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# Millennium Development Goals

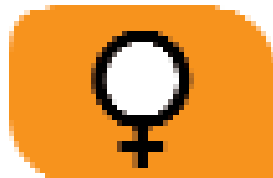
## Lebanon Report 2008



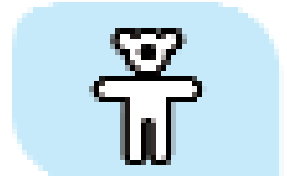
Eradicate Extreme  
Poverty and Hunger



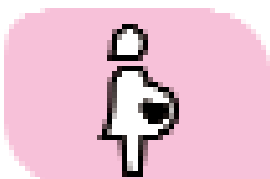
Achieve Universal  
Primary Education



Promote gender equality  
and empower women



Reduce  
Child Mortality



Improve  
Maternal Health



Combat  
HIV/AIDS, Malaria



Environmental  
Sustainability



Creating a Global  
Partnership for  
Development

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# Table of Contents

Acronyms	5
Introduction	7
<b>GOAL1 - Eradicate Extreme Poverty and Hunger</b>	
Progress to date	11
Challenges	15
Strengths	16
Recommendations	16
<b>GOAL 2 - Achieve Universal Primary Education</b>	
Progress to date	21
Challenges	23
Strength	24
Recommendations	24
<b>GOAL 3 - Promote gender equality and empower women</b>	
Progress to date	29
Challenges	32
Strengths	33
Recommendations	33
<b>GOAL 4 - Reduce Child Mortality</b>	
Progress to date	37
Challenges	39
Strengths	40
Recommendations	40

## **GOAL 5 - Improve Maternal Health**

Progress to date	45
Challenges	47
Strengths	48
Recommendations	48

## **GOAL 6 - Combat HIV/AIDS, Malaria and Other Diseases**

Progress to date	53
Challenges	54
Strengths	55
Recommendations	57

## **GOAL 7- Environmental Sustainability**

Progress to date	62
Challenges	64
Strengths	65
Recommendations	66

## **GOAL 8 - Creating a Global Partnership for Development**

Introduction	73
Economic Developments	74
Aid and Debt	75
Trade and Finance Cooperation	78
Development Linkages	80
Private Sector Cooperation	81
Challenges	83
Recommendations	84

## List of Figures

<b>Figure 1</b> - Percentage of Deprived Households according to Certain Characteristics of Head of Household	12
<b>Figure 2</b> - School Enrolment Rates per Age Group and Mohafazat (2004-%)	30
<b>Figure 3</b> - Net Debt to GDP	75
<b>Figure 4</b> - Debt Servicing per GDP	76
<b>Figure 5</b> - Evolution of Trade, 2003 to 2007	78

## List of Tables

<b>Table 1</b> - School Enrolment Rates per Age Group and Gender (2004-%)	29
<b>Table 2</b> - Distribution of Actual Labour Force by Professional Category and Gender (15 years and above-2004-%)	31
<b>Table 3</b> - Infant and Child Mortality Rates at National and Mohafazat Levels - MICS 2000	39
<b>Table 4</b> - Age-Specific Fertility and Total Fertility Rates for Quiquennial periods prior to Survey	45
<b>Table 5</b> - Proportion of Pregnant Women Receiving Antenatal Care	46
<b>Table 6</b> - Comparative Use of Modern Contraceptives by selected years (96 and 04) and types	47
<b>Table 7</b> - Epidemiological Data on Tuberculosis Cases in Lebanon	54
<b>Table 8</b> - Net FDI as Percent of GDP - USD Million	79
<b>Table 9</b> - Net Private Flows as Percent of GDP - USD Million	80
<b>Table 10</b> - Inward Remittance Flows - USD Million	80

## Acronyms

<b>ALMP</b>	Active Labor Market Policy
<b>BBD</b>	Basic Benefit Package
<b>CDR</b>	Council for Development and Reconstruction
<b>CEDAW</b>	Convention on the Elimination of all types of Discrimination against Women
<b>CERD</b>	Center for Educational Reform and Development
<b>CPI</b>	Consumption Price Index
<b>ECE</b>	Childhood Education
<b>EFA</b>	Education for All
<b>EPI</b>	Environmental Performance Index
<b>GHG</b>	Green Houses Gas
<b>GoL</b>	Government of Lebanon
<b>Hhld</b>	Household
<b>MD</b>	Millennium Declaration
<b>MDG</b>	Millennium Development Goals
<b>MDR</b>	Medical Device Reporting
<b>MEHE</b>	Ministry of Education and Higher Education
<b>MICS</b>	Multiple Indicator Cluster Survey
<b>MNCH</b>	Maternal, newborn and child health programmes
<b>MoE</b>	Ministry of Environment
<b>MoET</b>	Ministry of Economy and trade
<b>MoF</b>	Ministry of Finance
<b>MoPH</b>	Ministry of Public Health
<b>MoSA</b>	Ministry of Social Affairs
<b>MTEF</b>	Medium Term Expenditure Framework
<b>NAP</b>	National AIDS Program
<b>NHC</b>	Nahr El Bared Camp
<b>NTP</b>	National Tuberculosis Program
<b>OECD</b>	Organisation for Economic Cooperation for Development
<b>PAPFAM</b>	Pan Arab Project for Family Health
<b>PBB</b>	Performance Based Budgeting
<b>PHC</b>	Primary Health Care
<b>PwD</b>	People with Disability
<b>RH</b>	Reproductive Health
<b>SOWC</b>	State of the World Population
<b>UBN</b>	Unsatisfied Basic Needs
<b>UXO</b>	Unexploded Ordnance
<b>VTE</b>	Vocational and Technical Education



## Introduction

**“ The MDGs are still achievable if we act now. This will require inclusive sound governance, increased public investment, economic growth, enhanced productive capacity, and the creation of decent work. ”**  
*United Nations Secretary General Ban-Ki Moon.*

In September 2000, the United Nations General Assembly adopted the Millennium Declaration (MD). The Declaration that was ratified by 191 countries, pledged to achieve, by the year 2015, eight goals, 21 targets and 58 indicators including poverty reduction and hunger eradication, achieving universal education for all, promoting gender equity, improving mother and child health care, preventing from contagious diseases, protecting the environment, and enhancing global partnerships for development. The MD also included commitments to peace and security; promoting human rights, democracy and good governance; and protecting the vulnerable.

The current document is the second Millennium Development Goals Report (MDGR) issued by the Lebanese government, with the support of the United Nations Agencies in Lebanon. It is the result of the efforts of a national technical committee representing different concerned ministries, government institutions and United Nations Agencies. The report assesses the progress made in the achievement of the Millennium Development Goals (MDGs) based on new national data which was formulated after the first MDGR that was published in 2003. The 2008 MDGR highlights efforts towards achieving the goals, and articulates the main challenges and opportunities, as well as put forth recommendations for decision-makers and other concerned stakeholders for achieving the MDGs.

Unfortunately, Lebanon has been in turmoil during the period since the publication of the first Report. Following the assassination of Prime Minister Rafik Hariri in February 2005, political and security stability in the country was jeopardized. In July 2006 Israel waged a war on Lebanon that resulted in massive physical destruction of civilian infrastructure and public services and utilities, the contamination of large swathes of productive agricultural land by unexploded ordinances (UXOs) and anti-personnel landmines, and the contamination of the sea and coast by the oil spill. The hostilities claimed nearly 1,200 civilian lives and injured 5,000 people, 15% of whom were left with permanent disabilities, with more casualties reported after the cessation of the hostilities as a result of the UXOs. The war also disrupted livelihoods, and resulted in increasing unemployment and immigration of skilled youth. The reconstruction costs alone were estimated at US \$2.8 billion, with the indirect effects of the war on the economy, social indicators, and employment greater still. In May 2007, another military crisis erupted in the Nahr Bared Refugee Camp (NBC) in North Lebanon, claiming lives and resulting in the total destruction of the Camp.

Notwithstanding the negative effects of the July war on overall living standards in the country as a whole, the effects have been greatest on the poorest strata in the poorest regions that have borne the brunt of the war's devastations, directly or indirectly. The areas that were most directly and indirectly affected by the conflict are the same as those that have historically witnessed the highest poverty incidence in the country. The effects of the NBC crisis also directly affected the economy exacerbating the conditions of extreme poverty in North Lebanon, particularly Akkar, Minyeh and Dinneyeh and, overall, increase the marginalization of a large segment of the population that is already living in difficult circumstances.

On the eve of Israel's offensive on Lebanon in July 2006, the government had been in the midst of building broad public consensus around a comprehensive package of economic and fiscal reforms and social protection measures aiming to tackle the high sovereign debt and to place Lebanon on a sustainable growth path. Following the July 2006 war, the Government of Lebanon formulated an early recovery programme for which it sought support from the international community at an international donors' conference convened by the Government of Sweden in August 2006. The Conference presented an initial estimation of some of the direct damages caused by the conflict in a number of critical sectors, and was very successful in ensuring international commitment to Lebanon's early recovery efforts.



Although the Israeli war shifted the government's attention to managing the humanitarian crisis and providing for massive rehabilitation needs, the government remained fully committed to pursuing reform efforts included in the pre-war program. In this regard, a comprehensive reform package that aims at stimulating growth, creating employment, reducing poverty, and maintaining social and political stability was presented in an international conference that took place in Paris in January 2007. The international conference was successful in mobilizing substantive support for the long term recovery and reconstruction needs of the country.

***The reform program is articulated around six pillars, namely:***

- Growth-enhancing reforms to increase productivity, reduce cost, and enhance the competitiveness of the Lebanese economy;
- A social sector reform agenda to improve social indicators and develop social safety nets to protect the most vulnerable segments of the population;
- A strong phased fiscal adjustment that aims at increasing the primary budget surplus through streamlining expenditures and raising revenues in ways that minimize the negative impact on the poor;
- A privatization program directed primarily at increasing investment, reducing the stock of public debt, and spurring economic growth;
- A prudent monetary and exchange rate policy aimed at maintaining price stability, facilitating credit to the private sector, and maintaining a sound banking system;
- An assistance package to help Lebanon finance the direct and indirect cost of the July war as well as complement the domestic adjustment efforts, primarily by reducing interest payments on public debt and creating the kind of confidence that would encourage private sector investment and ease the pain of a domestic adjustment after the war.

The reform process was slowed down due to the political instability, which also instability poses significant threats to economic and social living conditions, as well as vulnerability risks. It is also slowing down serious governance reforms, as well as weakening citizenship, reconciliation and peace building. Migration flow, resulting in serious brain drain, is increasing, mainly among the youth. Such challenges should be seriously addressed and immediate steps should be undertaken, including the adoption of a new electoral law, the elimination of all forms of confessional discrimination, reforming the educational system and the adoption of a national policy empowering productive sectors and creating new job opportunities.

Although some progress has been made in the achievement of the MDG targets, many of the challenges and recommendations elaborated in the first MDGR are still valid. Some of the challenges for the MDG achievement that are common to all the goals include the need for updated statistics and data sets, in addition to ensuring conformity in national statistics. Furthermore, the lack of coordination among different stakeholders, including public, private, civil society organizations, as well as UN and donor agencies is leading to fragmentation and waste of scarce resources. One main concern remains the lack of a monitoring system to evaluate the implementation of the MDGs in the country.

Data in this report mostly covers the period prior to the end of 2007, and does not reflect changes due to the escalation in global food crisis and the increase of oil prices. These two factors will continue to affect macro-economic data, especially inflation. The increase in oil price can have a positive impact on the Lebanese economy since it could enhance foreign investment flows. However, since these are mainly directed towards real estate, they will not support in decrease in inflation. In fact, the World Bank data shows that the Consumer Price Index increased by 8.9% during the first quarter of 2008, compared to 5.2% for the same period of 2007.

It is hoped that the political situation in Lebanon will stabilize following the election of the new president, and the nomination of national unity cabinet. This immediately increased the flow of tourism and enhanced some investment flow.



# ERADICATE EXTREME POVERTY AND HUNGER





## Eradicate Extreme Poverty and Hunger

**Target 1: Halve, between 1990 and 2015, the proportion of people whose income is less than one dollar a day**

	1995	2004	2015
• Population living under lower PL (2.4\$/day)	10.1% (1997) <sup>1</sup>	8% <sup>2</sup>	4%
• Population living under upper PL (4\$/day)	33.7% (1997) <sup>3</sup>	20.6% <sup>4</sup>	10.3%
• Share of the poorest 17% in national income <sup>5</sup>	4 (1997)	N/A	-
• Share of the poorest 20% in total consumption <sup>6</sup>	N/A	7%	-
• Individuals living in very low conditions <sup>7</sup>	6.6%	4.2%	3.3%
• Individuals living in low conditions <sup>8</sup>	34.0%	25.5%	17.0%
• Gini Coefficient	0.435	0.361	-

*The population under poverty line is 28.6 % (20.6 % < \$4/day; 8% < \$2.4/day)*

### Progress to date

#### Unsatisfied Basic Needs and Deprivation: Progress to date

In 1998, “The Mapping of Living Conditions”, that measured poverty using the Unsatisfied Basic Needs approach (UBN),<sup>9</sup> estimated that one third of the resident Lebanese (34%) do not have their basic needs satisfied and were therefore considered to live in poverty. Of those, 6.6% lived in very low satisfaction conditions and extreme deprivation. To monitor the change in the living conditions of the Lebanese population, ten years after the production of the 1998 Mapping, the “Comparative Mapping”<sup>10</sup> was produced and published in 2007. The “Comparative Mapping” study adopted the same methodology and used the same indicators of the 1998 study and calculated deprivation using the 2004/5 data.<sup>11</sup> The study showed that the percentage of deprived individuals dropped from 34% to 25.5%. This decrease was witnessed in all fields (education, housing, access to

<sup>1</sup> UNDP and MoSA, “Poverty, Growth and Income distribution in Lebanon”, Beirut 2008.

<sup>2</sup> UNDP and MoSA, “Poverty, Growth and Inequality in Lebanon” - Executive Summary, Beirut 2007.

<sup>3</sup> UNDP and MoSA, “Poverty, Growth and Income distribution in Lebanon”, Beirut 2008.

<sup>4</sup> UNDP and MoSA, “Poverty, Growth and Inequality in Lebanon” - Executive Summary, Beirut 2007.

<sup>5</sup> Central Administration of Statistics. “Living Conditions of Households in 1997”, 1998.

<sup>6</sup> UNDP and MoSA, “Poverty, Growth and Inequality in Lebanon” - Executive Summary, Beirut 2007.

<sup>7</sup> UNDP and MoSA, “The Evolution of the Mapping of Living Conditions in Lebanon - Comparative Mapping between 1995 and 2004”, Beirut 2007.

<sup>8</sup> ibid

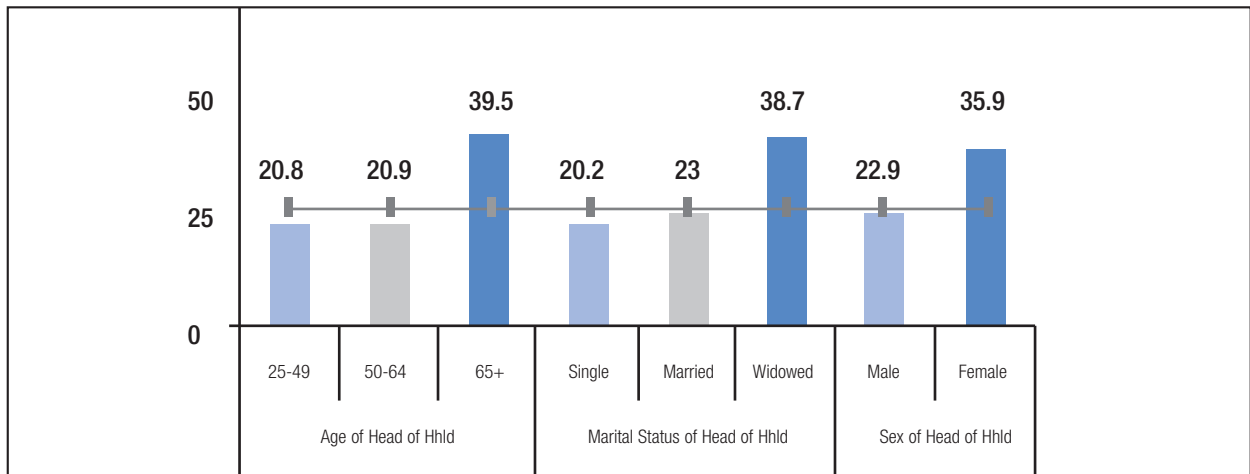
<sup>9</sup> The Living Conditions Index is the overall index adopted for measuring the degree of satisfaction of basic needs for households and individuals residing in Lebanon. The study is based on the Unsatisfied Basic Needs methodology (UBN), which retained four areas of basic needs measured through a total of 11 indicators as the following: 1) **housing** (rooms per person, built area per person, principal means of heating); 2) **water and sewerage** (connection to a water network, means of disposal of sewage); 3) **education** (pursuit of studies, level of education); and, 4) **Income-related indicators** (Number of private cars, dependency rate, main occupation). Based on this index, households and individuals are classified into five categories of living conditions: very low, low, intermediate, high and very high level of satisfaction.

<sup>10</sup> UNDP and MoSA, “The Evolution of the Mapping of Living Conditions in Lebanon - Comparative Mapping between 1995 and 2004”, Beirut 2007. It should be noted that the “Comparative Mapping” used 10 indicators instead of 11 (the indicator on connection to service water network was not available in the 2004/05 data) and the living condition index - for comparability purposes - was recalculated for both years based on 10 indicators.

<sup>11</sup> CAS, UNDP and MoSA, National Survey on the Living Conditions of Households, 2004/05.

water and sewage), with the exception of income related indicators (employment and economic dependency, and ownership of a car) which showed considerable worsening with an increase in the percentage of deprived households amounting to 8.8 points.

**Figure 1 - Percentage of Deprived Households according to Certain Characteristics of Head of Households**



Looking closely at the improvement in the indicators selected for the Living Conditions Index, one can see that some of the progress was basically due to natural demographic changes. The drop in number of the deprived in the housing field is primary due to the fact that the average household size has shrunk (either due to change in fertility rate or to increased immigration). The same applies, to a certain extent, to the advance in the field of education, where the level of education among adults is mainly related to a change age structure of the population, especially as illiteracy was higher among the older generation. Improved services of waste water collection, due to the efforts of concerned public administrations, has also contributed to the decline in deprivation rates.

Poverty continues to be more concentrated in peripheral regions, as rural areas still witness higher incidence of extreme poverty (around 40-50% of the resident population in these regions are considered poor). However, urban cities continue to host the highest number of poor individuals. With the exception of Akkar, the highest concentration of the poor is mainly found in Mount Lebanon (urban poverty pockets around the capital city Beirut, and poverty pockets surrounding other big cities such Tripoli and Saida. The North and Mount Lebanon governorates alone account for around half of the total poor in Lebanon, (23% and 28%, respectively).

Despite the overall decrease in poverty rates, poverty trends remained the same as they were in 2003. Poverty remains correlated with a number of characteristics, including family size (either one-member families or more than 6 member-families), educational attainment, as well as the age and sex of head of households. Deprivation rates are higher among female headed households, who represent 14% of total households, as well as among households headed by an elderly (above 65 years of age). The social distribution of poverty remained unchanged, where poverty continues to be more prevalent among agriculture workers and unskilled workers in services, construction, and industrial sectors- the majority of whom are either illiterate or semi-illiterate.<sup>12</sup>

It is worth mentioning that the reform and recovery plan of the government missed out inclusive measures, even though it included some measures to integrate people with disabilities (PwD). However, buildings are still inaccessible because the decree for accessible measures has not been issued yet, which affects the access of PwD to education and employment opportunities (50.4% of people with disability are illiterate). Women with disabilities remain among the poorest in the country, and face double deprivation; and disabled children do not access regular schooling due to the lack of a strategic national action plan to this effect.

<sup>12</sup> UNDP and MoSA, "The Evolution of the Mapping of Living Conditions in Lebanon - Comparative Mapping between 1995 and 2004", Beirut 2007.

## Poverty line and money metric poverty measurement

In terms of money metric poverty, the overall headcount poverty reaches 28.5% (those living below the upper poverty line that is estimated at US\$ 4 per capita per day). Of these, 8% are extremely poor and live below the lower poverty line estimated at US\$ 2.4 per capita per day, and accordingly cannot meet their food and non-food basic needs. Per capita consumption is highest in Beirut and lowest in North Lebanon.

