform of Education (CORE)

Result 1: School-based groups involving community actors are mobilised in at least 100 schools, and their capacity to take the leading role in the initiatives for improved retention/achievement and citizenship education is enhanced.

In alignment with the '*New Vision of the School*' and in close co-ordination with the Ministry of Education and Higher Education, a network of at least 100 school-based education development groups is fostered (the CORE network) and coached through the process of planning, prioritising, fundraising for and managing of local educational development projects, thus creating the necessary mechanism and capacities to implement the reforms outlined in ESDP at the school level. The following key activities are foreseen:

- Mobilisation of 100 school-based education development groups (led by the Principals and including representatives of the Parent Councils, municipalities, civil society organisations) and initiation of their network, the CORE network;
- Development of a 'Toolbox' and coaching of the CORE members in the elaboration of school development plans, prioritisation, consultation, fundraising;
- Implementation of initiatives of the CORE members corresponding to the national ESDP priority programmes No 2 and 7;
- Exchanges between the individual CORE members (innovative approaches, such as positive deviance and peer coaching, will be examined and piloted).

Result 2: Accountability and transparency of the ESDP reform programmes and associated aid-funded projects at the school level are strengthened.

In order to maximise the efficiency of the CORE component, it will be reinforced by an accountability mechanism integral to the CORE network which will assist the public education authorities, local education officers (i.e. administrators at Regional Education Bureaus and school principals) and visiting executives (i.e. inspectors, orientation counsellors, teacher trainers from the regional Teacher Resource Centres) to better monitor its efficiency and to enhance its transparency and accountability.

The foreseen activities are:

- Set-up of the CORE network social accountability/watchdog function, promoting information dissemination and addressing issues such as budget execution, monitoring, communication, social participation;
- Assessments of and trainings on accountability tools;
- Set-up of an 'upstream' mechanism for the disseminating of results/experiences of the CORE network to the central level.

Sub-component I.b: Education scheme 'RESEARCH'

Result 3: The information base on educational situation, trends and perspectives is consolidated and enriched by new methods in school-based research.

In order to support the culture of evidence-based planning and prioritisation, this sub-component reinforces the government-sponsored (both at central and school level) and privately-initiated education research. The focus will be predominantly on school-based research and promotion of new methodologies (e.g. action research). The strategic alignment with the ESDP programmes 2, 5, and 7, exchanges and synergies between the government and private research, dissemination of results will also be supported.

A scheme entitled 'RESEARCH', will be established to carry out the following activities:

- Set up of a Data Bank collecting reform-related research results, including data on school-based projects (CERD to be in charge of its operations, dissemination of contents and maintenance);
- 3 annual conferences on reform-related education research;
- 12-15 school-based experimental research actions, exploring the local variables of the ESDP programmes and including research on positive deviance;
- Capacity-building in grass-root, participatory methods and instruments (e.g. action research) for selected government staff, academicians and young researchers.

Component II: Practice-oriented VTE

Component II will promote the practice-orientation of VTE by quality enhancement and consolidation of the current DSME programme, while at the same time encouraging the introduction of a strategic shift towards practice-orientation (work-based learning) in the mainstream VTE system.

Result 4: The quality of the DSME programme is enhanced.

This strand will strengthen the quality of training and learning in the current DSME programme, providing for its consolidation and sustainability. The focus will be on capacity-development through coaching of the delivery staff and key actors of the DSME (i.e. school co-ordinators, school directors, trainers, instructors, mentors and quality controllers, employer organisations, VTE administration dealing with quality

issues; the further involvement of the National Employment Office will be also explored).

The foreseen activities are:

- Development and implementation of a Quality Framework;
- Establishment of 'light co-operation mechanisms' between VTE and business sector;
- Capacity-development on practical training, management and monitoring.

Result 5: The information base for DSME programme and other forms of practice-oriented vocational learning in Lebanon is improved.

In order to provide a sound basis for evidence-based policies, analytical work will be carried out on 1) the employment and learning outcomes of DSME programme and other forms of practice-oriented VTE in Lebanon and 2) potential and feasibility for future expansion of the programme. Studies are foreseen to include a sector training needs analysis on future demand, a feasibility study on selected sectors and occupational areas, a comparative school-to-work transition survey for graduates, a comparative measurement of VTE competences of students.

Result 6: Practice-orientation is promoted in mainstream VTE in Lebanon

Based on the outcomes of the above analytical work and the commitment of the Ministry of Education and Higher Education and DGVTE to engage in this process, a two-pronged scheme will be developed in order to 1) increase the attractiveness of VTE to young people and 2) enhance the students' exposure to real work situations. The activities may include:

- Promotion and pilot testing of the various practice-oriented modules to the VTE mainstream school (e.g. virtual firms, short placements, job shadowing);
- A communication and awareness-raising campaign on the benefits of practice-oriented VTE;
- Development of a career information system to inform students about a wide range of choices and tackle stereotypes about VTE;
- Fostering of the existing practice-oriented VTE schools, e.g. the Agro-Food Technical Institute (Qab Elias);
- Piloting of the DSME programme in at least one new occupational field.

3.3. Risks and assumptions

The main assumptions of the project are:

- Political stability and the upholding of the current strategic direction of the reforms;
- Ministry of Education and Higher Education/CERD/DGVTE commitment (and appropriate support) to the project.

Risks specific for **Component I:**

- Lack of collaboration/partnership between the Ministry of Education and Higher Education and non-governmental project partners;
- Lack of commitment of the Municipal Councils due to huge competition of priorities;
- Little administrative capacity of research partners, municipalities, some NGO partners;

- Co-ordination and quality assurance of the CORE network initiatives;
- Lack of monitoring & evaluation culture in the institutions/organisations involved;
- The 'Watchdog' function may be seen as a threat by the Ministry of Education and Higher Education;
- Complexity of co-ordination of parallel 'bottom-up' and central reform actions risking the loss of coherence.

