



1. CPS Data

Country: Lebanon

CPS Year: FY11

CPS Period: FY11 – FY14

CLR Period: FY11-FY15

Date of this review: July 6, 2016

2. Ratings

	CLR Rating	IEG Rating
Development Outcome:	<i>Moderately Satisfactory</i>	<i>Moderately Satisfactory</i>
WBG Performance:	<i>Good</i>	<i>Fair</i>

3. Executive Summary

i. Lebanon is an upper middle income country with average inequality, as measured for example by a 0.361 Gini coefficient, for countries in the Middle East and North Africa. At the outset of the Country Partnership Strategy (CPS)¹ period, in 2011, a unity government fell apart, and this inauspicious political development was compounded by the onset of the crisis in Syria that brought numerous security issues and an influx of refugees. Both the domestic political instability and the refugee influx constituted a challenging background for implementation of a Bank program that had difficulty finding a proper footing to foster reform. The CPS areas of focus reflected the directions and priorities of the government's *Progress and Development* program: energy, water, transport, municipal and urban development, social protection, and fiscal management.

ii. The initial Bank program was over-ambitious because it was not supported sufficiently by anticipated Bank interventions to achieve each program objective, or interventions were not commensurate in size and scope with the objectives. As adverse political and regional (Syria) developments put the Bank program on the defensive, the initial ambition was scaled back at progress report stage when targets were downgraded significantly in quantitative terms. However, financing under the program increased significantly during implementation compared to the planned program base case. Eight out of 12 objectives and their corresponding indicators were revised then, and some indicators were introduced at CLR stage. The rating of objectives—based on the progress report results matrix—should be seen in this light. In addition, while the Syrian crisis was no doubt a major adverse external event for the program, many of the problems under the program were already present before the effects of the crisis struck Lebanon, and thus cannot be attributed exclusively to the Syrian crisis.²

iii. The most effective area of interventions was focus area I (fiscal management) where the program showed success by having better information for fiscal policy decision and enhanced transparency and control in public financial management. Focus area II (competitiveness), focus area

¹ The CPS period covers FY11-FY14, but the CLR extends up to the first six months of FY 15 reflecting the availability of data.

² Of five projects that exited the portfolio in FY12-14, three were rated *Unsatisfactory* by IEG.

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III (infrastructure), and focus area IV (human development and social protection) showed mixed results. Access to finance by SMEs and women-entrepreneurs, and private sector access to trade finance showed positive developments. Moreover, the functioning of the urban transport system was improved as was the delivery of social services. But there were areas of the program that faced significant resistance to reform from within the government and interested parties outside government, especially as the socio-political environment became more complicated. These referred to initiatives to improve the business environment, reform the electricity, water, and telecommunication sectors, enhance education, or improve the statistical system. In all these areas, implementation fell well short of Bank program targets, and in some of the areas reforms have been stalled for a number of years. The program also failed on its objective to “put the economy on a path to sustained high growth.” According to the IMF, following a crash from 8 percent in 2010 to less than 1 percent in 2011, growth has inched upward to around 2-3 percent, but remains well short of its potential.

iv. The Bank adopted a two-tiered approach, with the first tier building on the existing portfolio, and the second tier dependent on the government articulating a well thought out policy reform agenda addressing growth, fiscal space, and social inclusion. The second tier never took place because the government was not able to articulate policies that could be supported by policy-based lending. The Bank’s program, however, was expanded during the CPS under the Water Augmentation project (FY15). The original CPS envisaged a lending range of US\$375-550 million over FY11-14, with the higher end of the range depending on implementation of the second tier of the program based on policy-lending. The progress report showed a program for FY11-14 of about US\$500 million. In practice, despite not implementing the second tier under the CPS, financing amounted to US\$828 million, including operations approved in FY15. The additional financing came primarily from an augmentation of financing in the water sector notwithstanding problems in the sector’s existing portfolio.³ The Bank used emergency procedures for a number of projects which are envisaged to have limited preparation time and faster disbursements, but encountered similar problems to regular operations partly owing to the government’s approval procedures, and also reflecting the use of the Bank’s emergency operations to address long standing reforms that have been resisted by the government.

v. Weak selectivity under the program was compounded by a changing environment where implementation became quite uncertain owing to a political economy that made difficult to foresee where reforms were likely to take place. One of the lessons drawn by the progress report based on program performance until end-2012 was the need for more selectivity in the Bank Group engagement, with lending and analytical work deployed more strategically, targeting areas where there were some prospects for reform. A key problem of design was that a program of remarkable ambition was supported by modest, and sometimes inadequate, Bank inputs. As noted by the IEG’s review of the Emergency Power Sector Reform Capacity Reinforcement (FY07), in the electricity sector the Bank expected to bring about a significant restructuring of *Electricite du Liban* primarily with a small grant, which was unrealistic and diluted the effectiveness of resources spent. In addition, the cancelled operation reports for two operations⁴ suggest that using a Specific Lending Instrument (SIL) in a politically complex environment such as Lebanon may not be the most appropriate product to support innovation and entrepreneurship. Lending interventions can be less flexible and more difficult for internal approval in Lebanon than grants from trust funds or reimbursable services. Therefore, the type of product in future engagements will need to be examined carefully and justified, to limit the risk of disruption and challenges to delivery during implementation.

vi. Some lending projects suffered problems owing to poor sequencing, an issue both of design and implementation.⁵ In addition, despite targets that quickly became unattainable or interventions that

³ The Water Augmentation project (FY15) financing was increased from US\$125 million to US\$474 million to finance land expropriation and mitigate the Bank’s inability to co-finance activities with the Islamic Development Bank.

⁴ See notes on cancelled operations for the Mobile Internet Ecosystem project (FY14) and the Social Promotion and Protection project (FY14).

⁵ The unsuccessful Beka’a Emergency Water Supply project (FY10) for example, depended critically on policy and institutional reforms that were part of another Bank project, but did not take place. Moreover, in other cases such as the



were too complex in light of local implementation capacity, the Bank remained over-optimistic for too long about what could be accomplished under a number of interventions. Therefore, when projects were restructured, it was a case of too little, too late to bring the Bank program back on track. There were some exceptions, where the Bank responded with flexibility as problems arose, which was reflected for example in the restructuring of some projects to address the effects of the Syrian crisis and cooperating with other development partners to address such crisis. Yet, a number of projects processed under the Bank's emergency procedures, which are envisaged to have streamlined preparation time and faster disbursements, appear to have encountered similar problems to other projects, partly owing to the government's approval procedures. In comments to a preliminary version of this review, the Bank team made the point that emergency projects were prepared with flexible design to allow scalability to address longer term reforms when progress was made in their implementation and reasonable institutional capacity was developed. While IEG recognizes that this is a reasonable approach, quality at entry was a problem in all the projects that were rated *Unsatisfactory or Moderately Unsatisfactory*, with poorly articulated objective and outcome indicators, and risks that were not addressed with the specificity needed for a post-conflict Lebanon. Streamlined preparation procedures and fast disbursements risk inadequate preparatory groundwork for issues that have been unresolved for many years, and this risk needs to be mitigated.⁶ In light of limited time for preparation, emergency operations require additional attention and review steps during implementation, for example, of M&E and risk mitigation. IFC played a positive role in partnering with financial sector institutions, but its advisory services program with the government fell short of expectations. This suggests that IFC may be better off working with the private sector to the extent that it finds adequate partners.