Regional disparity is also a major characteristic of poverty; while North Lebanon has 20.7% of Lebanon's population; it houses 38% of the poor and 46% of the extremely poor; compared to Beirut that hosts only 1% of the extremely poor and 2.1% of the poor population. Money metric poverty is also highly correlated with certain economic activities such as agriculture and construction. Unskilled workers and seasonal or temporary labourers are the dominant categories for poor, and widowed women with more than three children have the highest poverty ratio, and are therefore one of most vulnerable groups.<sup>13</sup>

Despite the gloomy picture portrayed above, the battle against poverty in the country witnessed some promising achievements in the last decade. These are highlighted as follows:

- For the first time in Lebanon, a national multi-purpose household survey was implemented in 2004/2005, which provided data on the income and expenditures of households and accordingly allowed for the calculation of money metric poverty indicators including two poverty lines (lower poverty line and upper poverty line), poverty gap, severity index, Gini coefficient, as well as allowed the elaboration of a poverty profile for the country;
- After the July war of 2006, a Social Action Plan<sup>14</sup> was prepared and presented in the Paris III Donors' conference. The Social Action Plan called for a number of measures with the main objective of poverty reduction, including:
  - The establishment of a safety net mechanism to reduce poverty, including cash transfers to the poorest households;
  - The elaboration of an integrated and comprehensive poverty reduction and social development strategy that reflects the government's social vision;
  - The implementation of reforms in the ministries of social affairs, education and public health in order to improve accessibility, efficiency and effectiveness in the delivery of social services and the implementation of social programs.

A time bound working plan was devised for the proper implementation of the social action plan by the different stakeholders and many components of the plan have been initiated and running.

- The establishment of an Inter-Ministerial Committee for Social Issues responsible for monitoring and supervising the implementation of the Social Action Plan.

<sup>13</sup> UNDP and MoSA, "Poverty, Growth and Inequality in Lebanon" - Executive Summary, Beirut 2007.

<sup>14</sup> Republic of Lebanon, "the Social Action Plan: Toward Strengthening Social Safety Nets an Access to Basic Social Services". The Social Chapter submitted to the Paris III Donors' Conference in January 2007.

## Target: Achieve full and productive employment and decent work for all, including women and young people

	1995	2004	2015
● Growth rate of GDP per person employed <sup>15</sup>	2.35	1.79	
● Employment to Population ratio	31.1(1997)	35.7	
● Proportion of employed people living below \$1 (PPP) per day	-	-	
● Proportion of own account and contributing family workers in total employment	-	-	

### Progress to date

The resident Lebanese population, estimated at 3.75 million,<sup>16</sup> has a young age structure with approximately 37.2% under 20 years of age. The labour force, at roughly 1.2 million, is estimated at approximately 45.2% of the working age population (15-64 years).<sup>17</sup> This indicates that, whilst two thirds of the resident Lebanese population is of working age, only one third is actually working. The labour force participation rate remains low when compared to OECD countries, due to the weak participation of women in the labour force, as data shows that the proportion of young women and men aged 15-19 years who enter the labour force decreased from 21.6% in 1997 to 16.5% in 2004.<sup>18</sup> Longer periods of time spent in education may account for this decline although, on the downside, there is an ongoing trend of high rates of emigration of young, educated Lebanese.

The employment-to-population ratio was 35.7% in 2004,<sup>19</sup> with a rise of its 1997 level of 31.1%. This ratio is relatively weak, compared to an average ratio of 47.8% for the Middle East, and 45%-60.9% in developed countries, implying a particularly high rate of economic dependency in Lebanon. The majority of workers in Lebanon are employed in services (37.4%) and trade (22.1%). Industry accounts for a further 15% of employment, 8.7% of construction, and 7.6% of agriculture. Regarding the status of employment, salaried workers represent 62% of workers, of which 48.9% are permanent workers and 13.1% are non-permanent workers. Permanent employment has in fact increased from 46.1% in 1997 to 48.9% in 2004. At the same time, the proportion of the self-employed has increased, while that of formal sector employees and of contributing family workers decreased. Public sector accounted for 12.9% of the Lebanese labour force in 2004.<sup>20</sup>

Unemployment rate is estimated at over 7.9%<sup>21</sup> and unemployment is particularly acute amongst Lebanese youth, aged 15-24 (48.4% from the unemployed),<sup>22</sup> with young women having been far more adversely affected than young men. Most of the unemployed aged 20-24 have completed their university education, an increasingly common phenomenon over the past few years. Youth unemployment in Lebanon is estimated to be as high as the average for the Arab region (roughly 26%), the highest of all regions. Determinants of youth unemployment emanate both from the demand and supply sides. The high level of unemployment in the country, coupled with the challenging socioeconomic situation, unsatisfactory living conditions, and limited access to basic social services, is encouraging Lebanese, and particularly people in the 25-45 age bracket, to emigrate to countries of the Gulf Cooperation Council, Europe, and North America, where they can find more attractive job opportunities and better living conditions. This growing exodus, which highlights the need for the urgent development of a social security unemployment insurance scheme, is aggravated by the fact that 25.4% of the people who

<sup>15</sup> Millennium Development Goals Indicators, the official UN site for the MDGs indicators, <http://mdgs.un.org/unsd/mdg/SeriesDetail.aspx?srid=757>

<sup>16</sup> "Living conditions of households of 2004"

<sup>17</sup> "Living conditions of households of 2004"

<sup>18</sup> Ibid.

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.

<sup>21</sup> Ibid.

<sup>22</sup> Living Conditions National Survey, Central Administration of Statistics, 2004; statistical fact sheet, March 2007

emigrate for reasons of employment hold university degrees, resulting in a serious brain-drain of educated Lebanese youth.

In 2006, the number of persons with disability of working age is estimated at 33,923 of which 27,086 are capable of working, while only 7,052 are actually working.<sup>23</sup> This proportion is weak as the relevant labour legislation is not applied and the employer often assumes that persons with disability are unable to work. For people with disabilities, access to education and vocational training is limited, the support required is unavailable, and there is little or no infrastructure for physical access to the workplace.

### **Target 2: Halve, between 1990 and 2015, the proportion of people who suffer from hunger**

	1995	2004	2015
● Prevalence of underweight children (severe underweight)	3 (0.3) <sup>24</sup>	3.9 (0.6) <sup>25</sup>	1.5
● Proportion of population below minimum level of dietary energy consumption	<2.5 <sup>26</sup>	1.1 <sup>27</sup>	<1.25

## **Progress to date**

During the last decade Lebanon achieved and exceeded its 2015 targets.<sup>28</sup> There are however, disparities between urban and rural areas in the level of child malnutrition especially micro-nutrients. Factors such as poverty, poor education of women, inadequate caring practices for children, poor care during pregnancy, poor access to health services, and poor sanitation are all underlying causes.

Protein-caloric malnutrition is reported to be rare and restricted to groups, such as refugees, living in particularly difficult situations. With the exception of micronutrient deficiencies, nutritional deficiencies in general are rare.

Lebanon is one of the countries of acceptable nutritional level and is classified as one of the countries of low level regarding the indicators of stunting and underweight and of medium level regarding the indicator of wasting which is slightly more than 5%.

However, the rate of exclusive breast-feeding is low, not exceeding 24.7% of children under the age of four months and 7.6% between the ages of 4 and 5 months, while only 2.6% breastfed till end of the first year. Around 23% children under 4 months of age also start consuming complimentary food, while 44% are on bottle usage.

The reasons preventing breastfeeding are to a great extent related to insufficient mother's milk, child refusal, mother illness and child illness. In Lebanon rate of total breastfeeding average mean is 9 months, while rate of exclusive breastfeeding average mean is 0.6 months.

## **Challenges**

- Political instability and its negative consequences on economic growth and sustainability of livelihoods;
- Lack of sustained commitment of the successive governments to proceed with the implementation of the social action plan;

<sup>23</sup> Lebanese Physically Handicapped Union, 2006.

<sup>24</sup> UNFPA and MoSA, "Mother and Child Health Survey", 1996.

<sup>25</sup> League of Arab States - The Republic of Lebanon (MoSA - CAS), "Lebanon Family Health Survey" PPFAM, 2004.

<sup>26</sup> United Nations System in Lebanon: "United Nations Development Assistance Framework: A Platform for Cooperative Action 2002-2006", 2002.

<sup>27</sup> The Report "Poverty Growth and Income Distribution in Lebanon" has estimated, based on the 2004/05 data, the proportion of population falling below the food poverty line (i.e. unable to meet their basic food requirements) at 1.1% reflects the proportion of population below minimum level of dietary energy consumption.

<sup>28</sup> League of Arab States - The Republic of Lebanon (MoSA - CAS), "Lebanon Family Health Survey" PPFAM, 2004.



- Limited job creation and increased immigration among the skilled youth;
- The implementation of economic policies does not take into consideration its social implications;
- Irregular and inconsistent data collection that does not allow for comparison and monitoring. Lack of plan of action for surveys and studies to be produced based on developmental needs and priorities;
- Massive destruction of the infrastructure after July 2006 war, with highest direct and indirect impact on the poorest regions and groups;
- Inadequate mechanisms for coordination among the various actors and within the same sector: public administration, local authorities, civil society organizations (CSOs) and international agencies.

## Strengths

- Increased attention among policy makers around issues of poverty reduction, regional disparities, and social service delivery. This was reflected in the elaboration of the Social Action Plan and the commitment for the preparation of a national strategy for social development;
- The establishment of the Inter-Ministerial Committee For Social Issues;
- The support of the international community and donor agencies to poverty reduction and social development issues;
- The presence of an active civil society that contributes towards reducing regional disparity, empowerment of vulnerable groups, provision of social services, and most important its active role in providing relief services during emergencies;
- Poverty incidence and the number of individuals who are considered extremely poor are relatively low;
- The potentiality of administrative decentralization that can support the implementation of any poverty reduction plan represented by the municipalities, social development centres of MoSA and civil society organizations that are distributed all over the Lebanese regions.

## Recommendations

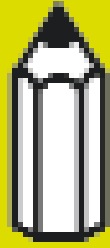
1. Develop an integrated and comprehensive social development strategy, and related monitored and implementable workplan to reduce poverty and inequality. The elaboration of such a strategy should involve all stakeholders and tackle the different aspects of impoverishment and social development.
2. Put in a place an efficient mechanism to measure poverty using both money metric indicators and the Unsatisfied Basic Needs approach on regular basis in order to be able to carefully assess the impact of economic and social policies and reforms (such as increase in VAT, reform of NSSF, increase in fuel prices, reform in social ministries etc.) on poverty and inequality.
3. Give priority to the economic and fiscal policies that serve to reduce poverty and that ensure pro-poor economic growth. This should include tax and wage reform plan, especially as the minimum wage remains below the poverty line.



4. Ensure the implementation of social safety net systems to assist and protect the poorest and most vulnerable population.
5. Involve local authorities in the implementation of poverty reduction interventions to ensure sustainability and strengthen coordination among the various actors, including government institutions, civil society, international organizations, the private sector and the media.
6. Implement poverty reduction initiatives that ensure both geographic and population targeting, especially targeting peripheral regions (Akkar, Bint Jbeil, Ba'alabak, Hermel, etc.) to reduce regional disparities, and vulnerable groups among which poverty incidence is very high (female heads of households, elderly, unskilled laborers, farmers, etc.).

### **Recommendations to achieve full and productive employment**

7. Formulate and implement a job creation policy focusing on empowering and enhancing productive sectors.
8. Elaborate and implement Active Labour Market Policies (ALMPs), including job search assistance, (re)training, entrepreneurship support etc. to support the development of more sustainable employment. Such policies should target women, youth and less educated workers in particular. They should recognize the large numbers of hidden unemployed and reach out to rural areas.
9. Promote entrepreneurship as a viable way out of unemployment and poverty. Awareness campaigns targeting the youth unemployed in particular will promote an entrepreneurship culture conducive to private sector growth. Business management training programmes should focus on those willing to start-up a business.
10. Creating a favorable macro-economic environment and investment climate for accelerated private sector growth is a priority. This should include measures to stimulate demand.
11. At the programme level, facilitate access to markets to support private sector growth and recovery of jobs.
12. Support the working poor, through enhancing social protection. Specific vulnerable groups that should be focused on include the low-educated working children and youth, the elderly, and those in atypical forms of employment and the unemployed.
13. Implement interventions to reduce barriers that prevent people with disability (PwD) from work (attitudinal and physical barriers), as well as implement capacity building programs targeting PwD, especially youth.



**ACHIEVE  
UNIVERSAL  
PRIMARY EDUCATION**





## 2

# Achieve Universal Primary Education

**Target 3: Ensure that, by 2015, children everywhere, boys and girls alike, will be able to complete a full course of primary schooling**

Indicators (Percent) %	1996	2000	2007	2015
• Net enrolment in primary education		91.5 (2001-2002)	97.1 (2005-2006)	100
• Proportion of students who have completed grade 5	91.1(1997)	95.3	96.3 (2003)	100
• Literacy rate of the 15-24 years age group (15 +) years age group	98.9	97.5 86 (2000)	88.3 (2005)	100

### Progress to date

The Ministry of Education and Higher Education (MEHE) has prepared a National Education Strategy that aims at providing education in Lebanon on the basis of equal opportunity, as well as good quality education that contributes to the building of an information society and that promotes social integration and economic development. This strategy has been sent in September 2007 to the Council of Ministers for endorsement; however, the strategic directions developed in the year 2000 at the request of the Ministry of Education, with the support of UNESCO, have not been discussed nor adopted.

Despite the fact that MEHE's Education Sector Reform Action Plan (2007-2009) targets the expansion of access to public preschool education, mainly in poor and rural area, Early Childhood Education (ECE) lacks the existence of an appropriate structure within the Ministry of Education, to take care of its development, in coordination with relevant stakeholders. This besides inter and intra-regional disparities in terms of access and coverage. As regards the quality and monitoring of ECE programmes, available evidence is not sufficient to draw any concrete inference and much unexplored territory remains. At the level of primary education, the net enrolment ratios in 2004-2005 still reveal large regional disparities and are more aggravated within the Mohafazats.

Lebanon has witnessed laudable progress in the education system since the end of the war in 1991. The gross enrolment rate in pre-school education (ages 3-5 years) increased from 67.0% in 1999 to 74.0% in 2004.<sup>29</sup> Primary education is almost universal: the net enrolment rate recorded an increase from 91.5% in 2001-2002 to 97.1% in 2005-2006. This last rate corresponds to 95% and 99.2% respectively for boys and girls in the same year.<sup>30</sup> The survival rate (number of pupils reaching the terminal grade of primary education) stood at 96.3% in 2003, compared to 95.3% in 2000.

Nearly 86% pupils completing primary education are enrolled at the second level education in 2003;<sup>31</sup> boys and girls accounting for 83% and 89% respectively. Of the total enrolment at this level of education, private education institutions shared 50% in terms of students' share and 37% in terms of number of schools, and girls' share in total enrolment accounted for 50% in 2003. The gross enrolment ratios for the lower and upper secondary levels of education were reported as 100% and 77%, respectively with a gender parity favoring the girls (GPI = 1.09) for both levels of education.<sup>32</sup>

<sup>29</sup>EFA Global Monitoring Report 2007

<sup>30</sup>UNESCO National Education Support Strategy (UNESS) for Lebanon (First Draft) UNESCO Office in Beirut, June 2006

<sup>31</sup>EFA Global Monitoring Report 2007

<sup>32</sup>Ibid 2007

Available statistics<sup>33</sup> reveals a drop of 2.3 percentage point in the adult (15+ years) illiteracy rate from 14.0% in 2000 to 11.7% in 2005. These rates for male and female are 6.4% and 16.6%, respectively. Older women (40+), particularly from rural areas, are the main victim of illiteracy. The female illiteracy disadvantage, particularly in rural areas, will not just “disappear” as part of the general educational progress unless the Government specifically targets rural female illiteracy. This process should be accelerated for it festers and proves a substantial stumbling block in the move towards gender equity and rural-urban parity.

The stakeholders of the basic education in Lebanon have recognized the problems associated with "access, performance, efficiency and relevance" of basic education. The National EFA plan addresses these issues as priorities and actions are engaged to enhance and improve quality indicators. However, available evidence clearly suggests that a greater part of the national budget is devoted to access and enrolment, infrastructure and central administration, to the detriment of quality, teaching-learning inputs; thus more resources should be devoted to quality of the education as a whole.

However, the Ministry of Education and Higher Education (MEHE) has been chosen as a pilot ministry to prepare its 2009 budget request in a three-year framework (2009-2011) under the Medium Term Expenditure Framework and Performance Based Budgeting (PBB) framework, as it is well prepared and equipped with an Education Sector Reform Strategy Action Plan for 2007-2009 and an advanced Financial Planning Tool for costing new initiatives and existing service levels. MEHE, through the Education System Financing component of the Education Development Project, and in close collaboration with Ministry of Finance and the World Bank, has been working on developing a three-year PBB/MTEF shadow budget. This exercise aims at creating broader awareness and instigating high level administrative involvement that reinforces the way people think about budgets. The desire is to have them thinking about expenditures in terms of what those expenditures accomplish rather than on how they are spent (the economic classification).

The public expenditures<sup>34</sup> on education as percentage of national budget in 1999: the national budget was LBP 8.395 billion, while all ministries relating to education (Ministry of Education and Youth, Ministry of VTE and Ministry of Culture) budget was LBP 623.5 billion. In 1999, the percentage of public spending on education as percent of national budget was 7.4%. In 2004, the national budget was LBP 9.400 billion while MEHE budget was LBP 864.16 billion, hence the percent of public spending on education as % of national budget was 9.19%.

With respect to government expenditures on education as % of GDP: in 1999, Lebanon's GDP was LBP 24.816 billion, while the budget for ministries relating to education (Ministry of Education and Youth, Ministry of VTE and Ministry of Culture) was LBP 623.5 billion, constituting 2.5% of GDP. In 2003, Lebanon's GDP was LBP 29.846 billion while the MEHE's budget was LBP 809.94 billion, constituting 2.7% of GDP was 2.7%. In 2004, Lebanon's GDP was LBP 32.357 billion, and MEHE's budget was LBP 864.16 billion, constituting 2.7% of GDP.

	1999	2004
● Public expenditure on education as % of national budget <sup>35</sup>	7.4	9.19
● Gov expenditure on education as % of GDP <sup>36</sup>	2.5	2.7

Total national expenditures in education (Public + private: families, communities,...): it is worth noting that the government expenditures cover mainly the public education sector, which constitutes only a third of general basic education, half of the secondary education, and 45% of higher education- the total is between 10 to 11% of GDP. This latter data is very high even compared to rich countries.

<sup>33</sup> Statistical Abstract for the ESCWA Region, 2005 and UN Common Country Assessment, Lebanon, October 2007.

<sup>34</sup> Public expenditures here listed exclude the ministries or entities with non-educational responsibilities but who provide scholarship allowances to children of civil servants (such as the Civil Servants Cooperatives, Ministries of Defense, Interior, Justice, public institutions, mutual funds,...), and public institutions whose functions cut across educational responsibilities in terms of provision of schools and educational establishments such as the Council for Development and Reconstruction (CDR) and Council of the South (COS).

<sup>35</sup> Ministry of Education and Higher Education (MEHE)

<sup>36</sup> Ministry of Education and Higher Education (MEHE)

## Challenges

### Regional disparities:

The Ministry of Education created a satisfactory infrastructure in order to fill the gap of regional disparities. However, carefully collected and thoroughly assessed data indicating and representing regional and urban-rural differences and other aspects of disparities are vitally necessary for identifying and dealing with the range of issues connected to universalizing primary education.

Towards this end, there are different conceptions between UNESCO and the MEHE in assessing the regional disparity. While UNESCO believes that a near-universal tendency is to overload curricula and syllabi, reflecting an academic view of standards and lack of appreciation of rural conditions and that the centralized control of curriculum development and state-produced textbooks fails to recognize the diversity of rural circumstances, the Ministry believes that there is no discrimination but the whole problem is structural and managerial. UNESCO, in this regard confirms that the general weakness in governance is adversely affecting the national education system and harming educational development in rural areas more severely. Nevertheless, MEHE is working through the Education Center for Research and Development (ECRD) and in close cooperation with the civil society on reviewing and updating curriculum development process, procedures and responsibilities. In addition, MEHE has an objective of enhancing the quality and content of the students' textbooks. In fact, the pre-school and cycle 1 textbooks have been revised, updated and launched in June 2008.