Risks specific for **Component II**:

- Low demand from students due to poor image of VTE in general;
- Capacity-development approach is challenged by DGVTE or other partners;
- Resistance to collaboration between the DGVTE and the private sector;
- Low capacity/demand of Lebanese small and medium enterprises to engage further in the process.

In order to mitigate the risks inherent to the innovativeness of the approach adopted for the component I, it has been decided to provide only a limited budget to this action. Specific mitigation measures for the individual risk factors above will be built-in the project documents.

3.4. Crosscutting Issues

The themes of human rights, rights of the child, social inclusion, and gender equality are central to both dropout prevention and citizenship education. The proposed project thus not only includes but serves as a vehicle for promoting these cross-cutting issues. Supporting citizenship education further contributes to democracy, as well as prevention of potential conflicts, while support to the VTE promotes employment and social inclusion.

The participatory and capacity-development methodologies adopted by this project promote democratic principles and contribute towards good governance.

3.5. Stakeholders

The **final beneficiaries** of this project are the students of the Lebanese public-schools and VTE institutes.

The main **stakeholders** of the project are:

- The Ministry of Education and Higher Education (Directorate General for Education and ESDS, DGVTE): providing a policy and legal framework and being an indirect beneficiary of the project activities;
- CERD: beneficiary of the support to research capacities;
- Lebanese educationalists and research community;
- Municipalities and civil society organisations;
- Business community or associations and social partners – trade unions and in particular employers' associations;
- School principals and school-based structures (parents associations and school councils).

4. IMPLEMENTATION ISSUES

4.1. Method of implementation

The project will be implemented in direct centralised management. A Financing Agreement will be signed with the Government of Lebanon.

Both project components will be implemented through grants and/or service contracts.

4.2. Procurement and grant award procedures

1) Contracts

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by the European Neighbourhood and Partnership Instrument (ENPI) Regulation. Further extensions of this participation to other natural and legal persons by the concerned authorising officer shall be subject to the conditions provided for in Article 21(7) of the ENPI Regulation.

2) Specific rules for grants

The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. They are established in accordance with the principles set out in Title VI 'Grants' of the Financial Regulation applicable to the general budget of the EU. When derogations to these principles are applied, they shall be justified, in particular in the following cases:

- Financing in full (derogation to the principle of co-financing): the maximum possible rate of co-financing for grants is 80% of the total eligible costs for the Action. Full financing may only be applied in the cases provided for in Article 253 of the Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of the Financial Regulation applicable to the general budget of the EU.

4.3. Indicative budget and calendar

The overall indicative budget amounts to EUR 8 million, indicatively distributed as follows:

	EU contribution (EUR)	Foreseen Modality
Component I: Support to ESDP Implementation (CORE, Research)	4,250,000	Grants Services
Component II: Practice-oriented VTE	3,000,000	Grant Services
Evaluation and Audit	250,000	Services
Contingencies*	500,000	
Total	8,000,000	

*Use of contingencies is the subject to prior approval of the European Commission

Visibility costs are included in the budget of each component.

The operational implementation period of the action is foreseen for 48 months as from the signature of Financing Agreement.

4.4. Performance monitoring

Achievements will be monitored internally by the grant holders and service providers (expected to be NGOs or academic institutions). The results will be reported to the EU Delegation in intervals specified in the General Conditions of the relevant type of contract. The key performance indicators will be detailed in every contract. The EU Delegation task manager will carry out at least one monitoring mission a year for each component. It is expected that the individual components will also be subject to the regular result oriented monitoring missions.

4.5. Evaluation and audit

A mid-term and final evaluation will be carried out for each component.

Expenditure verification will be performed for every grant and service contract as foreseen in the General Conditions for the relevant contracting modality (grant/service).

The total of EUR 250,000 is earmarked for these purposes.

4.6. Communication and visibility

Adequate communication and visibility will be ensured by a) annual visibility/communication plans which will have a specific budget allocation in each grant contract and b) EU Delegation monitoring of the adherence to the visibility/communication plans.

Action Fiche for Lebanon**1. IDENTIFICATION**

Title/Number	Promotion of social justice in Lebanon (ENPI/2012/023-432)		
Total cost	EU contribution: EUR 12 million		
Aid method / Method of implementation	Project approach – Centralised/ joint management with the Office of the High Commissioner for Human Rights and the United Nations High Commissioner for Refugees		
DAC-code	15160	Sector	Human rights
	15170		Women's equality organisations and institutions
	15150		Democratic participation and civil society
	15152		Legislatures and political parties

2. RATIONALE**2.1. Sector context**

The Middle East and North Africa are witnessing since 2011 major political changes. The Arab Spring uprising reflects the crying needs for a better life for the people of the region and for greater respect of human rights, pluralism and social justice.

Paradoxically, while the populations of the Arab world have massively mobilised demanding fundamental political, economical and social rights, Lebanon, a country with a vibrant civil society and historically directly involved and affected by regional events, seems, so far, to be absent of the ongoing evolving situation in the Southern Neighbourhood.

However, Lebanese society faces major challenges that remain to be thoroughly addressed. Indeed, the vast political and socioeconomic reform agenda is stalled and the long needed global dialogue to shape a fairer society is virtually paralysed. The economic and social model in place leads to a massive outflow of young graduates and the replacement of the local workforce by migrant workers deprived of the most fundamental rights.

Furthermore, recent developments in the Middle East have made the task of protecting and assisting refugees and others of concern much more challenging. Unstable conditions in the region have led to security constraints, continued displacement and an increase in the vulnerability of a number of refugee groups.