vii. Overall, the Bank attempted to balance the need to address the issues arising from the Syrian refugee influx, with the requirement to continue supporting medium-term reforms that foster job-creating growth. In response to the *Syrian crisis*, the Bank supported the government by preparing the Roadmap of Priority Interventions for Stabilization from the Syrian Conflict. This was presented to the Permanent Members of the UN Security Council in September 2013, and positioned the Bank as one of the leaders in the international response to the Syrian crisis. Moreover, it established in December 2013 the Lebanon Syrian Crisis Trust Fund—a Bank-administered multi-donor trust fund to fund initiatives arising from the roadmap. Bilateral contributions to the fund have amounted to US\$75 million to date. Through this mechanism the Bank helped prepare emergency programs to address urgent community priorities in select municipal services, support the stabilization of the public education sector in the face of a continued influx of refugees, and provide primary health care coverage to poor Lebanese affected by the Syrian influx.

viii. Lebanon is a case of perennial Bank portfolio performance problems reflecting a mix of Bank over-optimism about what is feasible, and country structures that are not conducive to proper, sustained ownership of a Bank program. Country structures are unlikely to change overnight. The Bank, however, can learn some lessons from the recent experience. One lesson is that to increase the chances of success in this country context, projects need to be simple in scope and allowed for flexibility in implementation.

Ba'albeck Water and Wastewater project (FY02), the Bank waited too long to restructure a project whose objectives had become unrealistic under local conditions. The Bekaa Emergency Water Supply project was supported by the Lebanon Trust Fund set up by the World Bank, with parallel Kuwaiti financing. Water sector reforms—particularly stopping illegal connections and water tariff reform—were envisaged as key for success of the project and financial sustainability of the water utility. Such reforms were not supported by this operation but meant to be addressed in a separate project with the same utility (Ba'albeck Water and Wastewater project (FY02)). The required reforms were not accomplished by the end of the project.

⁶ Examples pre-2012 refugee crisis are the Bekaa Emergency Water Supply project (FY07) and the Emergency Power Sector Reform Capacity Reinforcement (FY09), where emergency operations with limited time for preparation were used to deal with or study issues that had been unresolved for many years.



ix. Another lesson is that the absence of verifiable indicators, with clear baselines and targets, make particularly difficult measuring progress, identifying and removing bottlenecks, and taking mid-course corrective measures.

x. Moreover, using scaled-up emergency lending interventions to address long-standing reforms risks unsatisfactory outcomes owing to poor quality at entry, which has been an issue in several Lebanon projects. The Bank will need to re-double efforts on projects' quality at entry—both for emergency and non-emergency operations—to minimize the risk of poor outcomes. In addition, in light of limited time for preparation, emergency operations require additional attention and review steps during implementation, for example, of M&E and risk mitigation.

xi. Results from lending interventions were poor on average, whereas grant funding and TA activities appear to have worked better in that they were actually implemented over a reasonable period of time.⁷ The Bank thus might consider focusing more on such activities in future—particularly in response to the refugee situation and problems caused by the influx of refugees—while being very selective and modest in expectations regarding lending. Such an approach could be executed in a phased manner, with the Bank going ahead where there are chances for successful lending interventions, but being faster than under the FY11-14 CPS to cut or restructure a lending project if the government cannot move to effectiveness fairly quickly. In reform areas that turn out to not be ready for lending right away, advisory services and analytics, and grants, including through partnering with others, can pave the way for future lending by enhancing readiness.

4. Strategic Focus

Relevance of the WBG Strategy:

1. **Congruence with Country Context and Country Program.** Lebanon is an upper middle income country according to the World Bank classification, with a GDP per capita of about US\$17 thousand in purchasing power parity and US\$10 thousand in current dollars in 2014. It has an IBRD-only borrower status at the World Bank Group (WBG). Extreme poverty affected 8.4 percent of the population in 2007, up from 8 percent in 2004-05, and 28.5 percent of the population was poor using the country's upper poverty line in 2004-5.⁸ Differences between regions account for most of the inequality, and Lebanon's Gini coefficient was estimated at 0.361 in 2004-05 using spatially adjusted consumption per capita. This is on par with the average of countries in the Middle East and North Africa, and much lower than the average inequality in Latin America. Poverty is particularly acute in rural areas and agricultural households. According to the 2016 Systematic Country Diagnostic for Lebanon, more than 20 percent of households engaged in agriculture fall below the poverty line, in part because agriculture is currently experiencing downward pressure on wages as a result of the arrival of more than 1 million Syrian refugees seeking jobs in rural areas. Moreover, unemployment, informality, and poverty are strongly correlated, pointing to a key role that jobs can play in reducing extreme poverty and promoting shared prosperity. Services and trade are the main sectors of the economy, with tourism and financial services as its backbone. Real estate and construction played a strong cyclical role until 2010. Real GDP growth averaged about 1.8 percent in 2011-15, well below the average of 4.5 percent in the period 1993-2014, as investment in construction decelerated significantly owing to the deflation of a real estate boom, and private consumption was affected adversely by political developments. At the outset of the CPS period, in 2011, a unity government fell apart, and this inauspicious political development was compounded by the onset of the crisis in Syria that brought numerous security issues and an influx of refugees. In this socio-political context, the main constraints that affected Lebanon's potential to deliver sustained growth during the CPS period

⁷ This may have reflected less bureaucratic requirements for TAs and grants—no need to be vetted by cabinet/parliament—compared with lending interventions, and more direct contact with implementing agencies right from the start.

⁸ This is the latest information according to the Systematic Country Diagnostic (2016), which notes that no significant progress on poverty reduction has likely been made so far in the twenty first century.



were macroeconomic instability, a weak business environment, insufficient investment in infrastructure (especially in lagging regions), a mismatch of skills in labor markets, weak institutions, and a poor regulatory framework.

2. To tackle these constraints, the *Progress and Development* government program⁹ called for the implementation of a set of structural reforms focused on: (i) sound fiscal management that would provide fiscal space for adequate social and infrastructure services, (ii) a modernized, effective, and strong public administration, (iii) adequate fiscal infrastructure, especially for utilities and transport, (iv) a proper regulation and risk-sharing framework for private sector participation, and (v) adequate social protection and social services provision. The priorities would be electricity, water, telecoms, urban transport, local development, environment, public education and social protection. In support of the government, the FY11-FY14 CPS, which followed an Interim Strategy Note (ISN), aimed to put the economy on a path to sustained high growth by strengthening fiscal stability and improving fiscal financial management, supporting a competitive business environment, helping develop economic infrastructure, and enhancing human capital development and social protection.