Likewise, despite the fact that the system of assessing learning achievements is inadequate as are the differentiated data about achievement levels in rural and urban areas, MEHE through its Education Sector Reform Action Plan 2007-2009 aims at improving assessment of learning achievements. This is currently being done through the ongoing implementation of assessment of academic achievement standards, development of the examination question bank, development of the exam generation system and completion of the examination management system. However, within its Education Sector Reform Action Plan 2007-2009, MEHE plans to expand access to public schools and preschool education in poor urban and rural areas by undertaking needs assessment on costs, program design and furniture requirements.

### Drop outs and repetitions

The relatively high drop-out rates especially in the primary and intermediate cycles in schools (2.7%- 10.7%)<sup>37</sup> adversely affect the completion of primary education. In turn, high repetition rates, both in primary and intermediate education (basic) in public schools (20%-24%)<sup>38</sup> tend to increase the financial burden and to negatively affect learning environment.

Often sidelined and discriminated against mainly because of social and economical factors, and sometimes because of the life style, a large number of children not enrolled in school, do not enjoy a basic human right - the right to education. It is worth noting that there is not a problem of places in the public schools even in rural areas, but children often leave or drop out of the formal system despite early enrolment. However, in response to this problem, MEHE has a clear objective of introducing a "drop-out prevention program" targeting pedagogical reasons behind the dropout and repetition problem. This is to be achieved through the formulation of a process for identifying students at risk and expanding psycho-social support programs.

### Quality of education

A greater part of the available resources is primarily devoted on quantitative expansion of primary school education with a very narrow curriculum. As has been stated above, MEHE targets the enhancement of the quality of

<sup>37</sup> based on MEHE data and on the Social Action Plan Report : Towards Strengthening Social Safety Nets and Access to Basic Social Services sent to Paris III.

<sup>38</sup> based on MEHE data and on the Social Action Plan Report : Towards Strengthening Social Safety Nets and Access to Basic Social Services sent to Paris III

education through undertaking curriculum review and development, enhancing the quality and content of the student textbooks and teachers guide, improving assessment of learning achievements, expanding access to public preschool education in poor urban and rural areas and introducing “the Drop-out Prevention Program” targeting pedagogical reasons behind the dropout and repetition problem.

### **Formal and non-formal education**

Non-formal education is the sole learning opportunity for adults and substantial numbers of out-of-school children. There is a general tendency for the providers of education in Lebanon to consider non-formal education to be an inferior alternative to the formal system and the budgetary allocations made to it are meager to support it. However, MEHE through the Education Sector Reform Action Plan 2007-2009, aims at rationalizing the Vocational and Technical Education (VTE) through re-examining the role and mission of VTE in Lebanon, establishing employer community relationship, restructure VTE Program Framework, delivery modules, and assessment, re-aligning VTE workshop and equipment requirement, and providing VTE instructor development.

## **Strengths**

Experiences show that there is a great scope for quality enhancing egalitarian measures at the micro-level of schools, clusters, neighborhoods and communities.

The social action plan adopted in Paris III recommends reform efforts within the Ministry of Education and Higher Education, whose steps and objectives are clearly stated in the Education for All national plan, the National Education Strategy and the Education Sector Reform Action Plan 2007-2009.

There is a common conviction pointing the need to reform the educational system in general, and the VTE and Higher Education in particular, according to the labour market needs. In order to respond to the need for the collection of accurate and disaggregated reliable data and by inference the meaningful indicators, the Ministry of Education and Higher Education has already initiated the development of an Education Management Information System (EMIS), to be implemented at MEHE and supported by the implementation of a School Information System (SIS) that is operational at school level and connected through a national education network to central ministry database.

## **Recommendations**

1. Address "access, performance, efficiency and relevance" of basic education. Whether the level at which free access is provided is the fifth grade or eighth grade or higher, school infrastructure must provide to the child a friendly, accepting environment.
2. For vulnerable groups, special incentives by way of mid-day meals, free textbooks or free uniforms can be tried. Government needs to focus efforts on improving delivery of such incentives with community participation and greater transparency.
3. For the out-of-school or for those who are pushed out of the system or discontinue their studies, non-formal or alternative systems must be imaginatively used. Here special encouraging incentives should be considered.
4. Non-formal education programmes and activities should be designed as a response to evolving forms of alternative basic education, from adult literacy to using literacy for community empowerment, to promoting local development. A broad reflection on relevant policies, strategies and best practices taking into account the specific contexts in which they are implemented; in order to ensure quality basic education.
5. To explore the links between formal and non-formal education within all age groups, the provision of learning opportunities for vulnerable groups such as street children, orphans and others. The policy makers and

administrators should undertake collective efforts opening up new possibilities for strengthening non-formal education and changing its image.

6. Encourage the emergence of shared policy vision; and to create a culture of quality among those involved in education.

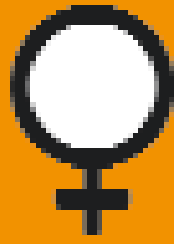
7. Pedagogical renewal and teacher development; diversification of delivery systems; implementation of basic education reforms and innovation; and relevance of education - adapting curricula.

8. Emphasis should be placed on exchanging among countries of the Arab region acquired experience and knowledge on the improvement of quality.

9. Reforms plans in education should take into consideration inclusive criteria in programs and curriculum and in the buildings.

10. A substantial ground needs to be covered in developing planning methods appropriate to the evolving, broader educational reality in Lebanon. There are two preliminary steps of particular importance:

- Firstly, planners should assist the economically and socially marginalized population groups in rural areas and urban slums and conurbations, group by group, in articulating their learning needs;
- Secondly, information needs to be gathered and exchanged so as to make the variety of educational opportunities which are available more transparent, and better suited to what these population groups want to learn.



# PROMOTE GENDER EQUALITY AND EMPOWER WOMEN





**3**

## Promote gender equality and empower women

**Target 4: Eliminate gender disparity in primary and secondary education, preferably by 2005, and in all levels of education no later than 2015**

	1995	1999/2000	2005	2015
• Ratio of girls to boys in primary, secondary and tertiary education	93	100	100	100
• Share of women in wage employment in the non-agricultural sector the proportion of women employed as salaried workers	14.2	72.5% (1997)	83.3% (2004) <sup>39</sup>	
• Proportion of seats held by women in national parliament	2.3	2.3	3.9	

### Progress to date

#### Education

Lebanon has made significantly progress towards achieving gender equality in educational attainment. School enrolment rates for both males and females are high in Lebanon; and primary education (age groups: 5-9 and 10-14) is almost universal. The net enrolment rate recorded an increase from 91.5 per cent in 2001-2002 to 97.1 per cent in 2005-2006. This rate corresponds to 98.3 and 93.8 per cent respectively for boys and girls in the same year.<sup>40</sup> School enrolment rates are noted to decline after the age of 14 years for boys and girls alike. It is also noted that no gender discrimination in access to education is apparent for all school levels.

**Table 1. School Enrolment Rates Per Age Group and Gender (2004-%)<sup>41</sup>**

Age Group (years)	Females	Males	Total
5-9	98.9	98.4	98.6
10-14	96.1	94.4	95.2
15-19	73.6	68.7	71.1
20-24	34.7	33.8	34.2
25-29	5.7	7.9	6.8

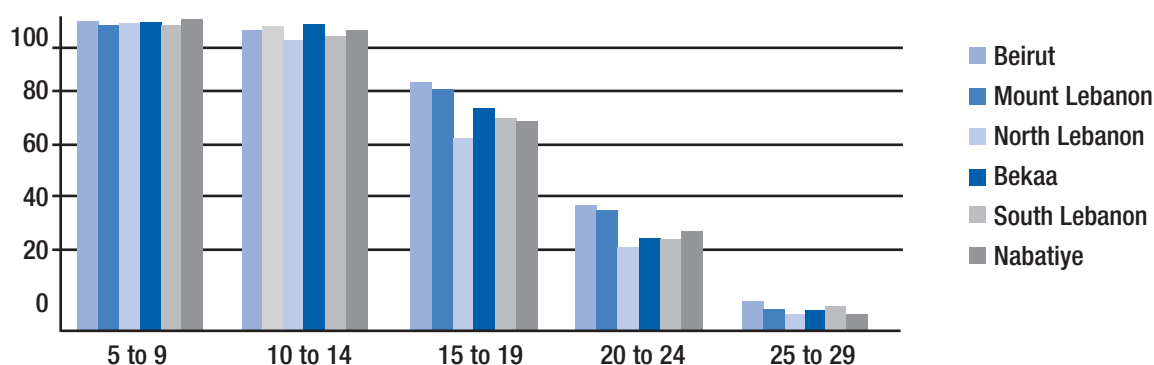
School enrolment rates vary between the different regions of the country, with similar rates for the 5-9 years and 10-14 years age groups, but differences for higher age groups. For example, although the decline in enrolment rates after the age of 14 years is evident all over the country, it is most accentuated in North Lebanon where enrolment rates drop to 61.4% for those aged 15-19 years and 27.6% for those in the 20-24 years age group.

<sup>39</sup> CAS, UNDP and MoSA, National Survey on the Living Conditions of Households, 2004/05

<sup>40</sup> UNESCO National Education Support Strategy (UNESS) for Lebanon (First Draft) UNESCO Office in Beirut, June 2006

<sup>41</sup> CAS, UNDP and MoSA, National Survey on the Living Conditions of Households, 2004/05

Figure 2. School Enrolment Rates per Age Group and Mohafazat (2004-%)<sup>42</sup>



The raw female and male enrolment rates in the primary level amount to 109% and 111.7%, respectively (2004). The net enrolment rates for females and males are 92.7% for both. The age grade delay for females is less than that for males, with a total delay of 9.8% and 12.4%, respectively. At the intermediate level, raw female and males enrolment rates are 104% and 92%, respectively, while net enrolment rates are 72.5% and 65%, respectively. At the secondary level, raw female and males enrolment rates are 65.7% and 58.8%, respectively, while net enrolment rates are 45.6% and 39.2%, respectively. As such, net enrolment is higher for females in the intermediate and secondary levels.

Around 8% of the Lebanese (aged more than 4 years) are illiterate (2004); however, illiteracy has been declining in the last decades for males and females, where it has declined from 11.6% in 1995 (16.7% for females and 8.6% for males). Illiteracy rates are higher for older age groups. For those aged more than 10 years is almost double for females (11.8%) than males (5.6%). Illiteracy is higher in regions outside Beirut and Mount Lebanon, for males and females; however, it is more accentuated for females.

As highlighted in the previous Lebanon MDGR, the high female attainment in education does not translate into an improved access of women to economic activity or to decision-making at the national level. The total labour force constitutes 32.2% of the population with an economic activity rate amounting to 44% (aged 15 years and more-2004). Working individuals aged between 15-65 years account for 47.1% of the population, and is significantly lower for females (22.3%) than for males (73.4%) for the same age group. However, female economic activity has risen from its 1995 level where females constituted 21.7% of the labor force.

There are no gender disparities in access to primary education. However, girls in rural areas and belonging particularly to marginalized and vulnerable population groups continue to comprise the majority of out-of-school children and women the majority of adult illiterates. Unless good practices in girls' education are "scaled up", the achievements of the 2005 gender parity and the 2015 gender equality goals are unlikely to be attained. This demands a sound analytical understanding of what drives gender equality and education reform, drawing lessons from projects and policies that have yielded successful results and replicating them with due attention to the underlying dynamics of social and educational change. The Center for Educational Reform and Development (CERD) has recommended an overall revision of the curricula in order to modify all the discrimination against women, especially in intermediate and secondary school curricula.

### Economic participation

Highest economic rates in 2004 were observed in Beirut (51.1% of residents in the Mohafazat), followed by Mount Lebanon (47.2%), and North Lebanon (40%). Female economic activity per region in 2004 follows the same trend with highest participation in Beirut (36.2%), followed by Mount Lebanon (23.7%) and Nabatiye (19.4%). Analysis of female economic activity per region indicates that 69.3% of employed females are in Beirut and Mount Lebanon, whereas 10.6% are in North Lebanon, 6.7% are in Bekaa, and 13.3% are in South Lebanon and Nabatiye.

<sup>42</sup> "Living conditions of households of 2004"

Although improving, female employment remains characterized by low access to positions of responsibility and decision-making. Gender differences in distribution per professional categories are evident, with more concentration of the female workers in the professionals, office employees, service workers, and unskilled labor categories, compared to higher male worker concentration in management, skilled workers, and drivers categories.

**Table 2. Distribution of Actual Labour Force by Professional Category and Gender (15 years and above-2004-%) <sup>43</sup>**

Status in work	Females	Males	Total
Managers	5.1	12.4	10.7
Professionals	19.0	6.7	9.6
Intermediate professions	14.6	5.2	7.4
Office employees	15.5	6.9	8.9
Services workers and salespersons	15.3	9.1	10.5
Agricultural and fishery workers	1.4	5.6	4.7
Skilled workers	5.4	23.4	19.2
Drivers	0.9	11.6	9.1
Unskilled workers	22.5	13.4	15.5
Armed forces	0.4	5.7	4.4
Total	100	100	100

Significant differences prevail in the nature of men and women's participation in the labour force. Women are mainly employed in the services sector and are permanent salaried workers. In general, the proportion of women employed as salaried workers has increased since 1997 (72.5% in 1997 to 83.3% in 2004). Self-employed women are estimated at just 10.1% as compared to 33.9% for men.<sup>44</sup>

Official unemployment rates (2004) for those aged 15 years and more are estimated at 8% and is higher for females (9.6%) than males (7.4%). Highest unemployment is recorded in the 15-19 years and 20-24 years age groups (27% and 17.3%, respectively). The same trend follows for females where unemployment reaches 26.3% for those aged 15-19 years, 17.3% for the 20-24 years age group, and 10.7% for the 24-29 years age group. Unemployment rates witness regional variations; it is highest in South Lebanon and Nabatiye (13%), followed by Mount Lebanon (9.7%) and Beirut (8.8%). Female unemployment is highest in South Lebanon and Nabatiye, followed by Mount Lebanon, Beirut, North Lebanon and Bekaa. The low female unemployment rates in Bekaa are due to the fact that a low percentage of women in this rural region pursue formal employment as many are employed in agriculture. It is also noted that highest male unemployment rates are observed in Beirut, followed by Nabatiye and Mount Lebanon, South Lebanon, Bekaa and North Lebanon.

### Political participation

Access of Lebanese women to national decision-making and their participation in political life remains weak and has not witnessed any improvements since the last Lebanon MDGR. Parliamentary seats held by women did not exceed 3 out of 128 (1995/2004), i.e. 2.3 percent of total seats. In 2005, 6 women were elected to the parliament, i.e. 3.9 %, in the same year, two women held, for the first time, ministerial posts. Female participation in local political representation is also weak: out of the 18,606 number of candidates in the 2004 elections, only 552 (i.e 3%) were women. Eventually, women won 215 (or 2.4%) of the 9,032 seats. This means that 38.9% of women who stood for Municipal elections were elected (compared to 48.8% of men). At least one woman was elected in every Mohafaza and every Caza in 2004. The highest number of women was elected in Mount

<sup>43</sup> Ibid.

<sup>44</sup> Ibid.

Lebanon.<sup>45</sup> Few projects have been realized so far in support of women's participation in Municipal elections. In the 2004 municipal elections, a great number of civil society organizations, local and national institutions, were mobilised to support these women candidates. The Lebanese Council for Women also implemented a number of awareness sessions to increase women candidature in local elections. Later on, women who won elections reported to have encountered some problems of "class and gender barriers" particularly while performing their municipal duties and participating in the decision making process.

Women participation in political parties: Despite the important role played by the Lebanese women in political parties, especially during the civil war, men still control the leadership posts. There is no accurate information neither about the number of female party adherents, not about the positions they hold inside their respective parties. However it should be mentioned that in 2005 one woman became secretary general of a Lebanese political party. In addition, three women have joined the central authority of a recently founded party.

Other promising progress in women political participation is the increasing number of women judges (42%) of overall judges, and it is expected that this figure will increase by 2011 to 60%. Statistics by the Ministry of Justice show that the current number of judges in higher courts is 446 (300 men and 146 women), knowing that they will be joined in the near future by 63 new judges, of whom 40 are women i.e. around 42% of the total number of judges. The Ministry of Justice expects rates of female judges to reach 60% of the total number of judges in 2011 if women continue to outshine men in the entrance exam.

The Union Law makes no discrimination between men and women as to the possibility to join a Union as a member or as a leader. Yet facts show that women have not participated to Union work, even when the latter reached its peak in the seventies of the last century.<sup>46</sup> There might be a female presence in head bodies of certain unions, syndicates and leagues, yet women seldom occupy leadership positions.

There have been efforts made in the past few years by civil society groups and the Ministry of Social Affairs and supported by UN Agencies for breaking the silence in fighting violence against women. These efforts consisted mainly of raising public awareness and launching media campaigns, conducting research of causes and prevalence of violence as well as legal review of related laws, and developing capacities of social workers and counsellors in providing some support and assistance. Despite the fact that recently there is a number of victims of violence who have sought some kind of support, still women do not always request the adequate legal or other protection against all forms of violence be it sexual, domestic, and other forms of violence, including honor crimes. More so, the services provided by selected NGOs are not available in all regions. The 5-years national action plan on Gender Based Violence is expected to address this phenomenon in a holistic and comprehensive approach for better responding to this matter.

One essential achievement is the implementation by the National Commission for Lebanese Women of various aspects of the Security Council Resolution 1325 (Women, Peace, and Security) in selected post war (2006) affected regions. The national efforts for promoting participation of women in peace building and recovery, with the strong support of local municipalities, are a step towards promoting a peace culture. The achievements made to date for mainstreaming the role of women in peace building, decision-making, development and rehabilitation processes was highly commended by the Committee on the Elimination of Discrimination against Women.

## Challenges

- Discrimination of some laws against women such as citizenship law, which deprives the Lebanese women from conferring their nationality to their husband or children;
- Lebanon still has the same reservations on the CEDAW (article 9 paragraph 2 concerning the nationality law,

<sup>45</sup> "Gender profile in Municipal Election in Lebanon 2004" - January 2006 - CRTD-A and Friedrich Ebert Stiftung

<sup>46</sup> Civil dialogue - number 301 - 8/11/2002 - Union and Worker Movements, Faten Fukayh, 2002

and the article 16 paragraph (C), (d), (f) and (g) concerning the personal status code and article 29 on arbitration), which hampers women equality;

- Still there is a slow progress in the work of the Parliamentary Committee on Human Rights, which is drafting a national strategy for Human Rights; the committee included a special plan to improve the situation of the Lebanese woman;
- Difficult economic situation in the country following political turmoil since 2005, and the Israeli war on Lebanon in 2006. this has limited economic opportunities available to the population as a whole, including women;
- The persistence of violence against women and girls including domestic violence, rape and crimes in the name of honor. The article 562 of the Lebanese penal code allows mitigations of the penalties for crimes committed in the name of honor. Article 503 which tolerate marital rape and article 522 which allows for charges to be dropped in case of rapes.

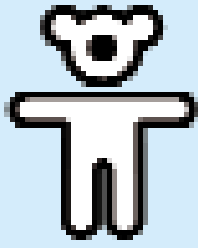
## Strengths

- The Lebanese constitution affirms equality among all citizens irrespective of their gender with reference to the universal declaration of human rights and all its protocols and conventions;
- Lebanese laws do not include articles that discriminate between men and women in terms of rights and obligations, except those related to personal status code and the right of women to confer their nationality on foreign spouse and children (the articles in the law which deprived women from the right of testimony before cadastral administrations, and in cases subject to penal law, and the right to travel alone and to practice the trade profession have been cancelled);
- Lebanon ratified, in 1996, the Convention on the Elimination of all types of Discrimination Against Women (CEDAW). Despite Lebanon's reservations on three basic articles (Article 9 covering nationality, Article 16 on personal status, and Article 29 on arbitration), the ratification of the convention represented a positive step;
- High educational attainment for women, which could prepare them to increased participation in economic and political life;
- The appointment of female ministers for the first time in 2005;
- The inclusion of a dimension in the Social Action Plan of the reform package of the government which targets assistance to poor female heads of households;
- Women had enormous contribution in recovery efforts in post-July 2006 war in the country. Their role in peace building and conflict prevention could be built on and strengthened in this period of the history of the country.