Lebanon has a close association with the international human rights institutions throughout since its independence and continues to be an active player at the international level. With the exception of the International Labour Organisation

Convention Freedom of association and protection of the right to organise (N° 87), which forms part of fundamental human rights conventions on labour standards¹, Lebanon has signed a wide range of international Covenants and Conventions on human rights and is quite out-spoken in its defence of these at the international level. The real challenge however comes with regard to the discrepancy between Lebanon's international position and activity and its domestic implementation. Despite ratification at the international level many international human rights commitments have not been transposed into national law and the implementation of the obligations deriving from these commitments is seriously lagging behind.

Among the most affected by the legislative and policy gaps for social protection and human rights promotion are vulnerable groups, women and youth. Strategies and action plans to improve their situation are often prepared, drafted and even approved but not implemented due to lack of sufficient political will, budgetary reasons, technical expertise or public awareness.

There is also room for improvement regarding Democratic Governance (Lebanon in 94th place among 167² countries according to latest democracy profile available) with a Parliament proven not able to perform effectively its main legislative and oversight roles and an electoral system in need of reform to meet international standards.

Lebanese civil society has often played a vigorous role as catalyst for change, through the promotion of democracy, human rights, rule of law and social justice. However Lebanese civil society is fragmented, lacks co-ordination and needs to strengthen its capacity further in order to be a strategic partner for reform and policy changes.

This programme aims at contributing to implement the necessary reforms to build and consolidate deep democracy in Lebanon, reinforce the commitment of the Government towards the respect of human rights and fundamental freedoms and enhance dialogue to promote social cohesion and convergence.

The programme at hand is in line with the **EU-Lebanon Action Plan** under the European Neighbourhood Policy, with the priorities outlined in the two Joint Communications 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*”³ and “*A new response to a changing Neighbourhood*”⁴ that embody the European Union's response to the demands in the region for greater freedom, justice and democracy and follows the principles of the new Communication from the Commission “*Increasing the impact of EU Development Policy: an Agenda for Change*”⁵.

This programme also builds on national priorities established by the government and reflected in the 2011 **Ministerial Declaration** that foresees the need to develop the social role of the state, explicitly refers to social justice and equity, renews the government's commitment to respecting international resolutions.

¹ <http://www.ilo.org/ilolex/english/docs/declworld.htm>.

² Economist Intelligence 2011's Unit Democracy.

³ COM(2011)200 of 8 March 2011.

⁴ COM(2011)303 of 25 May 2011.

⁵ COM(2011)637 of 13 October 2011.

2.2. Lessons learnt

Drawing upon the results of monitoring and evaluation of related projects, current activities and continuous dialogue with the different stakeholders, it is possible to distil a number of important lessons to be learned when tackling issues of promoting social justice in Lebanon:

- The need to avoid a top-down approach and ensure that the different beneficiaries (including civil society and public institutions) are fully-engaged in the design, management, and implementation and monitoring phases of the programme and ensure that the different beneficiaries assume ownership of the actions.
- The need to strengthen the capacity of the civil society actors to be able to convey messages and be effective vectors for the implementation of reforms.
- The need to engage in genuine independent social dialogue, involving independent trade unions and employers' organisations.
- The need to support democratic governance strengthening democratic institutions as a process considered as an ongoing or cyclical activity.
- The need to reinforce the engagement with international human rights protection mechanisms formulating national public policies namely for the promotion of equal rights and adequate protection for vulnerable groups.
- The social protection reform is by its nature multifaceted, having broad ranging fiscal and policy implications. It covers interrelated aspects and cuts across a number of actors: public institutions, employers associations, trade unions all need to be part of a comprehensive dialogue to meet the challenges of an effective agenda for social reform.
- The need to co-ordinate the support with other donors.
- The need to support effective professional development of staff capacity to ensure a high calibre of the Parliament performance in conducting legislative and oversight functions while avoiding addressing highly politicised issues namely those related to Human Resources management strategy adopted by the Parliament.

2.3. Complementary actions

The programme proposed is complementary with both EU activities funded by thematic budget lines (European Instrument for Democracy and Human Rights and other thematic lines) and with bilateral projects such as "Reinforcing Human rights in Lebanon" that foresees the third edition of successful AFKAR promoting the co-operation of civil society networks and the Lebanese institutions or other on-going projects in the field of justice and security sector reform. The programme addresses needs not covered by the above mentioned projects and enhances mechanisms to strengthen accountability (elections, parliament, Universal Periodic Review (UPR) and civil society monitoring).

The component III.3 will look for synergies with EU programmes targeting Lebanese youth such as Euromed Youth and Youth in Action.

2.4. Donor co-ordination

The local co-ordination with the EU Member States takes place in the framework of the annual work plans and is conducted through regular and thematic co-operation meetings with the EU Member States where they are informed and consulted from the identification phase of the Annual Action Programmes.

The EU Human Rights Strategy for Lebanon approved by EU Heads of Missions in June 2011 after consultation with various relevant national and international stakeholders represented a privileged framework for the co-ordination and consultation on the priorities to support for the years to come in the arena of human rights and democracy. It was also an occasion to undertake a mapping of on-going projects of all EU Member States in the field of human rights, in which democracy and democratic governance were considered a core component. This strategy reflects as a main priority the reinforcement of Democratic Governance including the need to reinforce the effectiveness of the parliament. The same Strategy consolidates as thematic priorities support to improve the protection of non-Palestinian refugees, consolidate the UPR process to improve human rights accountability of Lebanese Institutions and promote equality between women and men is a fundamental right. The above mentioned priorities were also discussed with the Lebanese Government in the framework of the European Neighbourhood and Partnership Instrument (ENPI) subcommittees on social migration, and human rights democracy and governance. In relation to decent work, labour standards and contacts with social partners, it is important to co-ordinate with the International Labour Organisation (ILO) and its planned activities in connection to an envisaged possible Decent Work Programme with Lebanon.