3. **Relevance of Design.** The FY11-14 CPS areas of focus reflected the directions and priorities of Lebanon's *Progress and Development* program. The Bank Group planned its strategy around a Tier I Core Program based on the existing investment lending portfolio and Trust Funds in energy, water, transport, municipal and urban development, social protection, and fiscal management, as well as IFC's investments and advisory services. If the government articulated a well thought out policy reform agenda addressing growth, fiscal space, and social inclusion, the Bank would be ready to engage in policy-based lending through the Tier II component of the program. This appears to have been a sensible strategy in a Bank country engagement that was evolving from an ISN to a more sustained and substantial commitment on the part of both the WBG and the Lebanese government. In the event, the difficult political country context and the influx of Syrian refugees following the intensification of conflict in that country affected both Lebanon and the Bank program strongly, and the Tier II component of the program did not materialize. Yet, financing increased significantly compared to the base case (Tier I). In addition, the more ambitious goals of the program were revised at Progress Report stage in light of the poor mid-term implementation results, and the effects on the Bank Group's program of increased regional instability that compounded domestic political upheaval. Significant design shortcomings were that the program was not supported sufficiently by anticipated interventions to achieve each program objective, or interventions were not commensurate in size and scope with the objectives.

4. IFC interventions were supportive of focus area 2 (Improved Competitiveness) through provision of trade finance guarantees to eight financial intermediaries. Moreover, they supported the objective of improved access to finance among SMEs and women entrepreneurs, and provided four investment climate advisory services projects. The latter would have required a much more sustained effort for full success than evidenced under the current program. At the time the CPS progress report was prepared IFC was fairly optimistic about advisory services projects, such as the one on secured lending, but these proved to be much more challenging than expected and did not lead to desired outcomes.

Selectivity

5. The selection of areas was driven primarily by the ongoing activities under the ISN, and therefore selectivity is not easy to evaluate as a specific issue of the initial CPS design. The Bank had to balance the need for interventions across a broad economic spectrum against significant resistance to reform in several key areas that are traditional parts of Bank programs (for example, business climate, the electricity, water, and telecommunications sectors, or education). It sought to address this tension by committing to four areas, in the stated hope that reform progress would be achieved in

⁹ This program sought to leverage the framework set out in "Reconstruction, Recovery, and Reform" at the Paris III Conference in January 2007.



some of the areas. While this stretched the Bank program thinly over a number of objectives, the weak selectivity can be understood in an evolving environment where implementation would be quite uncertain owing to a difficult political economy. Looking back, however, as the progress report noted, it seems clear that both lending and analytical work could have been deployed more strategically, with careful sequencing, and focusing on areas where there were some prospects for reform.

Alignment

6. The program was designed with the broad aim of reducing poverty and promoting shared prosperity. The improvement of basic infrastructure services, along with the provision of social services and the establishment of an effective social protection system was expected to help reduce poverty and increase shared prosperity. The establishment of the Lebanon Syrian Crisis Trust Fund also was expected to contribute to the World Bank's corporate goals by supporting the poor in the areas of public education, primary healthcare, and host community support. The Bank program also expected to address the needs of vulnerable populations through the Emergency Social Protection and Implementation Support project (FY09).

5. Development Outcome

Overview of Achievement by Objective:¹⁰

Focus Area I: Strengthen Fiscal and Public Financial Management

7. The Bank's objectives in this area were to: have better informed fiscal policy decisions, improve transparency and control in public financial management, and enhance statistical capacity to carry out and analyze key surveys.

8. **Objective 1: Have better informed fiscal policy decisions.** There was good progress under this objective. A medium-term fiscal framework and a medium-term debt management strategy were developed and are being used for policy decisions. Moreover, a cash management unit was set up and is producing daily briefs for the Finance Minister. The unit is fully staffed and counts with the advice from international management consultants. (*Achieved*)

9. Bank support in the fiscal area was through the Emergency Fiscal Management Reform (EFMR) grant (FY09) and the Fiscal Management Reform II (FMR II) project (FY14), together with technical assistance provided through the Capital Inflows and Growth project (FY11). The EFMR was rated as *Moderately Satisfactory* by IEG after closing in FY14 and the last supervision report of the FMR II contained a *Moderately Satisfactory* rating.

10. **Objective 2: Improve transparency and control in public financial management.** The FY14 and FY15 budgets were prepared in accordance with GFS2001 standards, the budget preparation manual was revised, and outstanding commitments are now visible in the government IT system in conjunction with control protocols. The draft budgets for 2014 and 2015 were prepared using the GFS2001 classification. However, new accounting procedures and guidelines that were drafted have not been adopted. (*Mostly Achieved*)

11. The Bank supported the efforts through the EFMR (FY09) and the FMR II (FY14).

12. **Objective 3: Enhance capacity of the Central Statistics Administration (CSA) to carry out and analyze key surveys.** The CSA completed a household survey with Bank technical support as part of the National Poverty Targeting Program. All surveys are now being carried out according to

¹⁰ In line with the IEG/OPCS shared approach, this Review assesses program objectives against the results matrix in the CPS progress report document.



international methodologies and standards. However, the sustainability of this effort is in question as survey funding remains dependent on donor support. In addition, the government has not endorsed a Statistical Master Plan and there is no agreement on a statistical legal framework. (*Partially Achieved*)

13. The Bank supported the efforts through *technical assistance* for Household Budget Survey and Capacity Building to Implement the Statistical Master Plan (FY14).

14. Based on the rating of its objectives, IEG rates Focus Area I as *Moderately Satisfactory*. The program was successful in having better informed fiscal policy decisions, and improving the transparency and control in public financial management. Similarly, it enhanced the capacity of the CSA to carry out and analyze surveys, although the sustainability of this effort is in question because it still depends on donor funding.

Focus Area II: Improve Competitiveness

15. The Bank's objectives in this area were to improve the business environment, access to finance among SMEs and women entrepreneurs, and private sector access to trade financing.

16. **Objective 4: Improve the business environment.** The indicators for this objective were to: reduce the days to comply with business regulations and to settle a commercial dispute case, and to draft a Law on Secured Transactions. The target on business regulations was not met. The CLR reports that a strategy for the modernization of the commercial registry and an inter-operability framework for the Lebanese administration was developed and approved by stakeholders. Only one commercial dispute case was resolved through mediation, against a target of ninety. The draft Law on Secured Transactions—prepared with IFC's support—was completed but is pending submission to Parliament.

17. IFC undertook four advisory services projects, which were unable to deliver the desired outcomes as accurately depicted in the CLR. In addition to the delays on the secured transactions law, the market response to mediation services has been very limited and various project level outcomes on business debt resolution and exit—such as finalization of the bankruptcy draft law—were not delivered. On a positive note, the Banque du Liban—with IFC's support—prepared a circular to facilitate resolution of past due bank loans that was published in October 2015. Yet, only one decree by the Ministry of Tourism has been approved by the cabinet, and it still takes 557 days—more than one tourist season—to get a license in the tourism sector, against a target of 337 days under the program. (*Not Achieved*)

18. The WBG supported through the FSAP module on Capital Markets and Insurance Investment Reform (FY14) and IFC advisory services on regulatory aspects of capital market development.