## Recommendations

1. Removal of reservations on the Convention for the Elimination of all types of Discrimination Against Women, and introduction of all necessary amendments to the applicable laws in Lebanon to achieve this elimination, and ratification of the conventions covering human rights and all other conventions adopted by International and Arab organizations, particularly those related to women's right to work.
2. Changing all laws discriminating against women, and looking at ways to provide favourable discrimination for women, especially in terms of access to employment.

3. Continuation of the discourse concerning a new election law and taking a clear position concerning the allocation of a share for women in the parliament.
4. Development of the work of women's organizations, practice of democracy, and raising the level of coordination, including increasing political awareness in the regions outside Beirut.
5. Revisiting the laws on social and health security and insurance to include workers in informal sector, especially as this is a major source of employment for women.
6. The "National Commission for the Electoral Law" assigned by the government to propose a new electoral law suggested a female quota in the draft law presented to the government. This opens a window of opportunity for increased women representation in political life.
7. The promotion and protection of women's human rights and gender equality is a central goal of all aspects of the reform process. More efforts need to be undertaken to address the specific needs of women in post-conflict periods and ensure women's equal participation in decision-making, in conformity with the Security Council resolution 1325 (2000) on women, peace and security. In this regard, an action plan for the full implementation of Security Council resolution 1325 should be developed and endorsed by the State.



## **REDUCE CHILD MORTALITY**







## 4

# Reduce Child Mortality

**Target 5: Reduce by two-thirds, between 1990 and 2015, the under-five child mortality rate**

**Transitory Targets: as per 2003 MDGR:**

- Reduce infant mortality rate to 22 per thousand by 2006
- Reduce under-five child mortality rate to 27 per thousand by 2006
- Maintain 90 percent of children immunized against MMR

Indicators	1996	2000	2007	2015 Target
• Under-five mortality rate (per 1,000)	32	33	19.1 (2004)	12
• Infant mortality rate (per 1,000)	28	26	18.6 (2004)	10
• Proportion of children under one year immunized against DPT (percent)	94.2	93.6	57*	95
• Proportion of children under two years immunized against MMR (percent)	88	79.2	56*	90

\* based on administrative coverage reported by the public sector alone , (excluding the contribution of Private Sector which ranges between 10% and 85% depending on vast regional variations)

## Progress to date

Despite impressive gains in overall public health status and life expectancy over the past years, Lebanon still faces a number of significant health care challenges. According to the PAPFAM survey (2004), under-five child mortality (U5MR) has been reduced from 35 per thousand in 2000 to 19.1 per thousand live births,<sup>47</sup> and had achieved the targets set in 2003 MDGR. However, over 90% percent of under- five child deaths occur during the neonatal period or the first four weeks of life. The causes are mainly due to premature birth, congenital malformations, obstructed deliveries, severe infections, and poor antenatal counselling. A recent study suggests that the rate of exclusive breast-feeding dropped from 56% for mothers of one month to 24% four months later.<sup>48</sup> Consanguineous marriages are still common in certain parts of Lebanon, which may explain the incidence of genetic diseases.

Infectious diseases continue to be an important cause of morbidity and mortality, although good progress in controlling them has been made in the past few years. The incidence of officially reported cases of pertussis, diphtheria, and rubella has been reduced through vaccination, however, a recent Ministry of Public Health (MoPH) figures show that less than 60% of infants are fully vaccinated with all routine EPI antigens, through the public sector, in 2007. Data regarding vaccination coverage done through the private sector is not available. Measles remains an important cause of child morbidity due to reported measles outbreaks every year, and highest confirmed measles cases per 100,000 population in the region.<sup>49</sup> Although Tuberculosis (TB) is endemic in Lebanon, Lebanon is not considered high risk for TB, and the estimated incidence of TB is 9.4 per 100 000 population in 2006. Still, the incidence of extra pulmonary TB cases increased in the last few years, and 10% of pulmonary TB cases occur among children younger than 14 years, according

<sup>47</sup> World Bank ranked Lebanon to a 109th place out of the 117 countries (with more than 1 mn population) due to lack of reliable quantitative information by the statistical coverage criteria (quality, periodicity and availability of data) in 2004. According to WHO World Health Statistics report and UNICEF SOWC 2007, estimated U5MR was 30 per thousand live births in 2005

<sup>48</sup> Public Health Nutrition, Volume 9, Number 3 (May 2006). Pages 313-319.

<sup>49</sup> WHO: EMRO Measles bulletin October 2007



to the National TB Program (2006). Studies report high rates of single and multi-drug resistance in *M. tuberculosis* isolates, reaching up to 26%. Lebanon was certified as Polio free since 2003, and is considered a low HIV prevalence country but has moderate risk for HIV infections due to multiple risk factors,<sup>50</sup> including cultural silence and stigma, migration, drug use, and others. Mother to child HIV transmission is also low, not exceeding 2.2% according to the available cumulative data up to 2006. Around 50% of the population still lacks access to safe water for drinking and food preparation, and nearly 20% of the population lack access to adequate sanitation<sup>51</sup> leading to gastrointestinal diseases like diarrhoea.

The relatively high infant mortality does not derive only from lack of clear immunization policy. Lebanon does not even have a comprehensive national health care policy document targeting its interventions in neonatal care, where the highest rates of infant death occur. The lack of a policy and strategy on neonatal care and child survival, in addition to the highly privatized system of health care, has affected the training of health personnel, treatment protocols and standard operating procedures in maternities, neonatal and paediatric wards.

Unsafe environments that contribute to unintentional injuries, poor environmental hygiene, and indoor air pollution prevail in many parts of the country. The proportion of childhood deaths due to accidents and injuries is increasing, according to WHO, 11% of deaths under five year of age in Lebanon are attributed to injuries as compared to average three percent in Eastern-Mediterranean region.<sup>52</sup>

Passive tobacco smoking represents a main health hazard to children, possibly leading to otitis media, development or exacerbation of asthma, and other respiratory diseases. Cigarette smoking and Narghile use is a hazardous behaviour gaining importance in Lebanon in general. A recent study<sup>53</sup> reported that more than 53% of the pre-school age children are exposed to parental passive smoking of either cigarette and/or narghile. It is important to note that the study does not address exposure of children from other sources and at other locations, including smoking household members other than parents, cigarette smoking at school and in school buses, and cigarette and narghile smoking in public places. Hence, the figures reported here must be viewed as a minimum estimate of exposure of pre-school children to passive smoking.

The Public/NGO Primary Health Care (PHC) sector is under-utilized in the provision of services, and most of the primary and outpatient services being provided by the private practitioners in private clinics or hospitals. The health sector is dominated by an unregulated private sector, especially at the secondary and tertiary levels, where it manages around 90% of all hospitals in the country.<sup>54</sup> The public budget contributes largely in covering hospitalization costs of the private sector, to the detriment of primary health care programs, thus weakening primary prevention and health promotion while prioritizing highly specialized and costly services. According to the MoPH, 70% of the overall health expenditure is born by households, while the government public expenditure covers about 30%.

Access to health services is unequal across the country due to geographic, financial and other barriers. Public Sector Health service utilization, in some areas, is very low partly because of perception of poor quality of care, as well as unavailability or difficult access to health care facilities particularly in disadvantaged areas. There are 820 primary level service delivery points in Lebanon, managed in their majority by NGOs, providing a range of health services including occasional dispensing of medications to a full complete primary healthcare package. The MoPH has so far, selected 117 of these service delivery points to develop a network of PHC Centres. However, a recent report in 2005 indicated that only 17% of the population utilized these primary healthcare services.

<sup>50</sup> "Preventing HIV/AIDS in the Middle East and North Africa: A Window of Opportunity to Act"; World Bank

<sup>51</sup> Govt. of Lebanon - UNDP: National survey of household living conditions 2004

<sup>52</sup> WHO: Mortality Country fact sheet 2006 - Lebanon.

<sup>53</sup> European Journal of Public Health, 2006; Vol. 16, No. 5, 509-512.

<sup>54</sup> WHO: Older population and Health System: a study of Lebanon, 2001

While some areas in the country are known for economic prosperity, there are enormous disparities between areas reflected in the wide range of national rates of infant and under-5 mortality and under-nutrition. A recent UNDP report<sup>55</sup> reflects regional poverty levels as well as substantial regional disparities in the health coverage and the volume of services provided due to social, economic and living conditions.

**Table 3. Infant and Child Mortality Rates at National and Mohafazat Levels - MICS 2000.**

Indicator	Beirut	Mount Lebanon	South	North	Bekaa	Lebanon
IMR	20	19	24	32	40	26
U5MR	25	23	32	44	57	33

The regions of Bekaa (Baalbeck, Hermel), North Lebanon (Akkar, Menieh and Dinnieh), and parts of South Lebanon (mainly in Nabatieh distinct) are among the most deprived in Lebanon. In these regions, 60-70% of the residents do not benefit from any health insurance programs as the National Social Security Fund is based mostly on membership of employed people, with farmers and private individual enterprises, which are more dominant in these areas, are uncovered and have difficulties in accessing proper care due to financial constraints.<sup>56</sup> This poor economic condition has affected the health of children in these regions and, with IMR and U5MR highest in Akkar and the Bekaa, followed by the South.

Maternal health and nutrition status before and around conception, as well as during pregnancy, significantly influence foetal development and the potential for survival after birth. Only 26% of hospitals initiate early breastfeeding within one hour after delivery, and 98% of women get tranquilizers / sedatives during labor. In addition, a recent study reported anaemia (16%) and iron deficiency (27%) among women of childbearing age attending health centres in Lebanon.<sup>57</sup> Although the majority of deliveries are conducted by skilled health workers, caesarean section rates (with an average of 23%) are the highest in Arab region. A number of clinical practices known to be unnecessary, harmful or unlikely to be beneficial during pregnancy are often routinely performed in private sector. A review of hospital policies vis-à-vis normal childbirth in Lebanon showed that many procedures and practices are in routine use and are applied to women without indication, while still births ranges 0-28 per 1000 deliveries.

The Ministry of Public Health is currently working on the health reform scheme, including redefining the Basic Benefit Package; funding options include paid services, co-payment schemes, among others. However unless EPI and MNCH schemes are fully integrated and planned in the on-going health reform process, effectively targeted intervention on neonatal care and immunization programs would neither be ensured nor fully sustained in the near future.

## Challenges

- Given the limited role played during the many years of civil strife, Ministry of Public Health (MoPH) is unable to fully discharge its responsibilities properly due to institutional weaknesses and the government's difficulty in enforcing all existent regulations;
- Regional disparities in quality and accessibility to health services, particularly with respect to infant and child health, especially in under-served areas of the country;

<sup>55</sup> Emerging Lebanon, 2007 / National Household Health Expenditures and Utilization Survey, October 2001 / National Human Development Report, 2001, "Globalization: towards a Lebanese agenda".

<sup>56</sup> UNICEF- Annual session 2007- 4-8 June 2007/ <http://www.unicef.org/about/execboard/files/07-PL26-Lebanon-final.pdf>

<sup>57</sup> Public Health Nutr., 2006 Oct;9(7):921-7

- The decline in the quality of medical services provided by the public sector, during the civil strife, led to strengthening the under-regulated private sector and contributed to the rise in health care costs <sup>58,59</sup>;
- The country is undergoing a demographic and epidemiological transition which requires a re-orientation of its health system priorities. Non-communicable diseases are becoming more prevalent while certain infectious diseases are still common and are of public health significance;
- The need to further reinforce the leadership and regulatory role of the MoPH in terms of health sector management and national health care policies and strategies;
- Governmental expenses largely cover private sector hospitalization costs, to the detriment of primary health care programs. The need to strengthen prevention and health promotion programs and services, due to the high cost of health fees; primary prevention and health promotion are relatively weak, as compared to highly specialized and costly services;
- Dearth of updated quality national surveys, the multiplicity of information sources, fragmented data, and varied indicators have frequently distorted the overview on the sector and created different, and sometimes misleading, results.<sup>60</sup>

## Strengths

- Political commitment to fulfil the goals of the World Summit for Children, through the enacting of laws which conform to the articles of the Convention on the Rights of the Child;
- The Ministry of Public Health reform scheme, including redefining the Basic Benefit Package, and its possible financing modalities;
- The multiplicity of partners in health services. Cooperation and coordination between stakeholders to strengthen the roles of different parties involved in health care;
- The active role of CSOs in raising awareness about child mortality: breast feeding, child cancer, child diabetes, immunization, medicines for chronic diseases, etc;
- The contribution of the media in raising public opinion and disseminating information to the public.

## Recommendations

1. Maintain current drive to fully integrate the immunization and maternal and child health interventions in the primary health care system, as part of the overall health sector reform, in order to make it more efficient, of better quality, less expensive, more equitable in its coverage, and to be fully sustained in the near future.
2. Increase access for children to immunization and primary health care facilities in under-served areas, through the already initiated REECh (RED) approach.
3. Strengthen private-public partnership in health system.
4. Develop and implement policy and strategy on neonatal care and child survival, treatment protocols and standard operating procedures in maternities, neonatal and paediatric wards. This is to be put into actual use through training/rehabilitation of all concerned personnel.

<sup>58</sup> WHO Regional Health Systems Observatory EMRO: Health Systems Profile- Lebanon.

<sup>59</sup> The Ministry of Finance. Public Services and Support: Outreach and Gaps. 2007 Lebanon.

<sup>60</sup> WHO Regional Health Systems Observatory EMRO: Health Systems Profile- Lebanon.

5. Improve child nutrition through promotion of breast-feeding, proper use of supplementary foods, and protection against iron and iodine deficiency.
6. Ensure that all pregnant and breast-feeding mothers do not suffer from anaemia and are provided with adequate nutrition and vitamins to prevent malnutrition and iron and folic acid deficiency.
7. Increase anti-smoking efforts and protection against domestic and road side accidents.
8. Improve the health care seeking behaviour at the community level through the implementation of behavioural change communication strategy on maternal and child health.
9. Provide assistance for improving national capacity to regularly gather, analyze, update, and utilize high quality data on child health.
10. Establish a maternal and child/neonatal death audit.
11. Provide programs with early interventions with children with disability.
12. Ensure that children with disability get the rehabilitation they need in time.



# IMPROVE MATERNAL HEALTH





## 5

# Improve Maternal Health

**Target 6: Reduce by three quarters, between 1990 and 2015, the maternal mortality ratio and achieve by 2015 universal access to reproductive health**

Indicators	1990	1996	2000	2004
• Maternal Mortality Ratio ( <i>per 100,000 live births</i> )	140 (in 1993)	107	---	86.3
• Proportion of births attended by skilled health personnel (%)	N/A	N/A	96	98
• Contraceptive Prevalence Rate Modern & Traditional (%)	53 (1987-1994)	61	63	74.2
• Adolescent Birth Rate				
• Antenatal Care coverage (at least one visit) (%)	87.1	87	93.9	95.6
• Unmet need for Family Planning				

### Progress to date

Lebanon made significant progress in the past few years aiming at reducing maternal mortality at the national and regional levels. This progress was translated into improving reproductive health outcomes in terms of prenatal care and post natal care as well as proportion of births attended by skilled personnel with yet regional disparities. Similarly, there has been improvement made in the use of contraceptives - particularly for modern methods.

According to the findings of the PAFAM survey conducted in 2004, the total fertility rate reached 1.9 births per woman during the five years prior to the survey, indicating a drop from 2.9 births per woman reported in 1996 or the 5 years prior to the survey. This sharp drop indicates that the current rate of 1.9 births per woman is now equivalent to the replacement level, despite the fact that it was estimated that the total fertility rate will reach 2.1 in 2021.

The table below shows the common pattern of fertility rate differences by age where age fertility rate has reached a low level among women of 15-19 years (17 births per 1000 women), and increases with age group 20-24 and reaches its highest of 106 births per 1000 women among those aged 25-29 years. The age specific fertility decreases with age groups above 30 to reach 5 births per 1000 women among aged 45-49 years.

**Table 4. Age-specific Fertility and Total Fertility Rates for Quinquennial Periods prior to Survey**

Age Fertility	Years 0-3	Years 0-4	Years 5-9	Years 10-14	Years 15-19
15-19	17	18	27	47	72
20-24	69	77	110	162	169
25-29	106	120	138	161	182
30-34	93	97	104	137	137
35-39	45	47	59	91	-
40-44	13	13	27	-	-
45-49	5	5	-	-	-
<b>Total Fertility</b>	1.7	1.9	2.3	3	2.8

The result of the 2004 PAPFAM survey (family and health survey) indicated that the maternal mortality rate dropped significantly from 140 to 107 and 86.3 per 100,000 live births in 1993, 1998 and 2004 respectively, indicating a decrease of almost 38% from its 1993 level. Although data does not exist at the regional level given the limited sample size and the methodological measurement, this decline indicates that national and regional efforts were made towards improving emergency obstetric care and increase in the births attended by skilled professionals. With consistent improvement in access to reproductive health services in poor and underserved areas with emphasis on quality of care, it is estimated that Lebanon could eventually meet the goal of reducing the maternal mortality rate by two thirds in (i.e. 26 per 100,000 live births) in 2015.

There has been some improvement in the care received during pregnancy (as shown in the PAPAFAM survey) whereby an estimated 95.6% women reported receiving some sort of care during pregnancy as opposed to 93.9% in 2000 and 87% in 1996. This may be due to the integration of quality reproductive health services and package within the primary health care settings on one hand as well as the increased awareness on the importance of seeking pre-natal care during pregnancy. Still, regional disparities continue to exist with significant variations from one region to the other, ranging from 88.6% in North Lebanon to 98.9% in Mount Lebanon. It is also to be noted that the rate dropped between 2000 and 2004 in Beirut and North whereas it improved in the Bekaa area as indicated in the table below.

**Table 5. Proportion of Pregnant Women Receiving Antenatal Care**

Year	Rate	Beirut	Mount Lebanon	North	South	Nabatiyeh	Bekaa
1990	87.1	...	...	...	...	...	...
1996	87	98.8	95.8	71	93.6	82	86.1
2000	93.9	98.3	98.4	90.4	98.1		89.1
2004	95.6	95.9	98.9	88.6	98.1	92.7	92.7

Seeking pre-natal care is also affected by the age of women in the sense that the younger the woman is, the more likely she is to ask for care during pregnancy with results showing 98.8% and 91.7% for the age groups 15-19 years and 35-49 years old respectively. Similarly, women are more likely to seek pre-natal care with the first born (99.2%) than with the following births i.e. 4-5 (95.5%).

A further improvement in the reproductive health outcomes is the increase in the proportion births attended by skilled health personnel over the past 7 years from 96% in 2000 to 98% in 2004 (PAPFAM Survey 2004). Regional variations still exist with the highest proportion in Beirut (100%) and the least is in the North with 95.6% suggesting once again that more efforts and resources should be allocated to bridge the gap in some regions. It is to be noted that the variation in the proportion of births with skilled personnel between different age groups is quite insignificant. Data suggests that women's educational level is considerably linked with the decision for delivering at home versus a health care setting (i.e. private and/or public hospital). For instance, 12.6% of illiterate women's deliveries took place at home and only 59.9% in a private clinic while university graduates' deliveries (96%) happened in a private clinic. Estimates of the PAPFAM survey show that 76% of births were normal and 23% were caesarian suggesting that there is a drop from 32% as reported from the national data of insurance companies.

The progress noted in the maternal health indicators over the past 15 years is not clearly commensurate with the status of maternal *mortality*.

The fact that maternal care in Lebanon is over-medicalized (CCCC, AUB) implies at times the use of unnecessary and sometimes un-indicated clinical measures, practices, and interventions that can lead to higher caesarean and assisted deliveries and intra and postpartum complications that contributes to maternal morbidity. According to UNICEF perinatal survey (2000), the rate of hospitalization due to antenatal problems was 9.5% and 0.6% of postpartum women were transferred to intensive care units (ICU) due to postpartum hemorrhage, eclampsia, and heart problems. Postpartum depression contributes also to maternal morbidity and may go



missed in Lebanon though its prevalence reaches 21% according to Chaaya et al (*Arch Women Ment Health. 2002 October; 5(2): 65-72*). As progress is being made in basic maternal health indicators, it is of paramount importance to partake in monitoring and documenting maternal morbidity, especially that most of the deliveries occur in hospital settings.