For gender issues and within the framework of the "EU Code of Conduct on Division of labour in Development Policy"⁶ the EU Delegation took the lead to establish in 2010 a Gender Working Group amongst EU donors (EU Community and the EU Member States) providing a platform for a more effective and results-based engagement between the Lebanese government and donors with regards to on-going and planned gender equality and women's empowerment programmes.

Concerning activities with civil society, donor co-ordination is actively pursued in Lebanon in the context of Small Grant Meetings organised on a quarterly basis with the EU Member States and other international donors in which they exchange information on their respective programmes/projects in various sectors in an attempt to create synergy and avoid duplication in the act.

3. DESCRIPTION

3.1. Objectives

The general objective of the programme is to promote democracy, human rights and social justice in Lebanon.

The project purposes are to:

⁶ COM(2007)72 of 28 February 2007, also accessible at:
<http://eur-lex.europa.eu/LexUriServ/LexUriServ.do?uri=COM:2007:0072:FIN:EN:PDF>

- Reinforce democratic governance in Lebanon;
- Engage Lebanon to meet its international human rights obligations and to strengthen the protection of vulnerable populations;
- Enhance social dialogue and social protection and empower women and young people as active members of an evolving society.

The programme will be articulated in three main components:

- Democratic governance;
- Promotion and protection of Human Rights;
- Social Justice.

Good governance, gender equality and human rights are at the core of this action as the programme consists in addressing core human rights and democracy concerns. The project will support the strengthening of the institutional framework for the protection of human rights and the development of democratic governance in Lebanon.

3.2. Expected results and main activities

The expected results of the project are as follows:

Component I - Democratic Governance:

Expected Result I.1: The efficiency of the Parliament in carrying out its legislative and oversight functions is enhanced.

The activities developed under this result will include:

- Review of current legislative process and proposal of new updated rules and procedures;
- Development of an upgraded legislative tracking mechanism;
- Support to the establishment of a legal department;
- Capacity building of committee staff to enhance the management and performance of oversight sessions;
- Improve the relations between the Parliament and the Public Institutions and Agencies
- Enhance the research and policy analysis capacity of the Parliament;
- Development of the communication and Information and Communication Technology strategy of the Parliament;
- Raising awareness of the Lebanese public on the role of the Parliament and the Parliamentarians in the country.

For the support to Parliament service/grant contract(s) are envisaged.

Component II - Promotion and protection of Human Rights:

Expected Result II.1: The capacity of Lebanon to fulfil its international obligations in Human Rights, including international labour standards, is increased.

The activities developed under this result will include:

- Strengthening the capacity of the government’s officials on institutional human rights protection and accountability mechanisms within the framework of the implementation of the UPR recommendations and the preparation for the next UPR cycle. Targeted stakeholders will be: Ministry of Interior, the Ministry of Justice, and the Ministry of Foreign Affairs, Ministry of Labour, the Prime Minister’s Office and law Enforcement Agencies (the Internal Security Forces and the General Security) as well as the Judiciary.
- Increasing awareness on the UPR mechanism as a tool to increase accountability, and to review the human rights performance of Lebanon. Awareness campaign will primarily target concerned ministries, civil society, Members of Parliament, opinion and decision makers, and political parties.
- Launch a call for proposals targeting civil society to develop their capacity to monitor the implementation of UPR recommendations as well as to lobby on “not accepted” UPR recommendations, and to effectively engage in the second cycle of UPR.

Expected Result II.2: The legal and social protection of refugees, asylum seekers and stateless people is improved.

The activities developed under this result will include:

- Reinforcing the concerned Government institutions (namely Ministry of Interior, including Internal Security Forces and Directorate General of General Security as well as Ministry of Justice and Foreign Affairs) to address refugees and stateless issues in line with Lebanon’s obligations under national and international law.
- Support for the adoption and the implementation of the Memorandum of Understanding between the United Nations High Commissioner for Refugees (UNHCR) and Lebanon governing the legal and administrative framework for the protection of refugees.
- Raise awareness amongst general public, civil society actors and Lebanese officials on refugees, asylum seekers and stateless rights.
- Launch a call for proposals targeting civil society to strengthen their capacity for the protection and promotion of refugees, asylum seekers and stateless rights.

For expected Result II. 1 (UPR) a contribution agreement with the Office of the High Commissioner for Human Rights (OHCHR) will be concluded under joint management.

The expected result II.2 will be implemented through a contribution agreement with the UNHCR under joint management.

Component III - Social Justice:

Expected Result III.1: Support the Government of Lebanon and the Lebanese social partners and civil society to enhance their capacity to be promoters of social dialogue in order to strengthen social protection and to fight informal work and social abuse.

The activities developed under this result will include:

- Technical assistance to the Ministry of Labour to:
 - Reinforce the capacities of the National Employment Office.
 - Reinforce the capacities of the inspection bodies of the ministry of Labour.
- Review the state of play of the registration of the Lebanese employees to the National Social Security Fund and the capacities of the Ministry of Labour to ensure an appropriate monitoring of this registration.
- Reinforcement of the capacities of the ministry of Labour, trade unions and employers to engage into and become the promoters of a genuine social dialogue.
- Launch a series of forums in collaboration with the Economic and Social Council in issues related to social justice with the participation of the Lebanese parliamentary blocks, the main professional associations, the main trade unions, employers' organisations and other representatives of the civil society. Non state actors will be actively engaged to play a watchdog role on social issues.