19. **Objective 5: Improve the access to finance among SMEs and women entrepreneurs.** The indicators referred to increased sustainable energy finance by the Bank Libano Francaise, improved lending to women-owned businesses, and support to AMEEN microfinance institutions to scale up microfinance lending. All indicators were achieved.¹¹

20. IFC completed an advisory services project with BLC Bank, which made nearly 5,000 loans to SMEs, of which 832 were to women. Other IFC financial sector investments—such as that in Fransabank—also resulted in SME lending. Lending for Sustainable Energy Finance (SEF), however, required specific arrangements not found in the regular IFC financial sector investments. Moreover, two planned IFC investments supporting SEF have either not been approved (Fransabank) or not appraised

¹¹ The Bank Libano Francaise (BLF) increased Sustainable Energy Finance (SEF) to three target clients, exceeding the targets for each by 10 to 20 percent. As of June 2014, the CLR reports 4996 SME loans disbursed cumulatively, of which 16.6% to women entrepreneurs, against a target of 1525 SME loans disbursed annually, of which 20% will be for women. AMEEN microfinance institutions were assisted to scale up micro-finance lending by US\$21.1 million by end 2013 (US\$5.6 million to women), against a target of US\$15.5 million in 2012. Check the font.



(Banque Libano-Francaise) as noted in the CLR. A US\$1.5 million loan for climate change to a leasing company was disbursed in November, 2014, rather late to have an impact during the CPS period. A US\$2 million loan to a microfinance institution was disbursed in the penultimate month of the review period, which is likely to have contributed little to the US\$18m microfinance loan volume indicated in the CLR for the whole period. On the whole though, Objective 5 was *Achieved* (see paragraph 19 and footnote 7).

21. The WBG supported through the Supporting Innovation in SMEs project (FY14) whose latest supervision report has a rating of *Moderately Unsatisfactory*, and technical assistance on Challenges of Informality for Women (FY12) and Development of SMEs and Women SMEs (FY12). Moreover, IFC had several investments and advisory services, as explained.

22. **Objective 6: Improve private sector access to trade financing.** The indicator, which was achieved with significant margin, targeted a 10 percent increase in trade finance from banks to the private sector under the Global Trade Finance Program from IFC.

23. IFC utilized trade finance guarantees and extended the number of partner financial intermediaries from four at the beginning of the CPS to eight at the end. The CLR indicated “cumulative guarantees” that are likely to overstate WBG support because the guarantees operate as a revolving fund. Nevertheless, using more accurate measures, both the commitment amount that went up by 50 percent and the outstanding balance that went up by 300 percent exceeded the 10 percent target under the CPS. (*Achieved*)

24. **Objective 7: Improve the capacity to develop a strategy for, and regulate, the Telecommunications sector.** There was a technical assessment of options for sector reform—but this fell well short of a strategy for the sector. The regulator for the telecommunications sector was strengthened through a streamlining of its operations and the preparation of additional regulatory instruments. (*Partially Achieved*)

25. Bank support was provided through technical assistance on broadband policy (FY11) and strategy (FY12), and supplemented by an IDF grant for regulatory capacity building (FY11).

26. In Focus area II, the access to finance objectives were achieved, but the important objectives on improving the business environment and adopting a telecommunications sector strategy were short of the targets. Therefore, IEG rates this area as *Moderately Unsatisfactory*.

Focus Area III: Improve Economic Infrastructure

27. The Bank’s objectives in this area were to strengthen significant areas of infrastructure and controls in electricity, telecommunications, water, and transportation.

28. **Objective 8: Improve capacity to implement the government’s electricity sector reform strategy.** The indicators for this objective were to develop a roadmap for restructuring and corporatization in accordance to commercial principles of the electricity company, implement a sector program in electricity based on sufficient budget allocation and commencement of procurement of 50 percent of the program projects, and finalize the decision to proceed with development of alternate fuel supply (natural gas). Although plans were prepared, implementation of the electricity sector program started, and a preferred bidder for alternate fuel supply proposed to the Council of Ministers, most of the initiatives stalled before any tangible results were obtained.

29. IFC committed US\$8 million in financing to a utility service but subsequently cancelled the financing when other foreign investors came forward. MIGA—cooperating closely with IFC—provided



US\$35½ million in coverage to foreign investors in the subsidiary of the utility service,¹² its first transaction in Lebanon. (*Not Achieved*)

30. The Bank Group supported with electricity sector TA, a sectoral policy paper, and a MIGA guarantee.

31. **Objective 9: Increase access to and reliability of potable water supply in targeted project area.** The indicators for this objective were to: significantly increase the number of households connected legally to the improved water supply network in the West Beka'a and neighboring regions,¹³ meet World Health Organization standards for water quality in the West Beka'a, increase significantly per capita/day water delivery, increase the volume of wastewater collected and treated, and finalize and have approved by Parliament a National Water Sector Strategy. All indicators were met, except for the number of households connected to the water network in the West Beka'a and Ba'albeck regions, where the baseline was miscalculated under the Bank water project and the objective was not met.¹⁴ However, this indicator was arguably the most important one for the objective. Moreover, the water sector continues to be challenged by significant delays in the implementation of critical reforms, including those related to cost recovery, utility strengthening, and weak private participation. (*Partially Achieved*)

32. The Bank supported this objective with the Greater Beirut Water Supply project (FY11) whose latest supervision report rates as *Moderately Satisfactory*, the West Beka'a Emergency Water Supply lending TA project rated *Unsatisfactory* by IEG, the Ba'albeck Water and Wastewater project (FY02) rated as *Unsatisfactory* by IEG, and technical assistance in the form of the Water Sector Strategy (FY12). Despite the poor performance of projects underpinning this objective a number of indicators for the objective were achieved, suggesting that the CPS indicators did not reflect well the intended breadth of the projects.

33. **Objective 10: Improve efficiency of existing urban transport infrastructure and traffic management in Beirut city and Greater Beirut area.** The indicators were to increase the number of regulated parking spaces in Beirut, increase the number of intersections with traffic lights, develop an integrated urban transport strategy for the greater Beirut Area, increase the average speed on major traffic corridors, increase the average daily revenue per park-meter installed under the project (LBP), and operationalize a Traffic Management Center using intelligent transportation system technologies to monitor and control traffic operations. The traffic management center and average speed indicators were achieved, and on the others there was substantial progress. (*Mostly Achieved*)

34. The Bank supported the objective through the Urban Transport Development project (FY2002, and recently closed) whose latest supervision rating was *Moderately Satisfactory*, and two pieces of AAA on a public sector strategy and on mass transit options for the Beirut-Tabarja corridor.

35. **Objective 11: Improve environmental management.** Indicators on an Environmental Impact Assessment Law, on operationalization of an environmental compliance certification system, and on the reduction of greenhouse gas emissions were all met according to the CLR. (*Achieved*)

36. The Bank supported this objective through technical assistance on pollution abatement and reforestation, and a Country Environmental Analysis (FY11), supplemented by a number of trust-funded activities, notably on capacity for environmental compliance (FY14), and IFC advisory services from IFC.

¹² Butec—IFC investee—created a utility service firm to work with the government utilities that had a subsidiary which could accept foreign investments.

¹³ From 13,589 in 2007 to 47,705 in 2013.

¹⁴ The CLR reports that 9,905 households were connected to improve water supply.