Notwithstanding the progress made in the above indicators towards improving maternal health, the contraceptive prevalence rate (CPR) also showed significant progress with an increase from 63% in 2000 of all methods (traditional and modern) to 74.2% in 2004. It is to be noted however variation in the CPR between age groups with the highest among the older age groups (i.e. 74.4% and 77.7% in the 25-34 and 35-49 years old respectively) and the lowest among the younger groups (i.e. 44.2% in the 15-24 years old). The same pattern applies to use of modern contraceptive with an increase from 37.2% in 2000 to 55.5% in 2004. The most important modern contraceptive methods used are the pills (35.2%) compared to 10% reported in 1996 followed by IUDs, and finally condoms.

The increase in use of modern contraception implies an increased access to family planning services in the public and private sectors as well as availability of more choices of modern methods.

**Table 6. Comparative Use of Modern Contraceptives by selected years (96 and 04) and types**

Type of Contraceptives	1996	2004
Pills	10%	35.2%
IUDs	17.1%	29.9%
Male condoms	5.6%	11%

The Ministry of Public Health is the national lead ministry entrusted with providing reproductive health services to selected health settings. Since 2003, the Ministry catered for 178 service delivery points nationwide including primary health centres, social development centers, and NGOs with the aim of expanding services particularly to poor and disadvantaged areas.

## Challenges

- Lack of a comprehensive national health reform strategy;
- Political and security instability decelerating various programmes and resulting in shift from development to humanitarian/recovery related interventions;
- Decline in socio-economic conditions, particularly in war affected regions, limiting ability to pay for health care services;
- The decline in the quality of medical services provided by the public sector has led to a growth in the role of the private sector and contributed to the rise in health care costs, especially as there is a lack of regulation;
- Absence of comprehensive referral system between the primary and secondary health care systems;
- Absence of comprehensive and updated health information system for measuring progress and trends (surveys and data);
- Absence of youth friendly reproductive health packages and services;
- Regional disparities in quality service provision and health insurance coverage;



- Limited participation and coverage of reproductive health services targeting men;
- Limited access to services in some public sector service delivery points;
- Demands for services in certain districts is often not met by required supply;
- Delayed disbursement of Government earmarked funding for the national RH programme (proposed by MOPH/RH programme);
- In spite of law 220, PwD still deprived from health care services, and face many difficulties in getting the health care they need.

## Strengths

- Political commitment for fulfilling reproductive health goals and agenda as stipulated in the Programme of Action of the International Conference on Population and Development;
- The continued commitment for resource allocation from national budget towards implementing reproductive health programmes and interventions and improving maternal health;
- Availability of multi-sectoral and complementary reproductive health programmes across ministries and civil society groups and entities;
- Active NGO sector for implementing projects and initiatives particularly in underserved and poor regions, and important CSO and media role in campaigning for awareness raising;
- High level of education among women and men;
- In addition to UNFPA's ongoing support in strengthening the RH programme, UNICEF has recently contributed to upgrading selective RH interventions (proposed by MOPH/RH programme), while WHO focused on building capacities in terms of Emergency RH particularly in the remote underserved areas;
- The establishment of a Inter Ministerial Committee for Social Issues.

## Recommendations

1. Develop a medium term reproductive health strategy aligned with the social action plan, primary health care strategy and overall health policy.
2. Update and upscale normative tools for quality assurance with emphasis on youth friendly protocols and tools.
3. Establish maternal health audit for tracing causes of death and develop related interventions.
4. Expand reproductive health services with minimum package to all service delivery points nationwide targeting men and women with due attention to operationalizing youth friendly services and settings.
5. Develop a periodic, accurate, up to date, and accessible reproductive health information system for gathering, analyzing, and utilizing data in policy dialogue.
6. Develop a national monitoring system for all reproductive health indicators, nationally and regionally.
7. Fully integrate the reproductive health interventions in the primary health care system, as part of the overall

health sector reform, in order to make it more efficient, of better quality, less expensive, and more equitable in its coverage. It is also important to improve the role of public health care institutions to increase safe motherhood and extend the scope of services.

8. Assist in enhancing quality control on services offered by hospitals, health centers, and dispensaries by developing capacity to implement the RH strategy in general, with particular emphasis on safe motherhood and development of a RH commodity strategy.

9. Enhance comprehensive emergency obstetric care provided by the public sector and NGOs, particularly in under-served regions.

10. Increase awareness and outreach programs to men and women on reproductive health rights and choices.



# COMBAT HIV/AIDS, MALARIA AND OTHER DISEASES





## 6

# Combat HIV/AIDS, Malaria

**Target 7: Have halted by 2015, and begun to reverse the spread of HIV/AIDS**

Indicator (per 100,000)	1996	2007	2015
HIV prevalence among pregnant women aged 15-24	24	Zero	

**Target 8: Have halted by 2015, and begun to reverse the incidence of malaria and other major diseases**

Indicator	2001	2006	2015
Prevalence of tuberculosis (per 100,000)	13 25 (1993)	9.38 (all cases) 4.5 (smear positive)	
Proportion of TB cases detected and cured under DOTS (Directly Observed Treatment Short Course) (Percent)	100	74 % (detected) 92 % (success)	

## Progress to date

### HIV/AIDS

The number of reported HIV/AIDS cases is limited in Lebanon. The first case was detected in 1984, and by November 2007 the number of detected cases had reached 1056. However, the WHO estimates the number of unreported cases at 2,500. Reported cases are still few, particularly among children (2.1/100,000 cases for 0-14-year-olds),<sup>61</sup> while incidence is higher for older age groups (2.9/100,000 for those aged 15-24)<sup>62</sup> and most cases are found among those aged between 31-50, constituting around 52% of total cases reported in 2006. The ratio of females to males is 1:4, showing an increase in the earlier ratio of 1:9.

Forty-one percent (41%) of all cases were contracted during travel and tourism, while the number of locally transmitted cases has been on the increase in recent years. The main cause of infection is sexual relations namely 70% of all cases, of which 56% were among heterosexuals. Transmission of infection from mother to child does not exceed 2.2%, while intravenous drug users account for 5%. Infection due to blood transfusion accounts for 6.4%, with none reported since 1993. Only 15% of all reported cases since 1989 to date are among age group 15-30 years.

Studies conducted by National AIDS Program (NAP) indicate that awareness of the disease and modes of transmission is relatively high. However, this has not been translated into increased precautionary measures. There is evidence that condom use is still relatively low, especially among those who have a risky behaviour and among youth.<sup>63</sup> Collected data on AIDS is analyzed in accordance with WHO standards and published annually.

<sup>61</sup> UNDP: "The National Human Development Report in Lebanon: Youth and Development", Table 3.6 formatted as per population per age and gender 1996-2021 averages

<sup>62</sup> *ibid.*

<sup>63</sup> Jurjis and Kahaleh, Knowledge, Attitude, Beliefs, And Practice of the Lebanese Population Concerning Aids Survey, 2004, National Aids Control Program-World Health Organization, Lebanon.

All 100% of population reported with advanced HIV infection has access to antiretroviral drug. Quadritherapy with anti retroviral medications (ARV) is available free of charge through the ministry of health. The current number of patients on ARV is around 110.

## Tuberculosis

According to the epidemiological data of the National Tuberculosis Program (NTP) published by the Ministry of Public Health, tuberculosis cases have declined from 983 in 1995, to 375 in 2006, as a direct effect of the implementation of the Directly Observed Treatment Short course chemotherapy (DOTS Strategy). According to NTP, around 6,000 cases have been detected and treated since 1995. The figures as stated in table 1 below, give the number of new cases registered between 1995 and 2006. Data indicates also that 60-65% of the cases of pulmonary TB occur among adults under 65 years of age, while 10% occur among children, less than 14 years, and 5% among the age group 65 years and above.

The highest incidence of tuberculosis (TB) cases was registered in Bekaa and lowest is in South and Nabatieh Mohafazats (Provinces). Incidence of TB in Lebanon decreased from 25/100,000 in 1993 (993 cases) to 9.38/100,000 in 2006 (375 cases) with actual smear positive incidence around 4.5/100,000. The impact of HIV on TB burden is negligible with sero-prevalence of HIV not exceeding of 0.2/1000 of population.

The average detection rate during the last five years is 74%. In year 2005 it was 79%, compared to the WHO target detection rate of 70%. The treatment success rate, as an average of the last five years up to year 2005 is 92 % compared to the WHO target detection rate of 85%.

**Table 7. Epidemiological data on tuberculosis cases in Lebanon** <sup>64</sup>

Year	TB cases	Female	Male	New smear positive TB cases	Relapse (re-treatment smear positive TB cases)	Smear negative TB Cases	Extra pulmonary TB cases
1995	983	412	571	197	3	528	255
1996	836	372	464	198	14	384	240
1998	690	315	375	244	6	233	227
1999	679	301	378	249	19	168	243
2000	571	274	297	202	6	149	214
2001	516	226	250	171	7	134	204
2002	437	208	227	148	2	118	170
2003	380	179	201	134	9	80	157
2004	393	182	211	146	7	85	155
2005	391	201	190	131	4	75	181
2006	375	182	193	112	8	90	165

## Challenges

### HIV/AIDS

- The disease is still considered a taboo, making it a challenge to promote precautionary measures and safe sex in order to halt the spread and transmission of infection;
- Limiting the socio-economic impact of the disease on patients, and providing professional counselling to infected individuals and their families;

<sup>64</sup> National Program for the Control of Tuberculosis

- Gender inequality is a determining factor; the number of females infected with the disease is increasing and statistics relating to this trend should be explored;
- Interventions targeting high risk and vulnerable groups are not enough.

## Tuberculosis

- The difficulty in eliminating tuberculosis in Lebanon, in the short period of time, due to the behaviour of some patients and physicians, and the modest efficacy of BCG vaccine. In addition the numbers of defaulter and MDR TB patients are causes of success rate limitation and consequently prevent the TB elimination;
- Non national TB patients, represent a large pool among new and retreated TB cases in Lebanon. The percentage of this category represents 13 to 18% of total TB cases registered in Lebanon. According to the National Tuberculosis Program (NTP), between the years 2002-2004 there were 190 nationals and 58 non-nationals among the 248 smear positive TB cases tested for drug susceptibility. Non-nationals are mostly Ethiopian females in the age group of 25-34 year. It should be noted that free tests and examination is provided for all people residing in Lebanon including nationals and non-nationals;
- In Lebanon the multi drug resistance, according to the NTP survey done between 2002-2004, the primary MDR is low, 1%, (2 MDR out of 190 new smear positive consisting of 1 Lebanese per 150 Lebanese, and 1 Ethiopian per 40 non Lebanese). Secondary MDR is high 62.5% (10 MDR out of 16 previously treated TB cases) consisting of 5 Lebanese and 5 non Lebanese. In 2007 there were four MDR patients, two Lebanese, one Ethiopian, and one Russian;
- During the last 2 years, there was some difficulty in ensuring the continuous availability of drugs supply and stock;
- The NTP is still not integrated in the official MoPH organizational chart; once completed the NTP will include additional staff to ensure better outcomes.

## Strengths

### HIV/AIDS

- Training courses conducted by NAP for NGOs, the medical corps, health support staff, and teachers; educational materials published; and the media have combined to increase public awareness. NAP targets young people in schools and communities, travellers and immigrants, women, prostitutes, homosexuals, drug addicts using injections, prisoners, and travelling armed forces. NAP publishes a semi-annual newsletter and cooperates with the Ministry of Education to introduce materials on HIV/AIDS in the school curricula. An educational package has been produced and studies on the most vulnerable groups have been conducted. Other national programs, such as in reproductive health, support HIV/AIDS preventative- related interventions;
- The Ministry of Public Health covers all HIV/AIDS treatment expenses and seeks to provide drugs at the cheapest prices possible, and a free-of-charge laboratory for the detection of the virus has been opened;
- The new plan that will be implemented to cover all patients eligible for treatment irrespective of nationality;
- An open attitude among the Lebanese, diversified sources of information, and freedom of expression are supporting factors for spreading awareness about HIV/AIDS;
- The proactive role of the local NGOs in raising awareness on HIV/AIDS prevention, particularly among vulnerable groups;

- Twenty Voluntary Counselling and Testing centres were established that will be operational very soon;
- Monitoring and Evaluation Frameworks with set indicators are being established;
- A surveillance plan, to be implemented starting 2008, has been set focusing on sentinel surveillance;
- The ARV national protocol are being updated to match the regional WHO and international guidelines.

### **Tuberculosis**

By 1998 the DOTS program was launched by the NTP of the Ministry of Public Health in cooperation with the World Health Organization to treat patients and provide prophylaxis treatment to their families to prevent the spread of the disease. The treatment continues for a period of six months and is available in the whole country. DOTS strategy provides the necessary treatment, ensures drugs are taken as recommended, monitors the patient's condition on a daily basis, and consequently prevents transmission.

There are eight anti-tuberculosis centres distributed in Lebanon. Their role is to detect, diagnose and treat tuberculosis. They check the close contact population and give chemoprophylaxis for infected people. The microscopic examination is done in these centres while the drug sensitivity testing (DST) is done at the laboratory of the American University of Beirut-Medical Centre.

There is a good collaboration between the private and public sector. The private sector has a substantial role in national detection of cases, reporting and referring around 80% of cases to the NTP, and the public sector has a major role in the success rate of treatment (100%). The public sector, through the NTP, provides, when indicated, free of charge Smear test, chest X-Ray, medical treatment (drugs) according to the DOTS strategy, and hospitalization for both nationals and non-nationals. Nationally there are efficient and enthusiastic medical staff and health personnel.

#### **In summary there is:**

- High detection and cure rate, during the last five years;
- Coordination and collaboration of the NTP with the private sector in terms of prevention, diagnosis and treatment including the pulmonary diseases society;
- Implementation of DOTS and DOTS-PLUS Strategy for Multi Drug Resistance (MDR) TB patients;
- Implementation of the Practical Approach for Lung Health (PAL) strategy for better detection and treatment of TB patients;
- Continuous availability of drugs;
- NTP and NAP (National AIDS Control Program) are working in close collaboration, towards the elimination of these two diseases;
- Operational research including research on antimicrobial resistance;
- The NTP has become a reference at the national and regional levels.

## Recommendations

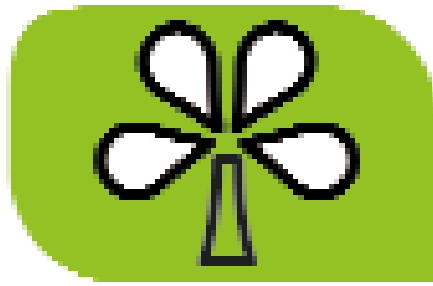
### HIV/AIDS

1. Conduct an evaluation of achievements made by NAP and other partners in HIV/AIDS-related interventions to form the basis for a new, comprehensive, and more efficient plan to focus on the most vulnerable groups and ensure the sustainability of protective and educational efforts.
2. Strengthen awareness, e.g. through sexual education in intermediate and secondary schools, as well as enforce the role played by civil society organizations in the fight against the disease.
3. Strengthen the participation of the private sector, particularly in the information and communications fields, to spread awareness of and information about the disease and its causes and how to take care of infected individuals. Cooperate with drugs manufacturing companies in order to provide the necessary treatment at a reduced cost, especially to poor and needy persons.
4. Enhance capacities of local NGOs and grass-roots organizations in raising awareness and reaching out to the most vulnerable groups.
5. Reinforce capacities at the NAP by bringing in new trained staff.
6. Mobilize resources from different sources and allocating more funds from the government and the UN agencies to cover new activities and sustain the running ones.

### Tuberculosis

7. Strengthen national programs with financial support, staff recruitment, and expanded coordination to include other sectors and authorities.
8. Upgrade skills for early detection, protection, and treatment of other contagious and epidemic diseases and provide laboratories with appropriate equipment.
9. Introduce syllabus courses in the educational curricula to help raise awareness and promote campaigns for the early detection of diseases.





**ENSURE  
ENVIRONMENTAL  
SUSTAINABILITY**





# 7

## Environmental Sustainability

*Target 9: Integrate the principles of sustainable development into country policies and programmes and reverse the loss of environmental resources*

Indicators	1999	2000	2001	2002	2003	2004	2005	2006
Proportion of land covered by forests (percent)	13 (1996)							13.30%
Land area protected to maintain biological diversity (percent)	0.2 (1992)	2						
Land highly prone to desertification								59.30%
Consumption of ozone depleting substances	CFC's: 527.3 Methyl bromide: 418	CFC's: 539.8 Methyl bromide: 394	CFC's: 562.4 Methyl bromide: 354	CFC's: 595.6 Methyl bromide: 341.7	CFC's: 499 Methyl bromide: 257.15	CFC's: 355.4 Methyl lbromide: 128.6	CFC's: 329 Methyl bromide: 72	CFC's: 218.7 Methyl bromide: 70.2
Emission of green house gases	18,147.58Gg of Co2 equivalent							
CO2 emissions, total, per capita and per \$1 GDP (PPP)	16,253.47Gg CO2							
Proportion of fish stocks within safe biological limits								
Proportion of total water resources used								
Energy generated from renewable sources (percent)	1.6 (1997)	0.99	0.88	1	1.39	1.16	1.13	
Energy consumed from renewable sources (percent)		4.7	3.5	6.6	12.9	10.8	9.9	

**Reduce biodiversity loss, achieving by 2015, a significant reduction in the rate of loss**

	2006	2007
Proportion of terrestrial and marine areas protected*	2 (2000)	2.1
Proportion of species threatened	Mammals: 15.7%	
	Birds: 8.6%	
	Reptiles: 15.9%	
	Amphibians: 0%	
	Fish: 12.9%	
	Plants: 0%	

**Target 10: Halve, by 2015, the proportion of people without access to safe drinking water**

	1999	2000	2001	2002	2003	2004	2005	2006
Proportion of population with access to safe drinking water (percent)	79.3 (1996)					67%		
Proportion of population with access to wastewater networks (percent)	37 (1996)	58.8 (1997)				67.4		

**Target 11: By 2020, to have achieved a significant improvement in the lives of at least one million slum dwellers**

	1999	2000	2001	2002	2003	2004	2005	2006
Proportion of urban population living in slums			45					
Disposal of solid waste (percent)		Landfills: 82.8				Landfills: 77%		
		Conversion: 5.1				Composting: 12.48%		
		Recycling: 5.3				Recycling: 7.67%		

## Progress to date

Since 2003, and despite the many serious challenges and problems facing Lebanon during these years, most notable of which was the highly unstable political situation and the July/August 2006 Israeli war on Lebanon, progress in environmental sustainability aspects has been observed over the last few years. In early 2006, Lebanon ranked 36 out of 133 countries and came in first within the Arab region on the Environmental Performance Index (EPI). The Lebanese Ministry of Environment has continued to push the environmental agenda to the forefront of the government's programme to ensure that Lebanon's environmental resources are maintained and remain in line with international conventions that Lebanon continues to ratify and meet.

However, the July/August 2006 Israeli war on Lebanon shifted the environmental situation in general and resulted in a heavy environmental and economic burden that changed national priorities. A World Bank study about the cost of environmental degradation resulted from this war shows the cost of an average of 729 million dollars, which is equal to 3.6% of GDP.

## Biodiversity

The proportion of terrestrial and marine area that is protected by law in Lebanon continues to increase; with the total of a little over 21,200 hectares of land area is protected in year 2007. It is worth noting that such protection schemes that are established and maintained by the Ministry of Environment are developed and implemented together with local communities at the grassroots level to ensure an integrated approach to natural resources management that works towards achieving environmental sustainability while providing sustainable sources of income for people. Biodiversity loss and land degradation were further degraded due to the July/August 2006 war which left over one million cluster bombs spread over Lebanon. The oil spill crisis had also a major adverse impact on environmentally sensitive ecosystems like the Palm Islands protected area. This negatively influences the habitat of sea turtles, migratory birds, flora and intertidal organisms.

In the last few years, the Ministry of Environment has also successfully initiated the five-year national reforestation plan which has resulted in the plantation of around 580 hectares of forest; however, at the end of the summer of 2007, devastating forest fires hit large areas of land across the country, destroying more than 2350 hectares of natural forests.

## GHG emissions and CO2 emissions

The Government of Lebanon acceded Kyoto in May 2006 and in doing so, recommitted itself to the global efforts to combat climate change. The Ministry of Environment is currently updating the national Greenhouse Gases inventory and continuous to work on national air pollution issues in the different sectors.

GHG emissions have however continued to rise; the latest data available indicates an increase to 18,147 tons of CO<sub>2</sub> equivalent in 1999. The energy sector continues to be the main source of this pollution (contributing to approximately 55% of total CO<sub>2</sub> emissions), while the transport sector ranks in second. CO<sub>2</sub> is the most commonly emitted gas (90% of total GHG emissions) at the national level while the remaining emissions are in the form of methane and nitrous oxide.