Expected Result III.2: The mainstreaming of the gender dimension at policy and sector levels is improved.

The activities developed under this result will include:

- Support to the National Commission for Lebanese Women (NCLW) will be provided to:
 - Improve the management and enhance the capacities of the NCLW to fulfil its mandate mainly through reinforcing its administrative capacity and improving human resource management and internal procedures;
 - To monitor Government policies and commitments towards gender equality mainly through development and implementation of training programmes including civil society organisations (CSOs) and gender focal points;
 - To improve advocacy and increase awareness throughout Lebanese society on gender issues.
- Engage civil society organisations in addressing national gender priority issues.

Expected Result III.3: The capacities of the Youth Forum to define strategies and the necessary actions to ensure that youth is actively engaged in social reforms are improved and the actual involvement of youth in their implementation is enhanced.

The activities developed under this result will include:

- Assessment of the institutional and social obstacles that hamper youth to be an active player in the shaping of Lebanese social priorities.

- Strengthening the capacity of the Ministry of Youth & Sport's staff and the Youth Forum to become more engaged in addressing youth concerns, needs and ambitions.
- Contribution to the adoption and implementation of the national youth priorities and concerns namely on issues related to migration, labour, education and culture, health, social integration and youth participation in political life.
- Improving CSOs' effectiveness in implementing sustainable development initiatives from the youth policy recommendations.

Component III will be implemented through service and/or grant contracts.

3.3. Risks and assumptions

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

- Stable security and political situation during the programme implementation.
- Proven Government's commitment in prioritising the agenda for the promotion of human rights democracy and social justice as well as adequate participation of involved line Ministries;
- Adequate involvement of civil society representatives as vectors for the protection of human rights and promotion of democracy.

The main risk is represented by the unstable security and political situation of the country, in which the delicate balances between the different political forces could create a prolonged governance crisis or renewed internal conflicts.

3.4. Cross-cutting Issues

Human rights, gender equality and good governance are at the core of this action as the programme consists in addressing core human rights and democracy concerns. The project will support the strengthening of the institutional framework for the protection of human rights and the development of democratic governance and social justice in Lebanon.

The mainstreaming of the gender component will be assured through enhancing the participation of women in project's activities. The project will also ensure that parliament's output will be properly analysed from a gender and youth perspective.

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

3.5. Stakeholders

The **final beneficiaries** of this project are the Lebanese citizens and the refugees who should benefit from strengthened democracy and a system more protective of human rights, democracy and social justice.

The **Public Institutions** targeted by this programme:

- Line ministries/Government agencies: the Ministry of Interior, the Ministry of Justice, and the Ministry of Foreign Affairs, Ministry of Social Affairs, Ministry of Youth and Sports, the Ministry of Labour and the Prime Minister’s Office, the National Commission for Lebanese Women (NCLW).
- Law Enforcement Agencies: the Internal Security Forces, the General Security and the Judiciary.
- The Lebanese Parliament.

The **Civil society** organisations that will be involved and reinforced in the implementation of this programme (among others but not limited to the Youth Forum).

Independent trade unions and employer organisations.

4. IMPLEMENTATION ISSUES

4.1. Method of implementation

A Financing Agreement will be signed with the Government of Lebanon.

1. For the Component I

Expected Result II: (Support to parliament) will be implemented through direct centralised management by means of service/grant contract(s).

2. For the Component II:

Expected result II-1: will be implemented through joint management through the signature of an agreement with an international organisation, the OHCHR, in accordance with Article 53d of the Financial Regulation. The OHCHR is proposed as implementing partner based on the following grounds: As it is the case in many other countries it was the OHCHR officially mandated to provide public authorities in Lebanon with the needed support for the preparations of the previous UPR session. It also successfully co-ordinated civil society in their efforts to engage effectively with the new mechanism of the Human Rights Council. The Office has the necessary expertise to support the government of Lebanon on strategies to implement the UPR recommendations as well as to liaise with the civil society organisations for the preparation and follow up of this exercise. OHCHR complies with the criteria provided for in the applicable Financial Regulation. The European Commission will sign 1 standard contribution agreement with the OHCHR in accordance with the Financial and Administrative Framework Agreement (FAFA) concluded between the European Commission and the United Nations (UN) (under joint management). As described above (Section 3.2) the OHCHR will provide support to the public bodies involved in the UPR exercise and will launch a call for proposals to engage with civil society in this exercise.

Expected result II-2: will be implemented through joint management through the signature of an agreement with UNHCR (international organisation) in accordance with Article 53d of the Financial Regulation. The UNHCR is proposed as implementing partner based on the following grounds: UNHCR has been operating in Lebanon for 48 years; its office has both country and regional responsibilities and has a specific

mandate to protect and assist refugees, stateless persons and, as needed, internally displaced persons. With the influx of Syrian refugees in Lebanon in 2011, the Office has been liaising very closely with the Prime Minister's Office, the High Relief Committee and the rest of the international actors on this sensitive dossier for Lebanon. This has allowed the Office to also address other (non-Syrian) refugee matters with the Prime Minister, including the new draft Memorandum of Understanding. UNHCR complies with the criteria provided for in the applicable Financial Regulation. The European Commission will sign 1 standard contribution agreement with the UNHCR in accordance with the Financial and Administrative Framework Agreement (FAFA) concluded between the European Commission and the United Nations (under joint management). As described above (Section 3.2) UNHCR will provide support to the public bodies and authorities responsible for the protection of refugees and stateless and will launch a call for proposals to engage with civil society in these issues.

3. Component III will be implemented through direct centralised management by means of service and grant contracts.

The implementation of the programme will be overseen by steering committees for each component to ensure smooth implementation and to provide guidance in relation to programme objectives.