37. **Objective 12: Restore basic services, and support local economic recovery and development.** Indicators referred to rebuilding infrastructure and a significant increase in the number of beneficiaries to 5 historic city centers. The infrastructure was mostly rebuilt, and the number of beneficiaries fell somewhat short of the CPS target. (*Mostly Achieved*)

38. The Bank supported the objective through the First Municipal Infrastructure project (closed in FY12) which was rated as *Satisfactory* by IEG, the Cultural Heritage and Urban Development project (FY03), whose latest supervision report rates as *Moderately Satisfactory*, and its additional financing, as well as technical assistance on tourism (FY11).

39. IEG rates Focus Area III as *Moderately Satisfactory*. Significant progress was made on environmental issues and transportation, and rebuilding local infrastructure and development, but progress was disappointing on electricity and water.

Focus Area IV: Enhance Human Capital Development and Social Protection

40. The Bank's objectives in this area were to strengthen decision making at the Ministry of Education and improve the provision of social services.

41. **Objective 13: Increase the availability of education data for decision making in the Ministry of Education.** The number of Ministry units able to access education data for decision making increased from 0 to 4 as of June 2014 (against a target of 5 in the CPS), but the CLR is unclear if these data are used to make decisions related to the transfer of teachers in all cycles. In addition, a number of initiatives—including for improving early childhood education—have largely stalled owing to a lack of appetite for policy reform both within the Education Ministry and nation-wide. (*Partially Achieved*)

42. The Bank supported this objective through the Education Development II (FY12) project whose latest supervision report rates it as *Moderately Unsatisfactory*, technical assistance on Higher education (FY13) and other related TA on university governance and measuring financial literacy (FY14). A Public Expenditure Review has been started.

43. **Objective 14: Improve administration, delivery, financial sustainability, and targeting of social services.** The indicators referred to increasing the percentage of hospital admissions according to the Admission Criteria Standards by medical controllers, number of youth completing life skills and placement training, and number of people registered in the national Poverty Targeting Program database. While the targets on hospital admissions following established standards¹⁵ and registration in the poverty database were met,¹⁶ progress under the youth training initiative fell short of expectations under the CPS.¹⁷ (*Mostly Achieved*)

44. The Bank supported this objective through the Emergency Social Protection Implementation Support II project (FY09) and Labor Markets and migration TA (FY12).

45. IEG rates the outcome of EBG support under Focus Area IV as *Moderately Unsatisfactory*. Some aspects of social service delivery were improved, but it is unclear that decision making at the Ministry of Education has improved significantly through the use of newly available data.

¹⁵ By August 2014 the relevant project reached 83%, exceeding the program target of 70%.

¹⁶ 376,000 individuals against a target of 90,000.

¹⁷ The target of 650 youths trained, of which 50% women (2014), was not met -- with Bank support the youth training program will be piloted in its first 2 years through the New Entrants to Work program, to be launched as soon as the cabinet of ministers approves the decree of the original ESPISP II (FY09) grant agreement.



Overall Assessment and Rating

46. IEG rates the overall development outcome as *Moderately Satisfactory*. Eight out of fourteen objectives were rated as *Achieved* or *Mostly Achieved*, and the other six were rated *Partially Achieved* or *Not Achieved*. The program was quite ambitious at the outset of the CPS, even contemplating the possibility of expanding to a second tier of enhanced financing with substantial development policy lending. Adverse political and regional (Syria) developments compounded significant existing implementation problems in a number of areas, and put the Bank program on the defensive at progress report stage, when the initial program ambition had to be scaled back. Focus area I showed success by having better information for fiscal policy decision and enhanced transparency and control in public financial management. Access to finance by SMEs and women-entrepreneurs, and private sector access to trade finance also showed positive developments. Moreover, the functioning of the urban transport system was improved as was the delivery of social services. But there were areas of the program that faced significant resistance to reform, especially as the socio-political environment became more complicated. These referred to initiatives to improve the business environment, reform the electricity, water, and telecommunication sectors, enhance education, or improve the statistical system. In all these areas implementation fell well short of Bank program targets, and in some of the areas reforms have been stalled for a number of years.

Objectives	CLR Rating	IEG Rating
Focus Area I: Strengthen Fiscal and Public Financial Management	<i>Mostly Achieved</i>	<i>Moderately Satisfactory</i>
<i>Objective 1</i>	<i>Achieved</i>	<i>Achieved</i>
<i>Objective 2</i>	<i>Mostly Achieved</i>	<i>Mostly Achieved</i>
<i>Objective 3</i>	<i>Partially Achieved</i>	<i>Partially Achieved</i>
Focus Area II: Improve Competitiveness	<i>Mostly Achieved</i>	<i>Moderately Unsatisfactory</i>
<i>Objective 4</i>	<i>Partially Achieved</i>	<i>Not Achieved</i>
<i>Objective 5</i>	<i>Achieved</i>	<i>Achieved</i>
<i>Objective 6</i>	<i>Achieved</i>	<i>Achieved</i>
<i>Objective 7</i>	<i>Partially Achieved</i>	<i>Partially Achieved</i>
Focus Area III: Improve Economic Infrastructure	<i>Mostly Achieved</i>	<i>Moderately Satisfactory</i>
<i>Objective 8</i>	<i>Partially Achieved</i>	<i>Not Achieved</i>
<i>Objective 9</i>	<i>Partially Achieved</i>	<i>Partially Achieved</i>
<i>Objective 10</i>	<i>Mostly Achieved</i>	<i>Mostly Achieved</i>
<i>Objective 11</i>	<i>Achieved</i>	<i>Achieved</i>
<i>Objective 12</i>	<i>Mostly Achieved</i>	<i>Mostly Achieved</i>
Focus Area IV: Enhance Human Capital Development and Social Protection	<i>Partially Achieved</i>	<i>Moderately Unsatisfactory</i>
<i>Objective 13</i>	<i>Partially Achieved</i>	<i>Partially Achieved</i>
<i>Objective 14</i>	<i>Partially Achieved</i>	<i>Mostly Achieved</i>



6. WBG Performance

Lending and Investments

47. At the start of the CPS period, IBRD had three ongoing operations totaling \$210 million. The portfolio included investment operations in water, transport, and cultural heritage. Ten trust funded activities for \$67 million provided complementary financing for fiscal management, post-conflict emergency, governance, municipal infrastructure, and environmental legislation.

48. During the CPS period, IBRD approved commitments totaling \$828 million for nine operations, including follow up of activities started before the CPS period. These commitments were much higher than the about \$500 million envisaged under the CPS progress report,¹⁸ and reflected the augmentation of financing by about US\$350 million compared to plan for a water project (see paragraph 49). The new projects were spread over education, water, cultural heritage, innovation by SMEs, social protection, internet ecosystem, financial management reform, and environmental pollution. In addition ten trust funded activities for US\$72.5 million¹⁹ supported Bank projects for state and peace building, youth, institutional development, environment, and the effects of the Syria crisis.