## Ozone-depleting substances

The use of Ozone-depleting substances (ODS) continues to decline thanks to the Ministry of Environment's commitment to the Montreal Protocol and its determination to reaching its ODS targets by 2012. The use of alternative materials in both the industrial and agricultural sectors has resulted in a decrease of CFC use to 218.7 tons (a more than 50% reduction in use since 2003) and Methyl Bromide use to 70.2 tons (more than 70% reduction in use since 2003) in 2006.

## Access to safe drinking water and waste water networks

Although annual precipitation is estimated at around 8,600 million m<sup>3</sup>, water availability remains a critical issue of national importance in Lebanon due to the high demand for water, the large losses in the public water distribution networks and the high level of water pollution.

Although almost 3/4 of households are connected to a public/private water network, about 80% of them suffer delivery failure in summer time: access to water is at best a few hours per day to as little as a few hours per week. This failed service is still high in winter (about 50% of household experience water supply problems). The total volume actually distributed by the Water Authorities is roughly 280 m<sup>3</sup>, only half of which reach consumers (because of losses) forced to rely on their own means of water provision (wells and tankers).<sup>65</sup>

<sup>65</sup> National Physical Master Plan for Lebanese Territory 2005-CDR

On the other hand, access to wastewater networks continues to grow steadily with 67.4% of the total dwelling with access in 2004. However, most wastewater treatment plants do not work properly. The rest of households are equipped with on-the-plot wastewater treatment systems -septic tanks, cesspits- with poor and not monitored pollution removal rates. As is the case for other indicators, regional disparities still hold: most households in rural areas do not have access to public sewage networks at all, compared to urban dwellings. Complementing the picture at the household level, another dimension of the sanitation issue in Lebanon relates to schools, especially in the public sector. According to the inventory of public school facilities conducted by the Ministry of Education, at least 50% out of 1,300 public schools in Lebanon do not meet even minimal sanitation standards.

Overall pressure on water resources continues to increase with a growing demand particularly from the agricultural sector which constitutes 70% of total water consumption in Lebanon and also heavily pollutes water resources. The agriculture-irrigation sector also suffers from high inefficiencies and water losses.

## Solid Waste

Due to a lot of political constraints, the Lebanese Government is not putting Solid waste Management File on their TOP priorities; and Solid waste in Lebanon continues to be a major environmental problem with more than 700 open dumps used by the municipalities and where 50% of this waste is being burned also. This causes major underground water pollution and air pollution.

CDR is managing the emergency plan in Beirut and Mount Lebanon, which includes treating around 60% of the total waste in Lebanon, but this emergency plan is going to a crisis with Naameh Landfill being almost full.

The Lebanese government has approved a national plan prepared by the MoE and CDR, and which consists of dividing Lebanon into 4 service areas (Bekaa, North of Lebanon, South of Lebanon, and Beirut and Mount Lebanon) and then choosing the sorting, composting, landfilling as the best option to treat the waste in Lebanon.

In addition, the MoE has prepared a draft legal framework for solid and non-hazardous waste in Lebanon under the METAP-Regional Solid Waste Management project that suggests treatment technologies, management, and methods for financing and cost recovery. This draft law was submitted to the government for approval in October 2005 and still didn't see the light.

## Challenges

- Lebanon now faces new environmental challenges due to the devastating forest fires that hit more than 2350 hectares of natural forests, and lead to a decrease in its green cover;
- Lebanon also faces additional environmental challenges as a result of the July/August 2006 Israeli war on Lebanon mainly in relation to the environmental catastrophe on the east coast of the Mediterranean, which is the Jiyeh power plant incident that spilled 12,000 - 15,000 Tons of Heavy Fuel Oil. As a result, 150 Km of Lebanese coast was polluted with heavy fuel oil. Impacts were recorded on nature based tourism like public sandy beaches and private tourism service providers on the coast line and on economy such as the livelihoods of fishermen and communities dependent on healthy marine life. Moreover, the July/August 2006 Israeli war also affected the forest areas directly and indirectly. Some forest areas were directly hit by different kinds of bombs. In addition, the war happened in the summer season where the planted trees should be maintained and irrigated;
- Lack of continuous environmental monitoring systems for assessing environmental indicators is leading to poor data and an inability to show real data trends;
- Lack of studies and research about the marine biodiversity;

- Absence of a comprehensive environment strategy and action plan to be mainstreamed across different ministries and sectors;
- Overlapping and indistinct public institution mandates and responsibilities in the environmental sector;
- Limited public budget allocated to environmental protection (on average, less than 0.1% of total public expenditure goes to the Ministry of Environment each year).
- Lack of enforcement and application of environment legislation due to many reasons:
  - Absence of application decrees for example the Code of the Environment;
  - Limited knowledge, experience and expertise of both the public and private sectors in the development and application of environmental legislation;
  - Limited public consultation during development of environmental legislation;
  - Insufficient policing and difficulty to ensure complementarity among mandates and responsibilities of line ministries, with political priorities limited so far to reconstruction and tackling economic deficit;
  - Resources constraints (human, technical and fiscal);
  - Ineffective punishment and limited public awareness.
- Although there is an increasing trend to use renewable sources of energy (solar energy for water heating for example), air pollution from power generation and electricity distribution inefficiencies remain critical pressures on the environment;
- Lack of an integrated water resources management approach is resulting in high water losses, problems with water quality and water shortages with regional disparities.

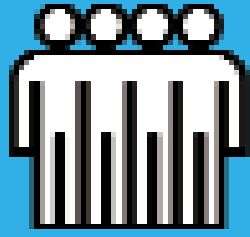
## Strengths

- The issuance of different legislations in different subjects, such as:
  - General Environmental subjects: Law 690 in 2005, titled "Mandate and Organization of the Ministry of the Environment";
  - Environmental Guidance issues: Decree 14865 in 2005, titled "Conditions and mechanism of the Ministry of Environment (MOE) contributions to non-profit agencies for environmental activities";
  - Wastewater Management: Decision about the environmental conditions for the establishment or investment of small wastewater treatment plants;
  - Biodiversity:
    - The hunting law in 2004 to regulate hunting practices
    - Cartagena Protocol regarding Bio-Safety
    - ACCOBAMS convention
  - Hazardous Waste Management: Decree about Hospital wastes and their disposal (Decree 8006 dated 11/6/2002 amended by decree 13389 dated 18/9/2004);
  - Air Pollution: Ratifying Kyoto protocol of UN Framework about Climate Change Convention.
- The initiation of a five-year National Reforestation Programme that resulted in the plantation of around 580 hectares during 2 phases in around 45 municipalities in different Lebanese locations, and where local species of forest trees such as cedars, oaks, pines, etc...were planted. This programme enhances the partnership between the public sector (MoE) and the municipalities, which would be the responsible body for the maintenance of the 2 years planted forest trees;
- The initiation of an inter-ministerial Administrative and Technical committee for Forest fire prevention and Rehabilitation consisted of different concerned line ministries, public agencies and NGO's lead to the unification of efforts and efficacy of coordination each organization in its remit. All this resulted and is resulting in efficient outputs that aim at forest firefighting, rehabilitation, and prevention;

- Active involvement of the media in addressing environmental issues through regular (daily or weekly) columns in newspapers;
- The issuance of resolutions 61/194 and 62/188 by the United Nations General Assembly that assign blame to Israel and express appreciation for the efforts of the Government of Lebanon in the initiation of clean-up and rehabilitation operations on the polluted shores.

## Recommendations

1. Formulate a national strategy integrating the principles of environmental sustainable development into policies and guidelines of all concerned authorities, creating an institutional framework for coordination among relevant public administrations, NGOs, private and academic sectors.
2. Enforce the implementation and complete the enactment of all legislation mentioned in SELDAS book (Strengthening the Environmental Legislation, Development and Application System in Lebanon) that includes different environmental legislation in the different sectors in Lebanon issued from 1926 till 2004, such as the enactment of Air Clean Act, Environmental Impact Assessment, Strategic Environmental Assessment, and the hunting law.
3. Enhance the work of the national council for hunting.
4. Adopt a national policy to manage water resources and monitor consumption, as well as rehabilitate infrastructure and adopt treatment technologies.
5. Establish policies in agricultural practices, the industrial and transport sectors, urban planning, infringements on coastal areas, biodiversity, as well as energy consumption and renewable energy resources, accessibility to water and sewage networks and treatment facilities, and integrated solid waste management.
6. Implement the provisions of the international conferences on sustainable development and the environment and the Arab initiative for sustainable development.
7. Strengthen research on the marine biodiversity and implementation of related projects for the conservation and monitoring of marine species.
8. Strengthen public participation and public-private partnerships through increased access to information and information sharing.
9. Re-implement the activities undertaken by the different partners such as the replication of the Public-Private partnership in the implementation of "the Integrated Management of Cedar Forests In Lebanon in Cooperation with other Mediterranean Countries" that aimed at developing an action plan for integrated sustainable management of the Tannourine cedar forest and protecting the forest from invasive insect species that are causing serious damage to trees.
10. Secure additional resources to continue the Oil spill Clean up operations, oil waste removal, and rehabilitation of sites affected by the oil spill crisis since the cost of damage and cleanup relating to this crisis according to the World Bank report titled "Economic Assessment of Environmental Degradation Due to the July 2006 Hostilities" estimated that on average to be around 203 million USD, and to date, less than 10% of required funds have been provided.
11. Mobilize dormant potential brainpower in the Academic sector and other sectors.
12. Catalyze private sector entrepreneurship and connection with overseas with governmental and non governmental agencies for the exchange in knowhow.



# A GLOBAL PARTNERSHIP FOR DEVELOPMENT







## 8

# Creating a Global Partnership for Development

**Target 15: Deal comprehensively with the debt problems of developing countries through national and international measures in order to make debt sustainable in the long term**

Indicator	1995	2000	2006
NET ODA as a percentage of GDP	9.1 (1990)	1.2	3.2 <sup>66</sup>
Proportion of ODA to basic social services	11.9	16.9 (1999)	N/A <sup>67</sup>
Debt service as a percentage of exports of goods and services	3.3 (1990)	163 (revised) <sup>68</sup>	66 (2005) <sup>69</sup>
Debt service as a percentage of GDP	3.5 (1990)	18.0	13.2 <sup>70</sup> (est)

**Target 12: Develop further an open, rule-based, predictable, non-discriminatory trading and financial system**

Indicator	1995	2000	2006
Exports of goods and services as percentage of GDP	1.8 (1990)	13	16.5 (2005) <sup>71</sup>
Weighted average tariff on imports	11.4	18.6	4.7 <sup>72</sup>
Proportion of total country exports admitted duty free to developed countries <sup>73</sup>		33 (2002)	37 (2004)
Average tariffs imposed by developed countries on agricultural products	...	...	6.8 <sup>74</sup>
Net foreign direct investment inflows as percentage of GDP	0.2 (1990)	1.8	11.9 <sup>75</sup> (est)
Other private flows as percentage of GDP	0.2 (1990)	10.5	-6.6 <sup>76</sup> (est)

**Target 17: In cooperation with pharmaceutical companies, provide access to affordable essential drugs in developing countries**

Indicator	1995	2000	2006
Proportion of population with access to affordable essential drugs on a sustainable basis	---	85 <sup>77</sup>	N/A

<sup>66</sup> OECDSTAT reporting total disbursements to Lebanon by "All Donors".

<sup>67</sup> Figures not currently available.

<sup>68</sup> Original figure published in MDGR 2003 was 27.

<sup>69</sup> Ministry of Finance. 2002 to 2005. Annual Public Finance Prospects Report; National Accounts Mission. 2002 to 2005. Lebanon's Economic Accounts.

<sup>70</sup> Ministry of Finance. 2002 to 2006. Annual Public Finance Prospects Report; National Accounts Mission. 2002 to 2005. Lebanon's Economic Accounts

<sup>71</sup> Higher Council of Customs, Ministry of Finance; Banque du Liban. 2004-2005 External Sector Report National Accounts Mission. 2002 to 2005. Lebanon's Economic Accounts

<sup>72</sup> Higher Council of Customs, Ministry of Finance.

<sup>73</sup> 2002 and 2004 from UNCTAD TRAINS database accessed via World Bank WITS. No other years available.

<sup>74</sup> International Trade Centre. Market Access MAP (MACMAP) Online Database.

<sup>75</sup> IMF and BdL. 2007. Lebanon Balance of Payments Report. November.

<sup>76</sup> IMF and BdL. 2007. Lebanon Balance of Payments Report. November.

<sup>77</sup> MDGR 2003

**Target 18: In cooperation with the private sector, make available the benefits of new technologies, especially information and communications**

Indicator	1995	2000	2006
Telephone lines per 100 population <sup>78</sup>		15.6 (2002)	17.0
Cellular subscribers per 100 population <sup>79</sup>		18.3	27.6
Internet users per 100 population <sup>80</sup>		8.8	15.1

## Introduction

This chapter examines the extent to which the international community has rallied to meet national priorities and seize opportunities for development cooperation. National efforts to build partnerships in support of the achievement of the MDG's are reviewed simultaneously. Central has been the process of international donor conferences, the latest of which was Paris III (January 2007) with the overarching objectives "to stimulate growth, create employment, reduce poverty, and maintain social and political stability". Developing international cooperation for recovery, reconstruction and reform is and remains a top priority for the Government of Lebanon (GoL). In its annual progress report on the Paris III conference, the Government emphasises its obligation to make optimal use of the increased resources pledged at Paris-III with the objective of pursuing its reform and development programs, including the achievement of the MDGs. To be in good position to do so, the Government seeks to mobilise all relevant government entities and to establish and develop a well functioning internal coordination structure for implementation, monitoring and evaluation, annual progress review and reporting, and related policy and strategic decision taking.<sup>81</sup>

As such, the Government has committed to put in place mechanisms to complement the donors' responsibility in the MDG process "to deliver on their end of the bargain with more and effective aid, more sustainable debt relief and fairer trade rules, well in advance of 2015".<sup>82</sup> This section on Goal 8, therefore, explores the extent to which successful partnerships have emerged and measures progress achieved against established benchmarks.

Lebanon's development cooperation may be seen as moving through two main phases.<sup>83</sup> The first phase, from 1992 to 1997, represented the immediate post-civil war period, during which international support was focused on (mostly physical) reconstruction projects. A 1997 meeting in Washington, called the Friends of Lebanon Conference, initiated a second phase as the Government began shifting its attention towards financial stability, including private sector development. This approach was widened in 2006 to include a special emphasis on social development and, consequently, could set the stage for more broad-based programming for development and related international cooperation.

The first part of this chapter reviews the economic situation, which provides the context within which the various targets and indicators are pursued. Given their centrality to the Government's development plans, Target 15 indicators that deal with aid and debt are addressed first, followed by Target 12 trade and finance indicators and then Targets 17 and 18 that measure aspects of private sector cooperation. Following a review of key challenges, the chapter concludes with recommendations.

<sup>78</sup> Ministry of Telecommunications. Assumes population size of 4 mil for years 2002 to 2006. Pre-2002 figures are not available.

<sup>79</sup> Mobile phone operators (MIC-1, and MIC-2). Assumes population size of 4 mil for years 2000 to 2006.

<sup>80</sup> Arab Advisors Group. Assumes population size of 4 mil for years 2000 to 2006.

<sup>81</sup> Ministry of Finance. 2008. International Conference for Support to Lebanon - Paris III: Fourth Progress Report - One Year On. Beirut. January 2008

<sup>82</sup> End Poverty 2015 Campaign Website: [www.endpoverty2015.org](http://www.endpoverty2015.org)

<sup>83</sup> Dibeh, G. 2007. "Foreign Aid and Economic Development in Postwar Lebanon". Research Paper No. 2007/37. World Institute for Development Economics Research. United Nations University. June.

## Economic Developments

Lebanon's economic development in recent years is mostly seen within context of political instability that is inextricably linked to regional geopolitical trends. The year 2005 is significant in this regard as it was marked by political assassinations, the withdrawal of foreign troops, and bipolarisation of the political system. In 2006, Israel waged a 33-day war on Lebanon in July and August, which was followed by deterioration of the internal political situation starting in December 2006 when Parliament was closed. The vacancy in the Presidency of the Republic, beginning November 2007 was indicative of the degree of conflict. A recent landmark agreement was reached in May 2008, however, which sought to end acts of civil strife and restore the political process.

The consequent paralysis of key national institutions had noticeable consequences throughout the public and private sectors and on the overall population's sense of personal security and well-being. During this extraordinary situation, the Government was able to implement only to the extent that its actions did not require the approval of the legislature and/or that of the President of the Republic. Still, the public sector continued to provide essential services through line ministries and other agencies.

When compared to the years preceding the just now-ended stage of political uncertainty, (foreign and domestic) investor confidence fell. This applied across vital productive sectors, namely industry, agriculture, construction and services, as well as the external sectors, trade and finance. Economic developments in 2004, for instance, were mostly positive. GDP grew by 7.4%,<sup>84</sup> including year-on-year increases in the tourism sector of 25.9%. In the same year, private capital inflows rose 11.9% and contributed to a surplus in the balance of payments.<sup>85</sup> By end of 2005, and following the events of that year, GDP growth was recorded at a significantly lower level of 1.1%.<sup>86</sup> This was due to a contraction in key economic sectors, even though capital inflows improved by 5%.<sup>87</sup>

The country witnessed an increase in most economic indicators in the first half of 2006; the economy was set to rebound with 4 to 6% rise in GDP predicted for the entire year. Instead, in the aftermath of the July war, the year 2006 ended with no growth in real GDP.<sup>88</sup> The tourism sector reflected this deterioration, with the number of visitors to Lebanon down by 6.7%, the effects of which were made more acute by an inflation rate of 7%, the highest in a decade.<sup>89</sup>

Even though political and security tensions escalated, the economic situation improved in 2007, demonstrating resilience that is attributed to the role of a narrow set of sectors and actors. GDP is estimated to have registered real growth of 4%<sup>90</sup> and relied on the performance of the construction, finance and services sectors. Key regional actors played a crucial role in helping the banking and external sectors maintain a positive performance. Saudi Arabia, Kuwait, and Qatar's foreign currency deposits helped the Central Bank maintain the exchange rate peg. The balance of payments posted a surplus of USD 731 million for 2007,<sup>91</sup> also estimated at about 3% of GDP,<sup>92</sup> due to rising demand for Lebanese products from the booming Gulf region and the remittances of Lebanese expatriates, many of whom work in the Gulf. The activity of Lebanese commercial banks abroad was also a contributing factor. Tourism, however, further declined by 4.3% between 2006 and 2007, with number of tourists reaching a three-year low.<sup>93</sup> Inflation continued to rise to reach 9.3% in 2007, including 14.8% rise in food prices, and 20.9% increase in utilities.<sup>94</sup>

<sup>84</sup> National Accounts Mission, 2005. Lebanon's Economic Accounts

<sup>85</sup> Banque Audi. 2004. Lebanon Economic Report. 4th Quarter

<sup>86</sup> National Accounts Mission. 2005. Lebanon's Economic Accounts

<sup>87</sup> Banque Audi. 2005. Lebanon Economic Report. 4th Quarter

<sup>88</sup> Ministry of Finance. 2006. Public Finance Prospects Report

<sup>89</sup> Banque Audi. 2006. Lebanon Economic Report. 4th Quarter

<sup>90</sup> International Monetary Fund, Ministry of Finance and Banque du Liban. 2008. "Report on Performance Under the Program Supported by Emergency Post-Conflict Assistance". 3 April.

<sup>91</sup> Ministry of Finance. 2007. Public Finance Monitor. December.