Audit and evaluation activities will be implemented under direct centralised management (service contracts).

The change of management mode constitutes a substantial change except where the Commission "re-centralises" or reduces the level of tasks previously delegated to the beneficiary country, international organisation or delegate body under, respectively, decentralised, joint or indirect centralised management.

4.2. Procurement and grant award procedures

1) Contracts

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by the ENPI Regulation. Further extensions of this participation to other natural and legal persons by the concerned authorising officer shall be subject to the conditions provided for in Article 21(7) of the ENPI Regulation.

2) Specific rules for grants

The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. They are established in accordance with the principles set out in Title VI 'Grants' of the Financial Regulation applicable to the general budget of the EU. When derogations to these principles are applied, they shall be justified, in particular in the following cases:

- Financing in full (derogation to the principle of co-financing): the maximum possible rate of co-financing for grants is 80% total eligible costs. Full financing

may only be applied in the cases provided for in Article 253 of the Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of the Financial Regulation applicable to the general budget of the EU.

- Derogation to the principle of non-retroactivity: a grant may be awarded for an action which has already begun only if the applicant can demonstrate the need to start the action before the grant is awarded, in accordance with for general budget of the EU: Article 112 of the Financial Regulation applicable to the general budget of the EU.

3) Joint management

Where joint management is concerned, all contracts implementing the action are awarded and implemented in accordance with the procedures and standard documents laid down and published by the relevant International Organisation.

4.3. Indicative budget and calendar

The total project cost is estimated at EUR 12 million, all of which shall be financed from the National Indicative Programme 2011-2013⁷ from the general budget of the European Union. The indicative budget breakdown is as follows:

Categories	EU contribution (in EUR million)
Component I: Democratic Governance (mainly services and grants/– direct centralised management)	2
Component II: Promotion and protection of Human Rights (contribution agreements – joint management)	3.5
Component III: Social Justice (mainly services and grants– direct centralised management)	5
Communication/Visibility (mainly services – direct centralised management)	0.4
Monitoring, external evaluation and audit (services – direct centralised management)	0.4
Contingencies*	0.7
TOTAL	12

*Use of contingencies is the subject to prior approval of the European Commission

The foreseen operational duration is 48 months as from signature of a Financing Agreement.

⁷ C(2010)1144 of 2 March 2010.

4.4. Performance monitoring

Performance monitoring will be based on project description and logical framework. Standard monitoring mechanisms will be used throughout the life of the project to assess activities and results. Activities will be monitored through field monitoring reports and regular field visits by the EU Delegation.

The Commission may carry out results oriented monitoring via independent consultants, starting from the sixth month of project activities, which will be finalised at the latest 6 months before the end of the operational implementation phase.

4.5. Evaluation and audit

The Commission will carry out external evaluations [via independent consultants], as follows:

- a mid-term evaluation mission;
- a final evaluation, at the beginning of the closing phase;
- possibly an ex post evaluation.

Audit missions might be carried out as necessary and in addition to the foreseen verification measures (fee-based service contracts and grants as well as contribution agreements).

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

An amount of EUR 400,000 is earmarked for audit and evaluation purposes which will be implemented through procurement under direct centralised management (service contracts).

4.6. Communication and visibility

The Commission, in co-ordination with all partners, will steer and carry out all activities pertaining to the promotion of the programme's activities, ensuring that information reaches out the largest and most possible population. This includes but is not restricted to the establishment of a communication visibility action plan, contracting visibility/communication expertise, organisation of workshops, seminars.

The Communication and Visibility Manual for EU External Actions⁸ should be followed at all times.

For those components where the recourse to UN mandated agencies is foreseen a communication and visibility plan will be drafted in compliance with the Joint Visibility Guidelines for European Commission - UN Actions in the Field⁹.

⁸ http://ec.europa.eu/europeaid/work/visibility/index_en.htm

⁹ http://ec.europa.eu/europeaid/work/procedures/financing/international_organisations/other_documents_related_united_nations

Action Fiche for Lebanon

1. IDENTIFICATION

Title/Number	Stimulating sustainable growth and job opportunities in Lebanon (ENPI/2012/023-316)		
Total cost	EU contribution: EUR 12 million		
Aid Method / Method of implementation	Project Approach – direct centralised management		
DAC-code	25010	Sector	Business support and institutions

2. RATIONALE

2.1. Sector Context

Following the collapse of the National Unity Government in January 2011 Lebanon's new Government took office in mid-July 2011. The new Government quickly moved to a new political agenda with a policy statement which gained the Parliament's vote of confidence. Economic and social reforms, particularly in the electricity, telecommunications and social protection sectors, and fiscal management reforms top the agenda of the new Cabinet. The new Government's policy statement shows a political will to capitalise on Lebanon's human and financial potential. It aims to engage in a reform process by creating a more diversified, innovation-driven economy, capable of generating the high number of attractive jobs required to absorb sustained increases in skilled labour force. Currently the Lebanese economy fails to attract sufficiently the domestic labour force which has led to massive outflows of young graduates and the replacement of the local workforce by migrant workers deprived of the most fundamental rights.

These issues are fully captured in the Joint Communications 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'¹ and 'A new response to a changing Neighbourhood'² as well as in the National Indicative Programme (NIP) (2011-2013)³ which foresee the improvement of the institutional policy framework and business support services designed to create innovation policies, develop human capital and stimulate growth and decent job opportunities (for instance through an Euro-Mediterranean Charter for Enterprise). So far, the Lebanese economic development has heavily relied on an unsustainable 'brown' economy model based on subsidised imported fossil energies to produce electricity, an inefficient use of its natural endowment, especially water, and a neglect of its environmental externalities. As a result, the cost of environmental degradation is high. A growing number of cars affect air quality while an unprecedented spread of unregulated solid waste dumping sites and disposal of sewage and industrial effluents into the sea heavily affect the Lebanese environment. The great challenge faced by

¹ COM(2011)200 of 8 March 2011.