49. The planned Bank program of about US\$500 million was adjusted and its financing augmented significantly to respond to new developments, including external shocks and the regional crisis caused by events in Syria. The most significant change was on the financing side, where the Water Augmentation project's (FY15) committed financing was increased from US\$125 million to US\$474 million, to include funding for land expropriation under the project, and mitigate the Bank's inability to co-finance activities with the Islamic Development Bank. Moreover two operations were cancelled,²⁰ and several planned projects under the CPS were dropped reflecting the difficulties of program implementation, particularly after FY12.

50. For the period FY11-15 IBRD committed resources were disbursed at a much slower rate than for the MNA region and the Bank. The average disbursement ratio for Lebanon's investment operations during the CPS period was 10 percent, as compared to 18.3 percent and 21.3 percent for the MNA region and Bank-wide, respectively. The slow disbursements starting in FY12 reflected the long time it took for effectiveness of new projects, owing to the long delays for Cabinet approval and parliamentary ratification. The trend shows that projects took an average of two years to become effective. This problem was compounded by poor quality at entry issues, including delays in counterpart funding, non-compliance with legal covenants, procurement, and project management and financial management issues. In addition to the regular investment operations, there were a number of projects processed under the Bank's emergency procedures, which are envisaged to have streamlined preparation time and faster disbursements. Yet, these projects appear to have encountered similar problems to other projects, partly owing to the government's approval procedures, and also reflecting the use of emergency operations to address long-standing reforms that have been resisted by the government, for example in the power and water sectors (see projects rated *Unsatisfactory* by IEG in Annex Table 5).

51. The Lebanon portfolio showed significantly higher risk of not achieving its objectives than the MNA Region and Bank wide portfolios. During FY11-15, the Lebanon portfolio had 59 percent of the projects at risk compared to 31 percent for the MNA Region and 20 percent Bank-wide. On a commitment basis the Lebanon portfolio showed 43 percent of the commitments at risk compared to 19 percent for the MNA region and Bank-wide. The high risk of the portfolio reflects in part the widespread delayed effectiveness of projects.

¹⁸ Originally, the FY10 CPS envisaged an indicative lending envelope of US\$375-550 million for FY11-14, with the higher end of the range depending on implementation of the second tier of the program based on policy-lending. Despite not implementing the second tier of the program, the progress report showed a program for FY11-14 of about US\$500 million.

¹⁹ Includes activities approved in FY15.

²⁰ The Social Promotion and Protection project (P124761), and the Mobile Internet Ecosystem project (P131202).



52. IEG reviewed the ICRs of five projects that closed during the FY11-present period and rated three as unsatisfactory, one moderately satisfactory, and one satisfactory. With respect to active projects, management assessments report that the majority of projects were making unsatisfactory progress towards achieving their development objectives.

53. Eleven IFC investment projects amounting to US\$343.2 million of net commitment were active at the inception of the review period and continued during the CPS. More than 90 percent of the investments by amount were in the financial sector, including those providing trade finance guarantees. During the review period IFC committed another US\$167.0 million through eleven new investments, almost all going to the financial sector. All 22 investments that were active during the review period were implemented as planned, except for two non-financial sector investments. IEG has reviewed four investments, including one that has closed, and rated three of them Mostly Successful or better.

54. MIGA provided coverage for US\$35.5 million that supported an investment for services in the electricity sector.

Analytic and Advisory Activities and Services

55. A program of analytic work and advisory activities and services including four Economic and Sector Works (ESWs) and 17 Technical Assistance (TA) tasks was delivered during the FY11-FY14 period. Most of the support was in the areas of telecommunications, trade, public financial management, environment, social services, social protection, water, education, health and energy. The advisory work included an assessment of the economic and social impact of the Syrian crisis that provided the basis for the government defining needs and priorities for the assistance it sought from the international community.

56. At CPS inception, IFC had one advisory service (AS) project for about US\$600,000 that was implemented during the review period. In the period, IFC approved six new AS projects amounting to over US\$4.1 million of total funds. One AS was terminated during implementation, three have closed, and three are active. Of the three closed projects, one had its outcomes rated “not yet achieved” at completion, one rated Mostly Successful, and the other rated Mostly Unsuccessful for Development Effectiveness. Owing to various delays encountered during implementation, the three active projects possibly would need follow-up projects to attain their objectives.

Results Framework

57. The results framework reflected the country’s development goals, issues and obstacles, outcomes to which WBG expected to contribute, intermediate indicators or milestones, and WBG instruments. While indicators generally reflected the targeted outcomes, in most instances indicators did so indirectly, referring to processes and outputs of projects. Indicators were fairly narrow in scope compared to the scale of the objective they were trying to measure. The quantification of the results framework in the original CPS was generally weak as in a number of cases contained no baselines or target year. At the progress report stage eight out of twelve objectives were revised to reflect the slow pace of progress in some areas compared to the original ambition of the Bank program, and correspondingly most CPS indicators were revised to reflect more realistic targets in light of the slow progress.²¹ New indicators were introduced to replace those unlikely to be achieved, and some targets were revised downwards. But others had no metrics at the end of the CPS. Some indicators were difficult to monitor because Lebanon did not have the capacity to provide the data, suggesting that more capacity building earlier in the program would have benefited the CPS. In addition, a more realistic assessment of preparation time and readiness for implementation when the CPS was designed would have helped set achievable target values for some of the indicators. As a result of the program

²¹ The revised results framework at the CPSPR is used to assess the program in both the CLR and the CLR review. Some indicators, for example for objective #10 on improved efficiency of transport infrastructure, were introduced at the CLR, and not part of the CPS or CPS progress report.



revisions, there was a significant lowering of the bar for the program reflecting the slower project implementation compared to the original CPS, a new socio-political situation in the country, and the evidently reduced appetite for reform in a number of areas of the program. The scale up to country level outcomes of Bank interventions was not explicitly discussed in the program documents, and causal chains were not explicitly discussed in the text when referring to the results framework

Partnerships and Development Partner Coordination

58. Several multi- and bi-lateral development partners co-financed and collaborated with the Bank Group in the areas of water, energy, cultural heritage and urban development, urban transport, and social protection, which is reflected in the multiple trust-funded activities in annex table 4. In addition, the Bank-led Economic and Social Impact Assessment (ESIA) of the Syrian Conflict benefited from the primary participation of the UN, the EU, and the IMF, with numerous other donors also contributing. Following the ESIA and resulting Roadmap of Priority Interventions the Bank set up a multi-donor trust fund to help mitigate the impact of the Syrian crisis, and continues to work closely with the UN and other partners to build and strengthen parallel humanitarian and development initiatives. Indeed, the Bank leveraged donor funds to the Lebanon Syrian Crisis Trust Fund (main donors Norway, Finland, France, Netherlands, Sweden, Switzerland, UK Department for International Development, and the Bank's State and Peace Building Fund) and engaged partners on a broad range of Bank activities.

Safeguards and Fiduciary Issues

59. The CLR reports safeguards triggered by the Cultural Heritage and Urban Development project (FY03) owing to the resettlement of habitants and market vendors from some of the project locations. Actions plans for resettlement were prepared for both groups, but so far implemented only for the habitants. Among projects closed and evaluated by IEG during the review period, compliance with environment and social safeguards was generally satisfactory. The Beka'a Emergency Water Supply project (FY10) triggered an environmental assessment but the ICR did not report on implementation of the resulting plan. The Inspection Panel registered a case related to the Greater Beirut Water Supply project (FY11), and concluded that the Bank had complied with its operational policies and procedures with respect to the allegations contained in the request for inspection.