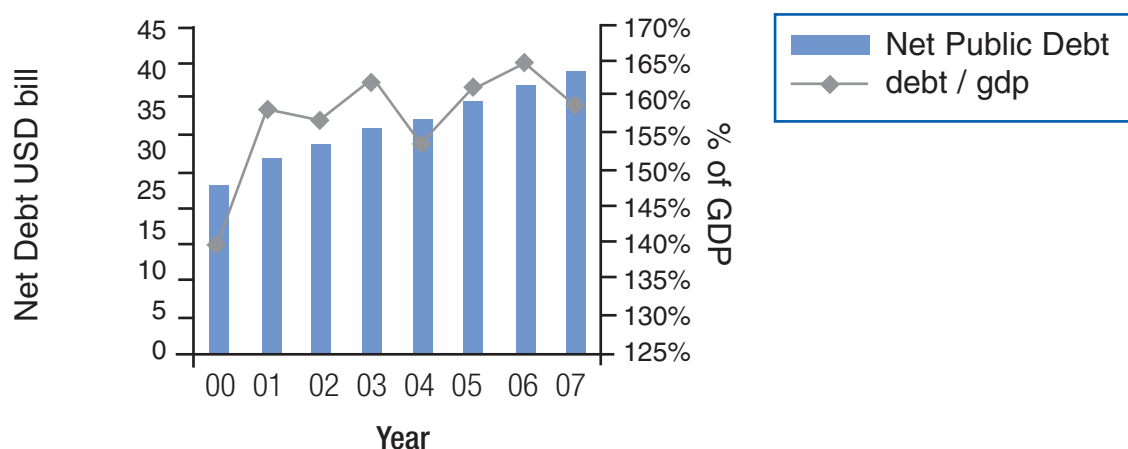
<sup>92</sup> MoET estimates based on IMF EPCA Report April 2008.

<sup>93</sup> Banque Audi. 2007. Lebanon Economic Report. 4th Quarter

<sup>94</sup> Central Administration for Statistics. 2007. 4th Quarter.

## Aid and Debt

Figure 3: Net Debt to GDP



Source: Ministry of Finance Annual Prospects, 2001 to 2007

A sustainable level of debt is a prerequisite for successful achievement of the urgent development goals. The Lebanese Government has therefore sought international donor support, which is premised on the achievement of an ambitious reform programme. In addition to official development assistance (ODA), the GoL has also looked for other aid and private (particularly local) financing. This course of policy is also essential to alleviate financial pressures and create the space needed to maintain balance-of-payments surpluses, defend the Lebanese Pound, and enable the government to borrow further from domestic commercial banks and other sources.

Lebanon maintains one of the highest debt-to-GDP ratios in the world. Net public debt amounted to USD 29.5 billion in 2002, or 158% of GDP, and reached USD 39 billion in 2007.<sup>95</sup> Debt service payments as a% of GDP amounted to 16% in 2002 and decreased to 13.2 in 2007, mostly due to a larger GDP.<sup>96</sup> These payments impose a significant constraint on the national budget as they accounted for 80% of government revenues in 2002<sup>97</sup>, which decreased to 62% in 2006 and 56% in 2007, due to larger revenues and a reduction in the size of servicing payments.<sup>98</sup> These obligations consequently reduce the Government's ability to support effectively the country's development priorities. Service payments also far exceed the level of exports of goods and services. Revised figures for this report show that debt servicing amounted to 132% in 2002 and showed a marked improvement to 66% in 2005 - the latter mostly due to the growth performance of exports<sup>99</sup> (Figure 3).

At the 2002 international donors meeting, known as Paris II, the Government proposed a roadmap for fiscal adjustment that included raising revenues, mostly through a national value-added tax (VAT), and various initiatives to decrease expenditures. Additionally, the Paris-II proposals featured privatisation initiatives of the telecommunications and power sectors, as well as a debt reduction strategy built upon cooperating with donor countries in the form of gaining enhanced terms of existing and future borrowing.<sup>100</sup>

<sup>95</sup> Ministry of Finance. 2001 to 2007. Public Finance Prospects. Regular data updates generate constant revisions to previously published figures

<sup>96</sup> Ministry of Finance. 2002 to 2006. Annual Public Finance Prospects Report.

<sup>97</sup> Government of Lebanon. 2002 Beyond Reconstruction and Recovery: Towards Sustainable Growth, A Request for International Support. Paris II Meeting. November

<sup>98</sup> Ministry of Finance. 2007. Annual Public Finance Prospect Report

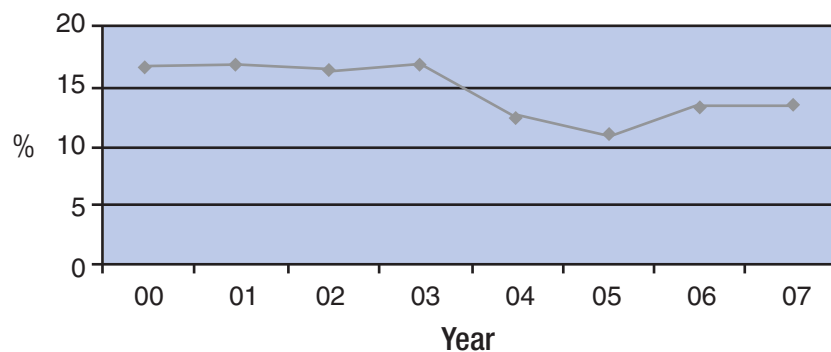
<sup>99</sup> Debt servicing figures obtained from Ministry of Finance Annual Prospect Report for said years. Exports of goods and services based on estimates from National Accounts Mission report between 2002 and 2005. Reporting for other years is unavailable.

<sup>100</sup> Government of Lebanon. 2002 Beyond Reconstruction and Recovery: Towards Sustainable Growth, A Request for International Support. Paris II Meeting. November.

The Government considered the outcome of the Paris-II conference successful, as 77% of pledges for direct financial support (non-project financing), or USD 2.4 billion, were disbursed by end of 2003.<sup>101</sup> The terms of borrowing changed, which helped reduce both the public debt growth rate and also the cost of government borrowing. The Lebanese commercial banking sector was a key lender to the Government, providing the equivalent of USD 3.6 billion, 85% of which was contributed in cash (and near cash equivalents<sup>102</sup>) with the remainder issued as securities.<sup>103</sup>

Indicators of the effectiveness of Paris-II included debt servicing, which fell from about 16% in 2002 to about 11% of GDP in 2005, which is evident in Figure 4.<sup>104</sup> Macroeconomic performance indicators also improved, with growth reported at 7%. Other internal fiscal reforms included the introduction of a value added tax (VAT) and led to improved foreign exchange reserves and balance of payments.<sup>105</sup> Despite a period of difficulties in the first half of 2005, public finance indicators were showing improvements with forecasts for growth across the Lebanese economy.

**Figure 4: Debt Servicing per GDP**



The July 2006 war and its aftermath, however, aggravated the economic and fiscal situation, which impacted key assumptions underlying the Paris-II program and related to the levels of fiscal deficit and net debt.<sup>106</sup> The Government incurred USD 1.75 billion out of a total of USD 2.8 billion in direct costs of reconstruction and recovery, for which external support was sought. Moreover, the war inflicted indirect costs estimated at an additional USD 2.2 billion due to lost output and income in the year 2006.<sup>107</sup> International donors were quick to pledge significant amounts for relief and reconstruction at the outset of the war, most notably Saudi Arabia, which pledged and disbursed USD 570 million in direct support.

In addition, external support was garnered through the Stockholm Conference for Relief and Early Recovery in August 2006, which resulted in USD 900 million in pledges, nearly 90% of which were in the form of grants.<sup>108</sup> Total war-related pledges totalled approximately USD 2 billion (48% for GoL implementation and the remaining for donor, UN, or, civil society utilisation). The Ministry of Finance estimates that the majority of these funds have been committed (95%) and 62% fulfilled as of end March 2008. A total of USD 782 million war-related grants was received by March 2008.<sup>109</sup>

<sup>101</sup> Ministry of Finance. 2003. One Year Progress After Paris II. Beirut, Lebanon Ministry of Finance. December.

<sup>102</sup> The Ministry of Finance considered securities with maturities of less than three months as near-cash amounts.

<sup>103</sup> Ministry of Finance. 2003. One Year Progress After Paris II. Beirut, Lebanon Ministry of Finance. December.

<sup>104</sup> Ministry of Finance. 2000 to 2007. Annual Public Finance Prospects Report.

<sup>105</sup> Government of Lebanon, 2007. Recovery, Reconstruction, and Reform: International Conference for Support to Lebanon. Beirut: 2007

<sup>106</sup> Government of Lebanon, 2007. Recovery, Reconstruction, and Reform: International Conference for Support to Lebanon. Beirut: 2007

<sup>107</sup> Government of Lebanon, 2007. Recovery, Reconstruction, and Reform: International Conference for Support to Lebanon. Beirut: 2007

<sup>108</sup> Ministry of Finance, 2006. Progress Report on Stockholm Conference for Lebanon's Early Recovery.

<sup>109</sup> According to the Ministry of Finance, other notable support includes funding from Kuwait (USD 76 million), United Arab Emirates (USD 15 million), Oman (USD 50 million), Iraq (USD 35 million), Arab Fund for Economic and Social Development (USD 10 million), and Italy (USD 7 million)



With an increased fiscal burden, the Government laid out a re-phased economic reform program, which it presented to the International Conference for Support to Lebanon, Paris III, hosted by the French Government in Paris in January 2007. The GoL fully owned and led the process through joint action of the Presidency of the Council of Ministers and the Ministry of Finance, a first in terms of conducting and coordinating a wide-ranging structural reform program and the related resource mobilization effort. This development corresponds with a recommendation of the 2003 MDGR.

The Economic and Social Reform Program presented at the Paris III Conference, includes fiscal adjustment, privatisation, and monetary and exchange rate stabilisation policies.<sup>110</sup> Additionally, the strategy covered new areas, namely social sector reform, and a stepped up level of public governance initiatives. The Government's ambition is to achieve a 1.5% annual decrease in the debt-to-GDP ratio, which, over the next ten-to-fifteen year period, could reduce public debt to sustainable levels. Toward these ends, the Government is relying on the proposed reform program and international support to help it achieve a minimum average 3.5 to 4% primary surplus, and a one percent increase in the annual growth rate.<sup>111</sup>

The Paris III conference resulted in USD 7.5 billion in pledges, which fall into the categories of budget support,<sup>112</sup> project financing;<sup>113</sup> support to Banque du Liban (BdL);<sup>114</sup> in-kind; private sector support;<sup>115</sup> and support through the United Nations system and civil society organizations. By end of March 2008, 59% of total pledges were signed into agreements with the public and the private sectors; and, in addition, continued support has been provided by donors through the UN and civil society.<sup>116</sup> According to the Government's plans, however, delays by donors in committing and disbursing pledges may lead the Government to turn to costly financing, and, therefore, reduce the likelihood of achieving macroeconomic objectives

The Government will continue to need technical assistance in the various fields of reform, the plans for which are available on a project basis. For instance, a draft law awaiting Parliamentary approval would create the Competition Council as the main competition regulatory authority. The staffing and organising of this agency would benefit from the adoption of international best practice, which may be gained through donor technical assistance.

According to OECD data, official development assistance (ODA) to Lebanon in the 1999-2006 period was in the range of USD 200-250 million (about USD 45 to 60 per capita), except in 2002 (USD 453 million) and 2006 (USD 707 million). As may be inferred from the above review, the increased aid performance in 2006 is readily explained by the generous response of donors to the massive needs resulting from the July 2006 war and related recovery; ODA provided in 2007 will reflect a further increase over the performance of 2006.<sup>117</sup> ODA as percentage of GDP was 1.2% in 2000 and increased to 3.2% in 2006.

Even though relevant data is not available, in recent years the Government has increasingly endeavoured to channel a larger share of aid to basic social services and towards meeting needs at the community level in rural areas and urban poverty pockets, in support of the poverty reduction. The Government's Paris-III Social Action Plan (see "Development Linkages" section below) aims at meeting this specific goal.

<sup>110</sup> Government of Lebanon, 2007. Recovery, Reconstruction, and Reform: International Conference for Support to Lebanon. Beirut: 2007

<sup>111</sup> Government of Lebanon, 2007. Recovery, Reconstruction, and Reform: International Conference for Support to Lebanon. Beirut: 2007

<sup>112</sup> 77 percent of budget support pledges have been translated into concrete commitments (an additional USD 500 million debt transaction was completed in July 2007). More recently, a loan agreement with the French Government, for Euro 375 million, was signed for debt reduction.

<sup>113</sup> 29 percent of the pledges were agreements for project financing, significant beneficiary sectors amongst which were the water and wastewater.

<sup>114</sup> USD 120 million in support to BdL has been received in full.

<sup>115</sup> Eighty percent of private sector support (USD 1,173 million) was signed and disbursement of the loans is being actively pursued through public institutions and commercial banks.

<sup>116</sup> Ministry of Finance. Accurate as of 31 March 2008.

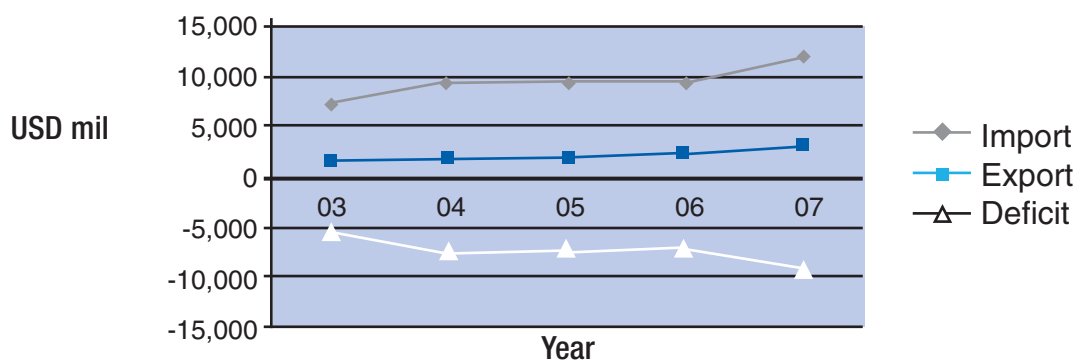
<sup>117</sup> According to UNSTATS, "Net Official development assistance (ODA) comprises grants or loans to developing countries and territories on the OECD/DAC list of aid recipients that are undertaken by the official sector with promotion of economic development and welfare as the main objective and at concessional financial terms". Accessed online: <http://mdgs.un.org/unsd/mdg/Metadata.aspx>

## Trade and Finance Cooperation

Historically, Lebanon has maintained a relatively open trade regime, which is undergoing further liberalisation as free trade agreements with its largest, Arab and European, trading partners are coming into effect and accession to the World Trade Organisation (WTO) is within reach. In the course of meeting these objectives, the country has demonstrated the commitment and capability to reduce tariffs and undertake ambitious reforms, including, amongst others, stepping up intellectual property protection and reducing the cost of doing business. These objectives also comprise the Government's Fiscal Adjustment and Structural Reform Agenda under Paris-III, to be supported through donor cooperation.

Lebanon's (tariff) openness is reflected by the overall weighted average tariff on imports, which was 4.7% in 2006,<sup>118</sup> about half the already-low level that prevailed in the year 2000. The larger trend is captured in Lebanon's chronic trade deficit, which was estimated at USD 9 billion in 2007 or about 34% of GDP.<sup>119</sup> The export-to-import ratio averaged 21.1% between 2003 to 2006 and was 23.8% in 2007.<sup>120</sup> This situation clearly impacts the balance of payments and is a source of concern for the Government, particularly as (imported) energy costs continue to rise. This is also influenced by the fact that Lebanon is heavily dollarised, which means that imports from Europe, for instance, are increasingly expensive.

**Figure 5: Evolution of Trade, 2003 to 2007**



Source: Higher Council for Customs

Lebanon's trade cooperation relies on deepening its links at a regional level with Arab and European countries, and, globally, by acceding to the WTO. The country has entered into the Greater Arab Free Trade Agreement (GAFTA), the European Union (EU) Association Agreement, the European Free Trade Association (EFTA) and a number of bilateral agreements.

The economic and social contribution of these agreements varies. However, the creation of such instruments is intended to benefit the private sector on a broad basis; namely, the agricultural, industrial and the services sectors, the latter of which dominates about 70% of the economy. Lebanon's trade agreements, particularly its accession to the WTO, have also entailed a number of reforms to the economic regulatory framework, including the introduction of new legislation and the modernization of existing laws and regulations, and which range from boosting intellectual property rights protection to reducing costs for opening a business.

Besides institutional reform, the economic contribution of expanded trade cooperation has been positive. Total *exports of goods* increased 84% between 2003 and 2007, representing an average annual increase of 17%. Meanwhile, *exports of services*<sup>121</sup> increased at an average rate of 14% in the period of 2002 to 2005.<sup>122</sup> Trade

<sup>118</sup> This figure is calculated based on taking total import revenue over total import value for 2006.

<sup>119</sup> MoET estimates based on Higher Council for Customs. 2008. LITE Statistics-Import/Export per Month 2002 to 2007.

<sup>120</sup> Banque Audi; Lebanon Economic Report 4th Quarter 2007

<sup>121</sup> According to the National Accounts Mission of 2004, "Foreign exchanges of services are not yet well inventoried. Only net receipts of public services for telecommunications are known; net exports of transportation services were neglected. Net exports of business services can now be estimated thanks to the large-scale survey carried out for big enterprises in 2004. The receipts of triangular trade retained in these accounts are very rough estimates".

<sup>122</sup> National Accounts Mission. 2002 to 2005. Economic Accounts of Lebanon.<sup>123</sup> Ministry of Agriculture. 2005. National Agricultural Strategy for 2005 to 2009.

in services is still subject to negotiations at the Arab and European levels. Combined, the export of goods and services represented 16% of GDP in 2005.

A variety of factors in export markets and in the domestic climate hinders the performance of Lebanese exports overseas. Chief causes include the presence of high non-tariff (or technical) barriers in importing countries. Domestically, export-oriented businesses have limited access to financing while the range of supply chain services is narrow. This is particularly the case in the agricultural sector, where there is a lack of testing and certification labs, cool chain services, amongst other resources. Food and agricultural exports carry significant development value for Lebanon, since the agricultural sector represents roughly 7% of national GDP, and serves as a primary source of income for rural households.<sup>123</sup> About 20 to 30% of the nation's labour force is employed in the sector.<sup>124</sup>

Lebanese exports suffer from high technical barriers in developed (DAC) markets.<sup>125</sup> These include sanitary and phyto-sanitary (SPS) measures, which increase cost of market entry. As such, exports to DAC markets have fallen from a level of 42% of total exported goods in 2003 to 31% in 2007.<sup>126</sup> Rough estimates place 34% of exports to DAC markets as being admitted duty free.<sup>127</sup> An average tariff rate of 6.8% is levied on Lebanese agricultural goods in these same markets.

There are, however, notable improvements in Lebanese exports to non-DAC markets, such as the GAFTA zone. From 2003 to 2007, GAFTA-destined exports jumped by 113% in total value, and averaged approximately half of all of Lebanon's exports during this time. While DAC-destined goods exceeded exports to GAFTA countries in 2003, the value of exports to GAFTA had instead increased to more than 33% of the value of exports to DAC markets by 2007.<sup>128</sup>

As development cooperation has proven to be crucial, there remains significant room for improvement on both sides. As an example, the European Union agreed to lower tariff barriers for Lebanese industrial and most agricultural goods. However, Lebanese producers and exporters still face difficulties accessing the EU market. About 50% of rejections of Lebanese food exports to the European Union are due to 'labeling irregularities'; other causes include the presence of prohibited ingredients, such as additives and colorants.<sup>129</sup> To address these issues, the EU has been funding a multi-year quality programme, QUALEB, at the Ministry of Economy and Trade.<sup>130</sup> The overarching objective of the program is to increase Lebanese exports to the Euro zone by providing "extensive support and advice to strengthen quality management, capabilities and infrastructure". However, additional support is needed to further implement and enforce the programme's policy and legal components, and to broaden participation opportunities for both the private and public sectors.

**Table 8: Net FDI as Percent of GDP - USD Million** <sup>131</sup>

	2002	2003	2004	2005	2006
Net FDI	1,336	2,937	1,780	2,629	2,724
% of GDP	7.1	14.8	8.29	12.2	11.9 (est.)

<sup>124</sup> Ministry of Agriculture. 2005. National Agricultural Strategy for 2005 to 2009.

<sup>125</sup> According to UNCTAD, developed and advanced countries include Australia, Canada, European Union, Japan, New Zealand, Norway, Switzerland, United States.

<sup>126</sup> Higher Council for Customs. 2008

<sup>127</sup> Figures are derived from DAC country import data reported for "products" (HS-6 level), with simple average import tariff of zero. Total figures and proportions are in actuality higher, though relevant data is unavailable. Additionally, these indicators do not differentiate the terms under which Lebanese goods are admitted, since, depending on the DAC market, Lebanese exports may be admitted under Generalised System of Preferences (GSP), bilateral or multilateral agreements, or MFN applied rates. The extent of development cooperation in this regard would depend on the basis upon which Lebanese goods are admitted/imported into the particular DAC market. For instance, while Lebanon is eligible to export under GSP, a trade development regime, some countries admit Lebanese products on other bases, implying no special treatment for development purposes.