² COM(2011)303 of 25 May 2011.

³ C(2010)1144 of 2 March 2010.

Lebanese economy today therefore is to integrate environmental sustainability with economic growth and welfare by decoupling environmental degradation from economic growth and doing more with less.

Mounting evidence as set out in the formulation mission report suggests that transitioning to a green economy would present major economic opportunities for Lebanon. A green economy is low-carbon, resource efficient, and socially inclusive. In a green economy, growth in income and employment are driven by public and private investments that reduce carbon emissions and pollution, enhance energy and resource efficiency, and prevent the loss of biodiversity and ecosystem services. The formulation mission report also examines how the green economy is currently being financed and explores the priorities and potential methods for increasing these investments. It makes the case for scaling up financing to help drive the transition and amplifying the financial sector's role as an agent of change to the green economy. The benefits that will arise from a greener Lebanese economy include new areas of economic growth and income generation, new jobs in emerging green sectors and increased sustainability of existing jobs, improved environmental quality and poverty alleviation. Investments in the green economy also reduce downside risks of adverse events associated with climate change, energy shocks, water scarcity and loss of ecosystem services all relevant issues for Lebanon. In addition, avoiding the costs of environmental degradation represents one of the key benefits to Lebanon from greening the economy.

2.2. Lessons learnt

The EU funded SWITCH programme implemented in Asia between 2007 and 2010 has some key lessons in relation to the means deployed to support the green economy and to ensure barriers to development are tackled. According to the experience drawn from the SWITCH programme (i) small and medium enterprises (SMEs) require the support of external agents to mainstream the implementation of clean technologies improvements in their businesses and (ii) in general, access to finance is a basic requirement for economic efficiency, productivity, and competitiveness in Asian countries.

2.3. Complementary actions

Complementarities with other actions are fully ensured in the framework of the present programme. This intervention will mainly complement the entire on-going EU funded Support to Reform programme which promotes institutional changes and direct support to the private sector:

- Integrated support to small and medium enterprises (2006-2011, EUR 16 million);
- Strengthening quality management, capabilities and infrastructures (2008-2014, EUR 14 million);
- Support to education reform (2010-2015, EUR 13,7 million);
- Support to trade, public finance management, governance, water, transport and energy (2009-2015, EUR 8 million).

It will also complement the three EU-funded environmental programmes on institutional strengthening and support to energy efficiency investments:

- Facility in support of small and medium enterprises energy efficiency investments (2008-2014, EUR 14,7 million);
- Towards clean energy technologies and innovative environmental solutions in Lebanon (2011-2014, EUR 1,8 million);
- Strengthening reforms and environmental governance (2011-2016, EUR 8 million).

Close collaboration with EU regional and thematic programmes, the European Investment Bank and other donor-related programmes will be sought at all stages and all levels of the programme.

Lastly, the programme is also fully in line with the Communication from the European Commission '*Rio+20: towards the green economy and better governance*'⁴ and the two intertwined themes of the initiatives '*a green economy in the context of sustainable development and poverty eradication*' and '*the institutional framework for sustainable development*'. Rio+20 can mark the start of an accelerated and profound, world-wide transition towards a green economy (i.e. an economy that generates growth, creates jobs and eradicates poverty by investing in and preserving the natural capital offers).

2.4. Donor co-ordination

The green economy is at an early stage of development in Lebanon. Given the cross sectoral nature of the green economy donor co-ordination offering the framework for donors to establish synergies and agree on a common approach towards the sector is required. There is an established Working Group on Environment providing a framework for donors hosted by the Ministry of Environment. In view of the commonalities between the green economy sector and environment the potential to extend the remit of the Working Group to the green economy should be assessed at an early stage in project implementation.

3. DESCRIPTION

3.1. Objectives

The *overall objective* of this programme is to support inclusive sustainable economic growth and decent job opportunities in Lebanon.

The *specific objective* is to kick start the shift toward a green economy generative of new job opportunities through:

- 'Push' of good practices, technologies through Pilot-projects with a pro-business focus (including beneficiaries from the private sector, etc);
- 'Pull' of good clean technologies through innovative financing and green banking;
- Dissemination activities including promotion of the pilot-projects results and awareness campaign;

⁴ COM(2011)363 of 20 June 2011.

- Dialogue amongst stakeholders (civil society organisations (CSO), private/public sectors) and support to the creation of the National Environmental Council (NEC);
- A roadmap is developed for the green economy in Lebanon.

3.2. Expected results and main activities

Expected results are as follow:

Result 1: Pilot schemes showing clean resource efficient technologies, green practices are implemented.

Result 2: Innovative financing and green banking opportunities are enhanced.

Result 3: New green technologies and good practices are consolidated and disseminated.

Result 4: Effective dialogue amongst stakeholders on mainstreaming green practices and technologies is established.

Result 5: A strategic framework for the green economy in Lebanon is developed.

3.3. Risks and assumptions

Assumptions

- The project has been designed assuming a good ownership of targeted stakeholders (CSO and private sector).
- The project is anchored on the National Environmental Council (NEC) assuming that there will be no changes to the legal status or membership of the Council.

Risks

- The main risk is linked to the deterioration of the security and political situation in Lebanon during the programme implementation.
- Another risk is that a change of Government during the course of implementation of the project could affect the sector-related priorities (environment, job creations, etc.).