60. The CLR refers to procurement issues related to the government's lengthy, centralized and bureaucratic administrative procedures that overburdened procurement processing and contract management, resulting in implementation delays.

Ownership and Flexibility

61. The practical manifestation in slow program implementation, suggests weak ownership of the Bank program that deteriorated overtime, especially after FY12 as reform in some areas directly stalled. The CLR reports that as program implementation progressed, some officials whose input would have been valuable did not engage with the Bank. In addition, efforts by officials and agencies involved in program reforms were sometimes held hostage by political bargains unrelated to the reforms, or obstructed by changes in the cabinet and paralysis in decision-making at the high levels of government. The combination of all these difficulties resulted in substantial delays in the implementation of the Bank program. The Bank responded well to regional developments and domestic political complications, and at progress report stage shifted the emphasis of the program primarily to mitigate the impact of the Syrian conflict on poor Lebanese households, while addressing the short-term economic impact on Lebanon, and continuing to support infrastructure investments and institutional reforms where there was a *modicum* of government commitment. The Bank developed a roadmap to respond to the crisis and, at government request, put together a financing mechanism to foster an orderly, reliable, and flexible flow of funds to finance priority interventions.



WBG Internal Cooperation

62. Bank cooperation with IFC was adequate, and the team reports generally good communication and coordination between the two institutions. An instance of cooperation was the energy sector, where Bank knowledge services and investment operations complemented IFC advisory and investment projects, as well as a MIGA guarantee. In designing the Innovation for SMEs project, Bank and IFC staff cooperated effectively, and promoted the funding of private firms that would eventually build a pipeline for future IFC investments. The overall cooperation though was not reflected in specific objectives of the results framework. IFC's advisory services program with the government did not meet expectations, suggesting that IFC may be better off working with the private sector to the extent that it finds adequate private sector partners.

63. Cooperation between the IFC and MIGA was most evident in the financing of a services company in the electricity sector.

Risk Identification and Mitigation

64. The CPS emphasized risks related to sectarian interests obstructing program implementation, Lebanon's dependence on foreign capital inflows, systemic corruption and weak governance, the fragile political and tense regional security environments. Most of these risks were difficult for the Bank to mitigate—except for continuing with analytical and advisory activities to build capacity and consensus for future reforms. The Bank reacted well and promptly to the Syrian crisis by bringing together various international actors in support of the humanitarian and development crisis, and created a multi-donor trust fund to channel funds appropriately and flexibly to respond to changing domestic needs. Another program risk—the effects of frequent changes in the cabinet and paralysis in decision-making at the high levels of government—has been more difficult to mitigate and has affected seriously program implementation.

Overall Assessment and Rating

65. IEG assesses Bank performance on the basis of (a) program design; (b) implementation of the program; and (c) response to the Syrian crisis.

- The Bank adopted a two-tiered approach, with the first tier building on the existing portfolio, and the second tier dependent on the government articulating a well thought out policy reform agenda addressing growth, fiscal space, and social inclusion. The second tier never took place because the government was not able to articulate policies that could be supported by policy-based lending. The Bank's program, however, was expanded during the CPS, was expanded during the CPS under the Water Augmentation project (FY15). The weak selectivity under the program was compounded by a changing environment where implementation became quite uncertain owing to a political economy that made difficult to foresee where reforms were likely to take place. One of the lessons drawn by the progress report based on program performance until end-2012 was the need for more selectivity in the Bank Group engagement, with lending and analytical work deployed more strategically, targeting areas where there were some prospects for reform. A key problem of design was that a program of remarkable ambition was supported by modest, and sometimes inadequate, Bank inputs. As noted by the IEG's review of the Emergency Power Sector Reform Capacity Reinforcement (FY07), in the electricity sector the Bank expected to bring about a significant restructuring of *Electricite du Leban* primarily with a small grant, which was unrealistic and diluted the effectiveness of resources spent. In addition, the cancelled operations suggest that the Bank may have chosen inadequate instruments in some other instances (innovation and entrepreneurship). Lending interventions can be less flexible and more difficult for internal approval in Lebanon than grants from trust funds or reimbursable services. Therefore, the type of product in future engagement will need to be examined carefully and justified, to limit the risk of disruption and challenges to delivery during implementation.



- Some lending projects suffered problems owing to poor sequencing, an issue both of design and implementation. In addition, despite targets that quickly became unattainable or interventions that were too complex in light of local implementation capacity, the Bank remained over-optimistic for too long about what could be accomplished under a number of interventions. Therefore, when projects were restructured, it was a case of too little, too late to bring the Bank program back on track. There were some exceptions, where the Bank responded with flexibility as problems arose, which was reflected for example in the restructuring of some projects to address the effects of the Syrian crisis and cooperating with other development partners to address such crisis. Yet, a number of projects processed under the Bank's emergency procedures, which are envisaged to have streamlined preparation time and faster disbursements, appear to have encountered similar problems to other projects, partly owing to the government's approval procedures. In comments to a preliminary version of this review, the Bank team made the point that emergency projects were prepared with flexible design to allow scalability to address longer term reforms when progress was made in their implementation and reasonable institutional capacity was developed. While IEG recognizes that this is a reasonable approach, quality at entry was a problem in all the projects that were rated *Unsatisfactory or Moderately Unsatisfactory*, with poorly articulated objective and outcome indicators, and risks that were not addressed with the specificity needed for a post-conflict Lebanon. Streamlined preparation procedures and fast disbursements risk inadequate preparatory groundwork for issues that have been unresolved for many years, and this risk needs to be mitigated. In light of limited time for preparation, emergency operations require additional attention and review steps during implementation, for example, of M&E and risk mitigation. IFC played a positive role in partnering with financial sector institutions, but its advisory services program with the government fell short of expectations. This suggests that IFC may be better off working with the private sector to the extent that it finds adequate partners.
- Overall, the Bank attempted to balance the need to address the issues arising from the Syrian refugee influx, with the requirement to continue supporting medium-term reforms that foster job-creating growth. In response to the *Syrian crisis*, the Bank supported the government by preparing the Roadmap of Priority Interventions for Stabilization from the Syrian Conflict.²² This was presented to the Permanent Members of the UN Security Council in September 2013, and positioned the Bank as one of the leaders in the international response to the Syrian crisis. Moreover, the Bank established in December 2013 the Lebanon Syrian Crisis Trust Fund—a Bank-administered multi-donor trust fund to fund initiatives arising from the roadmap. Bilateral contributions to the fund have amounted to US\$75 million to date. Through this mechanism the Bank helped prepare emergency programs to address urgent community priorities in select municipal services, support the stabilization of the public education sector in the face of a continued influx of refugees, and provide primary health care coverage to poor Lebanese affected by the Syrian influx.