<sup>128</sup> Higher Council for Customs. 2008

<sup>129</sup> MoET-Quality Programme

<sup>130</sup> More information about the Quality Programme is available: [www.qualeb.org](http://www.qualeb.org)

<sup>131</sup> 2002 figure from BdL External Sector Annual Report for 2004-2005. 2006 figure from IMF and BdL Lebanon Balance of Payments, November 2007



Official statistics on foreign direct investment into Lebanon are only available in approximate form<sup>132</sup>. However, FDI levels are estimated to have peaked in 2003, and have fluctuated since then, reaching an estimated USD 2.7 billion, or about 12% of GDP in 2006. Nonetheless, construction and real estate are usually the largest recipients of foreign investment, the source of which is primarily the Gulf region. Other investors include European and Asian companies. The job-creation and development value of FDI is thought to be limited, given its heavy emphasis in the construction and real estate sector.

**Table 9: Net Private Flows as Percent of GDP - USD Million** <sup>133</sup>

	2002	2003	2004	2005	2006
Other net private flows	35	325	1,710	1,063	1,170
% of GDP	0.2	1.64	8	5	5.1 (est.) <sup>134</sup>

Private inflows from Lebanese emigrant remittances (Table XIV) are being sent to Lebanon at particularly strong levels and account for a large portion of private flows. This source of financing is seen to play a major role in the Lebanese macro-economy by contributing to a surplus in the balance of payments. At the community and household levels, remittances help reduce vulnerability, or risk of exposure, to external shocks for groups that have limited or no other source of income.<sup>135</sup> Remittances are not distributed equally throughout the country as towns and villages with high levels of overseas migration are more likely to receive higher levels of remittances.<sup>136</sup>

Additional insight into level of remittances may be gleaned from their gross figures. National data show that Lebanese emigrants contributed approximately USD 4.6 billion in 2006, a figure which had previously peaked at USD 5.2 billion. The World Bank also underscores the significance of these figures in a recent report. The Bank estimates slightly higher figures (Table XV), and ranks Lebanon as the top Arab recipient country of remittances, which represent 22.8% of GDP. Jordan (20.3%), and the West Bank and Gaza (14.7%), amongst other Arab countries, follow.

**Table 10: Inward Remittance Flows - USD Million**<sup>137</sup>

	2003	2004	2005	2006	2007
Remittances	4,743	5,592	4,924	5,183	5,500 (est)
% of GDP <sup>138</sup>	24.57	26	22.8	22.8	22.4 (est) <sup>139</sup>

## Development Linkages

As part of the Government's commitment to achieving the MDG's,<sup>140</sup> the Paris-III plans comprise poverty alleviation, improving health and education services, and promoting a proactive and balancing approach to regional development. The GoL has undertaken to create substantial reforms in the social ministries - Public Health, Education and Social Affairs. The MoSA reform plan is to transform its role from a care provider to a development agency<sup>141</sup>.

<sup>132</sup> BdL External Sector Annual Report for 2004-2005

<sup>133</sup> Banque du Liban. 2007

<sup>134</sup> 2006 GDP is an estimate based on Ministry of Finance Annual Prospects Report 2006.

<sup>135</sup> Oxfam Great Britain. 2007. Vulnerability Assessment in Lebanon.

<sup>136</sup> World Bank and Lebanon Ministry of Social Affairs. 2007. Post-Conflict Social and Livelihoods Assessment in Lebanon.

<sup>137</sup> World Bank. 2008. Migration and Remittances Factbook. (Lebanon)

<sup>138</sup> MoET estimates

<sup>139</sup> 2006 GDP is an estimate based on Ministry of Finance Annual Prospects Report 2006.

<sup>140</sup> Government of Lebanon, 2007. Recovery, Reconstruction, and Reform: International Conference for Support to Lebanon. Beirut: 2007

<sup>141</sup> Ministry of Finance. Fifth Progress Report. 2008

Laid out in the Social Action Plan, and presented at the Paris-III Conference, the reforms serve the dual purpose of contributing to increased cost effectiveness and providing safety nets for the country's most vulnerable populations. Improved efficiency in the sector would be achieved by reducing delivery costs and strengthening delivery performance.<sup>142</sup> This also entails developing new targeting mechanisms so as to identify and provide direct assistance to the most needy and vulnerable households.

More specific action plans were developed for the health, education, labour, and social security fields, most of which have been presented in earlier chapters of this report. However, national strategies to create deeper links between reforms in the economic and financial sectors and social development are yet to be formed. In other words, there is still work to be done on turning the Lebanese economic and financial sectors in service of Lebanon's social development.

## Private Sector Cooperation

The Lebanese private sector's cooperation has been integral in the Government's efforts realise its fiscal adjustment objectives through loans and other debt financing at concessional rates. However, a separate set of indicators for the MDGR are measured, and which are focused on the pharmaceutical sector helping provide affordable essential drugs, and the ICT sector helping broaden access to ICT technologies.

### Access to affordable essential drugs

Lebanon spends approximately 12.4% of its GDP on health, which is the highest rate in the region and higher than those of many other upper-middle income countries (e.g. Canada and France). The proportion of government budget allocated to the health sector is 6.6%. Spending on pharmaceuticals alone exceeds 25% of the total. 15.2% of household spending on health goes for the direct purchasing of drugs. Considering that pharmaceuticals represent 20% of the hospital bill and 11.6% of ambulatory expenses, their share would be then 21.5% of the household health expenditures.<sup>143</sup> The rapid growth in the pharmaceutical sector, the near complete reliance on brand name drugs, and imports to meet demand make rationalizing expenditures on pharmaceuticals a key area for policy intervention.<sup>144</sup> Drug registration is required in Lebanon and a pricing formula is utilized. The number of registered drugs is 7,500 of which only 4,000 are estimated still on the market.

It was estimated that, in 2000, 85% of the total population had access to affordable essential drugs on a sustainable basis, a slightly improved situation from the mid-1990s.<sup>145</sup> Availability of medicines in the private sector was found to be 95%, 77.5% and 84% for brand, most sold and lowest sold generic equivalent.<sup>146</sup>

The pharmaceutical market is within the private sector.<sup>147</sup> Physicians have complete freedom of prescription and pharmacists can sell most drugs without prescription, except for selected psychoactive drugs. Government policy is providing medicine to chronic diseases by implementing a program supervised and managed by the Ministries of Public Health and Social Affairs and, to an increasing extent, by selected non-governmental organizations,<sup>148</sup> and with the help of WHO and UNICEF in certain programs. Over the past decade, the Ministry of Public Health established the chronic diseases medication program, through which a network of 450 primary health care centers across the country dispense medications at a subsidized cost for people with

<sup>142</sup> Government of Lebanon, 2007. *Recovery, Reconstruction, and Reform: International Conference for Support to Lebanon*. Beirut: 2007

<sup>143</sup> SURVEY REPORT - PRICES OF MEDICINES IN LEBANON, World Health Organization - Health Action International Project on Medicine Prices, Dr. Rita KARAM, Project Manager, March 2004.

<sup>144</sup> World Health Organization, Ministry of Public Health, and the World Bank, *National Health Accounts Report, Lebanon, December 2000 and 2003*

<sup>145</sup> MDGR 2003

<sup>146</sup> SURVEY REPORT - PRICES OF MEDICINES IN LEBANON, World Health Organization - Health Action International Project on Medicine Prices, Dr. Rita KARAM, Project Manager, March 2004.

<sup>147</sup> World Health Organization, Ministry of Public Health, and the World Bank, *National Health Accounts Report, Lebanon, December 2000 and 2003*

<sup>148</sup> The YMCA is managing the distribution of medicine according to centers monthly utilization and requests.

chronic diseases based on the national essential drug list, which is updated every three to five years.<sup>149</sup> Moreover, the ministry of Social Affairs provides medicine through its Social Development Centers. The aim of these programs is to make available affordable essential drugs and medication for treating chronic diseases, cancer, HIV, MS, mental illness, and vaccination either centrally or through a nationwide network of public health centers and NGOs.

Early in 2003, the Ministry of Public Health, in cooperation with UNAIDS and WHO, entered into an agreement with some international pharmaceutical companies to provide AIDS patients with anti retroviral drugs (ARV) at greatly reduced prices. The cost of the ARV is fully covered. According to NAP, all Lebanese patients have access to ARVs on a sustained basis.

### Access to ICT

The Government's vision for the ICT sector is spelled out in its Telecommunications Sector Policy, which affirms the social developmental value of ICT and the need for universal access in Lebanon.<sup>150</sup> This is to be realised through the National e-Strategy, and also through public private partnerships (PPP).<sup>151</sup> The aim is to position Lebanon to compete in a global economy, to join the information society and to modernise the public and private sectors. An example of this partnership is Berytech, which serves as a start-up incubator for technology (including ICT) companies and as a network facilitator for firm. Berytech also functions as a resource centre with a set of databases dealing with local, regional, and international issues and has benefited from support by the European Union.

The Government-created National ICT Committee is main umbrella for these initiatives, and oversees the implementation of the e-strategy while also reporting the Inter-Ministerial ICT Committee. In partnership with the UNDP, the Office of the Minister of State for Administrative Reform (OMSAR) completed a national action plan that covers the following areas:

- upgrading infrastructure
- putting into place conducive legislation
- broadening the base of participation in a knowledge-based society
- improving access to relevant information<sup>152</sup>

As the Government takes on “digitisation of the public domain” the Ministry of Economy and Trade triggered a number of initiatives to lay the foundations for a modern and secure ICT infrastructure. This includes the protection of intellectual property rights<sup>153</sup> and harmonisation with international standards governing e-transactions and individual rights to freedom and privacy.<sup>154</sup> The GoL is promoting a broader cross-section of the Lebanese population to incorporate “technology as a tool in their lives”<sup>155</sup> by also cutting access costs and offering improved services, such as DSL (involving larger bandwidth access to the Internet). While subscribers to these

<sup>149</sup> The program where the YMCA distributes the medications bought by the MOPH; According to YMCA reports the center numbers varies slightly per year in 2007 YMCA Chronic Drugs Program report 440 centers were part of the program. Not all the centers within the chronic drugs program are noted as 'Primary' within the MOH PHC network

<sup>150</sup> Ministry of Telecommunications. 2003. Draft Telecommunications Sector Policy.

<sup>151</sup> Ministry of Telecommunications. 2003. National e-Strategy: Priorities

<sup>152</sup> Ministry of Telecommunications. 2003. National e-Strategy: Priorities

<sup>153</sup> This includes: a new WIPO compatible IPR law update to strengthen the ICT IPR royalties and protection.; updating of the consumer protection law to providing field inspectors with legal coverage in collaboration with the IPR department for market inspection and raid; an ICT police body attached to the police enforcement units was established in support of adequate enforcement of IPR and fraud issues of ICT products and media.

<sup>154</sup> A legal team at the Ministry of Economy and Trade has led and produced the required legal component which includes draft of a comprehensive regulatory framework of all Internet interaction and trading aspects. Overall, 200 articles was proposed under nine titles. The legal framework proposed is based on the following principles: 1-Liberty of carrying out electronic communication and writings; 2-Security issues for all electronic communication and writings; 3- Coherence with the EU legal system; and 4-Compatibility with existing Lebanese laws. These laws are awaiting reactivation of the parliamentary legislative cycle for deliberation and adoption.

<sup>155</sup> National e-Strategy for Lebanon. 2005

services were estimated at 21,500 in 2007,<sup>156</sup> Internet access costs are still considered to be amongst the highest in the region.<sup>157</sup> As far as computer usage, one national survey found that 65% of its respondents to be computer users.<sup>158</sup>

The ICT sector is primarily operated through a mix of national, regional and international companies, whereas the infrastructure is owned by the public sector. In 2003, there were about 540 software development and hardware companies, which employed over 4,000 individuals. A smaller number of companies, approximately five, serve as internet service providers. E-commerce is still in nascent stages. These various sub-sectors generate about USD 300 million in revenues per year.

Public spending on ICT is at 2.3% of GDP in 2005, which is well below the global average of 6% of GDP and slightly below the Arab regional average of 2.6%.<sup>159</sup> As part of its reform efforts and as a revenue-generating initiative, the GoL has actively prepared the modalities to privatise the fixed and mobile line companies. According to the Government's development plan, key indicators such as reliability, efficiency, range of services, cost, and competition would all be expected to improve.<sup>160</sup>

## Challenges

The Doha Agreement that recently put an end to the political deadlock carries a great deal of hope to revive the policy-making process. Until now, however, a number of Paris III programs and the wider development agenda were ostensibly delayed. The principal obstacle was the closure of Parliament, which impeded the passing of key laws and amendments that would have equipped the GoL with key reform instruments to address financial and macroeconomic vulnerabilities, or to enable the Government to use proceeds from loans.

Donor disbursements in the form of grants and concessional loans have been lower than expected as 48% of pledges were in the form of project support. Project lending requires Parliament approval and as such could not progress significantly in 2007 and the first half of 2008.<sup>161</sup> Delays in aid disbursal also cause lags in the implementation of reform and development activities.

A challenge of aid management is the establishment of an effective mechanism for aid, particularly grant assistance. The development and implementation of the relevant rules and procedures enabling transparent and accountable management of aid under full national ownership is important.

Sectoral strategies exist for a number of fields, though not for all. Their effective implementation, however, depends on being provisioned with adequate resources and capacity. At the same time, these strategies could benefit from a review of the extent to which they serve development goals such as macro-economic reform, environmental protection measures, and the adoption of pro-poor policies, and the level of complementarity that may be built in amongst them. It is worth noting in this regard that an Inter Ministerial Committee was established in 2007 with the aim at developing a comprehensive and integrated Social Policy/strategy.

In both the pharmaceutical and ICT sectors, access and availability, as well as quality and price remain serious issues. ICT access barriers include service and equipment costs, and the availability of financing (such as loans). A digital divide exists amongst Lebanon's governorates, which is attributed partly to ICT gaps in the education system and in civic involvement and awareness initiatives. Public institutions have to promote reform from within and serve as national role models in adopting ICT tools, which has not been the case. This will rely on a change in mindset amongst existing public servants, as well as making available the necessary budget allocation so that equipment and software and properly maintained and upgraded.

<sup>156</sup> OGERO and private internet service providers.

<sup>157</sup> ESCWA. 2005, National Profile for the Information Society in Lebanon.

<sup>158</sup> SRI International. 2005. Patterns of ICT Usage in Lebanon: Results of the 2004 ICT User Survey

<sup>159</sup> ESCWA. 2005, National Profile for the Information Society in Lebanon.

<sup>160</sup> Telecommunication Act, Law 431 of July 2002 transfers of regulatory functions from the Ministry of Telecommunications to the Telecommunications Regulatory Authority (TRA).

<sup>161</sup> Ministry of Finance, Paris-III Third Progress Report

## Recommendations

### 1- Use the MDG Process as an Avenue to Foster Dialogue on Key Development Issues

The MDG process of measuring and monitoring progress on key targets and indicators offers an opportunity for various development stakeholders to come together and dialogue on issues and solutions, and on needs and responses. The MDG process may encourage Lebanon's national and international development partners to widen their cooperation through dialogue and action. Indeed, a systematic process that involves distinct phases of consultation (with multiple stakeholders), preparation and implementation can help ensure that development linkages are built in to national planning, including budgeting processes. This may help promote consistency and stability in setting national goals (e.g. poverty reduction) and the pursuit of their implementation through international cooperation.

### 2. Promote Development Finance

In order to accelerate resource mobilization, the GoL is working with the donor community on the optimal allocation of pledged funds. This may be achieved through shifting part of the currently outstanding pledges to direct and indirect budget support as well as sector/programme funding. This strategy would realign donor funding, based on the requirements of the Public Investment Program formulated by the Government in 2007.<sup>162</sup> This approach could be complemented by increased support for the preparation and implementation of reforms through timely technical assistance, in addition to financial assistance to offset any unexpected fiscal pressure, and meet urgent needs in the social sector.

### 3. Government to further Enhance and Develop Donor Coordination

The Government will continue its efforts to enhance and develop donor coordination by strengthening the various mechanisms of the aid coordination infrastructure. Completing the implementation of the aid monitoring and reporting system by the Ministry of Finance will be an essential step in promoting transparency and providing one comprehensive source for development and aid activities. Moreover, the Government has to play a substantive role in providing a clearer framework of needs and priorities (sectoral and geographic) to guide donor's interventions and resource allocations.

### 4. Help Sectors Build Capacity to Formulate/Reactivate and Implement Thematic and Sector Strategies

Donor support could be helpful in supporting national efforts to formulate and implement broad-based sector strategies. One such example includes the recently completed Lebanon Economic Vision for Enterprise Development by the Ministry of Economy and Trade's SME Support Programme, funded by the European Union. This activity represented progress towards the creation of an enabling environment for the development of the private sector, and could be strengthened by review and reactivation of an existing and complementary strategy at the Ministry of Industry. Development cooperation at this level of intervention may be fully anchored in local realities and can help Lebanon realise its MDG and other goals more effectively. Furthermore, existing road maps, such as the European Neighbourhood EU-Lebanon Action Plan of 2007, may help better inform donor planning in this area.

### 5. Facilitate Favourable Market Access for Lebanese goods and WTO Accession

Lebanon's export industries need time to grow and gain the capacity to achieve the high product standards and degree of competitiveness to enter developed countries' markets. This is particularly true of the post-July 2006 war economy. Lebanon's DAC partners should ensure that Lebanese goods are able to compete fairly in their

<sup>162</sup> A summary of the PIP program may be found in Ministry of Finance. 2008. Fourth Paris-III Progress Report. January.



market. This requires making import rules and procedures available and known to Lebanese exporters, which can be achieved through technical assistance schemes. Complementary assistance in boosting conformity assessment is needed, as previously mentioned. This may come in various forms, including testing and certification labs, other production process certification, rules of origin training, etc.

Lebanon's accession to the WTO is in an advanced stage. The GoL is currently in bilateral negotiations with a number of its key DAC partners who are already WTO members. These countries are requesting further tariff concessions for goods and more liberalization in the services sector which go far beyond Lebanon's already autonomously liberalized economy. The potential impact of further concessions is expected to exacerbate in some cases the situation of struggling Lebanese domestic industrial and service sectors and lead to further loss of national revenue, particularly after the 2006 war. DAC countries should therefore reduce their requests and treat each country's accession on a case-by-case basis.

## **6. Broaden and Deepen the Social Component in Development Planning for Inclusive Development**

The Government proposed a Social Action Plan under the Paris-III framework. These two steps are considered a breakthrough in efforts to promote national social planning. The Social Action Plan is mostly concerned with increasing access to social services, as well as the provision of safety nets to particular population groups considered to be 'most needy', with direct cash transfers being the primary instrument.

However, social development aims to create an environment in which people can develop their full potential and lead productive, creative lives in accordance with their needs and interests. This requires a complex set of interventions, with increased resource allocation, to meet the growing needs of the wider population, particularly those who are most vulnerable to political/security, economic and social shocks. While the MoSA is in the process of building upon the Social Action Plan with assistance from the World Bank and the UNDP, additional support will be needed at various levels, including the promotion of effective civil society participation.

## **7. Create a Private-Public Partnership for Health**

There exists a strong need to improve access to essential drugs in remote areas of the country. Towards this goal, the Government through the MoPH could further subsidize network of primary health care centres,<sup>163</sup> while also promoting an active NGO network that supports dispensing of medications at reduced cost. It is worth noting that MoPH should better monitor and regulate provision of medicine through its contracted NGOs. A parallel to these efforts may be better monitoring and enforcement of quality and price standards by the pharmaceutical private sector.

## **8. Promote the ICT Sector as a Driver for the Economy**

Competitively participating in the regional and global ICT markets may bring economic and developmental value for Lebanon. This will need a set of lean rules and regulations to allow for the importing and exporting of ICT products and services. Lebanon is seen to have the ability to develop this industry, given the existing level of knowledge among its work force, who are also trilingual. The Lebanese Government and private sector can work together to revive the creation of a "data and media city",<sup>164</sup> for instance, which would essentially serve as an ICT incubator and business development park.

<sup>163</sup> The MOH supports training needs of the centers and ensures that centers are part of the MOH Chronic Drugs Distribution

<sup>164</sup> A Beirut Electronic Technology Zone (BETZ) was initiated by the Investment Development Authority of Lebanon (IDAL) in 2004.