3.4. Cross-cutting issues

Climate change & environmental sustainability

The focus of the project is on stimulating sustainable growth and job opportunities and the transition to a green economy in Lebanon. Climate change solutions require a move from the traditional unsustainable 'brown' economy model to better balanced growth, resource use and equity. This more balanced model, commonly referred to the 'green economy' is low-carbon, resource efficient, and socially inclusive. The project will support the Lebanese economy to meet the challenge of climate change by moving to a green model of development which integrates environmental sustainability with economic growth and welfare.

Gender equality

The project will contribute to gender equality through balanced participation of women in the implementation of activities to be promoted as part of the project. The four identified priority sectors Agriculture, Coastal Zone, Forest and Waste Management will offer the opportunity to economically lift local communities including women. Nature tourism for example is known to provide income generating opportunities for women. This is important because climate change has a disproportionate negative impact on women. The project will also contribute to gender equality by using, when available, gender-sensitive indicators of outcome, output and if possible, results.

3.5. Stakeholders

Stakeholder dialogue should bring together diverse interest groups in Lebanon including Government, private sector and business including the banking sector, SMEs, Non-Governmental Organisations (NGOs), and academic institutes. The green economy typically requires inter-ministerial co-ordination between Ministries of transport, industry, agriculture, economy, and environment. Environment ministries typically take the lead in the strategic framework as they have an overview of the green economy. Working through the NEC will provide for wide ranging inter-ministerial co-ordination and embrace wide ranging representation both from the public and from the private sector.

4. IMPLEMENTATION ISSUES

4.1. Method of implementation

Direct centralised management. A financing agreement will be signed with the Government of Lebanon. The envisaged method of implementation is mainly grant contracts through Call for proposals (Result 1) and service and supply contracts through Call for tenders (Results 2, 3, 4 and 5).

Audit and evaluation activities will be implemented through direct centralised management (service contracts).

A steering committee shall be set up to oversee and validate the overall direction and policy of the project (or other responsibilities to be specified).

4.2. Procurement and grant award procedures

1) Contracts

All contracts implementing the action must be awarded and implemented in accordance with the procedures and standard documents laid down and published by the Commission for the implementation of external operations, in force at the time of the launch of the procedure in question.

Participation in the award of contracts for the present action shall be open to all natural and legal persons covered by European Neighbourhood and Partnership Instrument (ENPI) Regulation. Further extensions of this participation to other natural or legal persons by the concerned authorising officer shall be subject to the conditions provided for in Article 21(7) of the ENPI Regulation.

2) Specific rules for grants

The essential selection and award criteria for the award of grants are laid down in the Practical Guide to contract procedures for EU external actions. They are established in accordance with the principles set out in Title VI 'Grants' of the Financial Regulation applicable to the general budget of the EU. When derogations to these principles are applied, they shall be justified, in particular in the following cases:

- Financing in full (derogation to the principle of co-financing): the maximum possible rate of co-financing for grants is 80%. Full financing may only be applied in the cases provided for in Article 253 of the Commission Regulation (EC, Euratom) No 2342/2002 of 23 December 2002 laying down detailed rules for the implementation of the Financial Regulation applicable to the general budget of the EU.
- Derogation to the principle of non-retroactivity a grant may be awarded for an action which has already begun only if the applicant can demonstrate the need to start the action before the grant is awarded, in accordance with Article 112 of the Financial Regulation applicable to the general budget of the EU.

4.3. Indicative budget and calendar

The total project cost is estimated at EUR 12 million that will be financed from the NIP in the framework of the general budget of the European Union. The indicative breakdown of the budget is as follows:

Pilot schemes: EUR 9,500,000 (mainly service and grants contracts)

Dialogue and strategic framework development: EUR 500,000 (mainly service contracts)

Communication/Visibility: EUR 1,500,000 (mainly service and supply contracts)

Monitoring, external evaluation and audit: EUR 250,000 (service contracts)

Contingencies: EUR 250,000 (use of contingencies is the subject to prior approval of the European Commission)

The foreseen operational duration is of 48 months as from the signature of the Financing Agreement.

4.4. Performance monitoring

The Commission may carry out results oriented monitoring via independent consultants, starting from the sixth month of project activities, which will be finalised at the latest 6 months before the end of the operational implementation phase.

4.5. Evaluation and audit

The Commission will carry out external evaluations (via independent consultants), as follows:

- a mid-term evaluation mission;
- a final evaluation, at the beginning of the closing phase.

The Beneficiary and the Commission shall analyse the conclusions and recommendations of the mid-term evaluation and jointly decide on the follow-up action to be taken and any adjustments necessary, including, if indicated, the reorientation of the project. The reports of the other evaluation and monitoring missions will be given to the Beneficiary, in order to take into account any recommendations that may result from such missions.

The Commission shall inform the Beneficiary at least 3 months in advance of the dates foreseen for the external missions. The Beneficiary shall collaborate efficiently and effectively with the monitoring and/or evaluation experts, and *inter alia* provide them with all necessary information and documentation, as well as access to the project premises and activities.

Audit missions might be carried out as necessary and in addition to the foreseen verification measures (fee-based service contracts and grants).

The total of EUR 250,000 is earmarked for audit and evaluation purposes which will be implemented through procurement (service contracts).

4.6. Communication and visibility

The Commission will in co-ordination with partners steer and carry out all activities pertaining to the promotion of the programme's activities, ensuring that information reaches out the largest and most relevant possible population. This includes but is not restricted to the establishment of a communication and visibility action plan, contracting visibility/communication expertise, organisation of workshop, seminars, etc.

Communication and Visibility Manual for EU External Actions⁵ should be followed at all times.

⁵ http://ec.europa.eu/europeaid/work/visibility/index_en.htm