66. Taking all these elements into account, IEG rates Bank performance as *Fair*.

7. Assessment of CLR Completion Report

67. The CLR was candid and well done. Its presentation was consistent with the CPS progress report objectives and results framework; it contained adequate evidence and analysis of implementation of the Bank Group program, including IFC interventions; and presented a good discussion of how the WBG dealt with fiduciary and safeguard issues. The lessons section is well thought out and surely those lessons will pay off if applied to the upcoming CPF. An area where the CLR could have done better is in the discussion of how AAA contributed to the program. The CLR discusses the areas of AAA but does not provide analysis or evidence of the contributions of AAA to

²² Prepared as part of the Lebanon Economic and Social Impact Assessment (FY14)—see annex table 3.



the various areas of the program in which it was used. The CLR's assessment of the Bank's response to the challenges posed by the Syrian crisis is also thin.

8. Findings and Lessons

68. IEG agrees with the lessons in the CLR, primarily about flexibility, adaptation and simplicity of design, improving project implementation, political economy, government ownership, and lessons from emergency projects.

69. Lebanon is a case of perennial Bank portfolio performance problems reflecting a mix of Bank over-optimism about what is feasible, and country structures that are not conducive to proper, sustained ownership of a Bank program. Country structures are unlikely to change overnight. The Bank, however, can learn some lessons from the recent experience. One lesson is that to increase the chances of success in this country context, projects need to be simple in scope and allowed for flexibility in implementation. Another lesson is that the absence of verifiable indicators, with clear baselines and targets, make particularly difficult measuring progress, identifying and removing bottlenecks, and taking mid-course corrective measures.

70. Moreover, using scaled-up emergency lending interventions to address long-standing reforms risks unsatisfactory outcomes owing to poor quality at entry, which has been an issue in several Lebanon projects. The Bank will need to re-double efforts on projects' quality at entry—both for emergency and non-emergency operations—to minimize the risk of poor outcomes. In addition, in light of limited time for preparation, emergency operations require additional attention and review steps during implementation, for example, of M&E and risk mitigation.

71. Results from lending interventions were poor on average, whereas grant funding and TA activities appear to have worked better in that they were actually implemented over a reasonable period of time. The Bank thus might consider focusing more on such activities in future—particularly in response to the refugee situation and problems caused by the influx of refugees—while being very selective and modest in expectations regarding lending. Such an approach could be executed in a phased manner, with the Bank going ahead where there are chances for successful lending interventions, but being faster than under the FY11-14 CPS to cut or restructure a lending project if the government cannot move to effectiveness fairly quickly. In reform areas that turn out to not be ready for lending right away, advisory services and analytics, and grants, including through partnering with others, can pave the way for future lending by enhancing readiness.



Annex Table 1: Summary of Achievements of CPS Objectives

Annex Table 2: Lebanon Planned and Actual Lending, FY11-15

Annex Table 3: Grants and Trust Funds Active in FY11-FY15 for Lebanon

Annex Table 4: Analytical and Advisory Work for Lebanon, FY11 - FY15

Annex Table 5: IEG Project Ratings for Lebanon, FY11-FY15

Annex Table 6: IEG Project Ratings for Lebanon, FY11-15

Annex Table 7: Portfolio Status for Lebanon and Comparators, FY11-15

Annex Table 8: Disbursement Ratio for the Lebanon, FY11-14

Annex Table 9: Net Disbursement and Charges for Lebanon, FY11-14

Annex Table 10: List of IFC Investments in Lebanon

Annex Table 11: List of IFC Advisory Services for Lebanon

Annex Table 12: IFC Net Commitment Activity for Lebanon

Annex Table 13: Total Net Disbursements of Official Development Assistance and Official Aid for Lebanon

Annex Table 14: Economic and Social Indicators for Lebanon, 2011 – 2015

Annex Table 1: Summary of Achievements of CPS Objectives

	CPS FY11-FY15 / Focus Area 1: Strengthened Fiscal and Public Financial Management	Actual Results (as of current month/year)	Comments
Major Outcome Measures	Area: Fiscal Space		
	1. CPS Objective: Better informed fiscal policy decisions (Achieved)		
	Indicator: Macro Fiscal Framework adopted Baseline: No (2010) Target: Yes (2014)	A medium term fiscal framework (MTBF) was developed (and is being updated) and a new MTBF is in the process of being prepared. In addition, a macro-fiscal department within the Budget Directorate at the Ministry of Finance (MoF) was established in March 2012 and work is ongoing.	Source: CLR The CPS objective and indicators were revised at the CPSPR stage.
	Indicator: A medium-term debt management strategy developed Baseline: No (2014) Target: Yes (2014)	A medium term debt strategy was developed (in 2013 and updated in 2014) and was officially endorsed by the Minister of Finance and the Central Bank in May of 2014. In addition, a High Debt Committee (HDC) has been established, as well as a Public Debt Directorate at MoF.	<u>Lending</u> Lebanon Fiscal Management Reform 2 (P133226) (FY14) (LIR: MU). <u>Trust Funds</u> Lebanon Emergency Fiscal Management Reform Implementation Grant (P111602) (FY09).
	Indicator: Regularity of cash monitoring and reporting Baseline: Intermittent reporting Target: Daily with increased scope	A Cash management Unit has been set up and is producing daily cash briefs for the Minister. The scope and utility of these reports are expected increase as a result of recently hired local and international cash management consultants.	<u>ASA</u> The Impact of Foreign Inflows on Growth in Lebanon (P122896) (FY11).
	Area: Public Financial Management		
	2. CPS Objective: Improved transparency and control environment in public financial management (Mostly Achieved)		
Indicator: Revision of the budget classification approved to bring it in line with GFS 2001 norms and increase transparency Baseline: No (2010) Target: Yes (2014)	FY 2014 and 2015 budgets were prepared in accordance with GFS 2001 standards. Budget preparation manual has been revised.	Source: CLR and Lebanon Team. The CPS objective and indicator were revised at the CPSPR stage. <u>Lending</u> Lebanon Fiscal Management Reform 2 (P133226) (FY14) (LIR: MU).	

	CPS FY11-FY15 / Focus Area 1: Strengthened Fiscal and Public Financial Management	Actual Results (as of current month/year)	Comments
	<p>Indicator: Adoption of accounting procedures and guidelines</p> <p>Baseline: No (2010)</p> <p>Target: Yes (2014)</p>	<p>Accounting Procedures and guidelines have been drafted in a new accounting manual, which has not been formally adopted.</p>	<p><u>Trust Funds</u> Lebanon Emergency Fiscal Management Reform Implementation Grant (P111602) (FY09).</p>
	<p>Indicator: Introduction of commitment numbers and controls</p> <p>Baseline: No (2010)</p> <p>Target: Yes (2014)</p>	<p>Commitment numbers and controls were introduced, improving cash planning and management, and increasing transparency in the budgeting and payment process. This was achieved as part of the Lebanon Emergency Fiscal Management Implementation Support Project (EFMIS), which was active until later in 2013. A review of outstanding commitments took place (supported by a prime ministerial circular), and details of outstanding commitments brought forward are now visible in the IT system facilitating the payment verification process. Local Accounting Office ledgers are now annually unified with the central Accounting and Cashier Office into one ledger, and liabilities and deposits are now electronically unified. Security and control protocols were put in place with user roles defined.</p>	
<p>Area: Statistical Capacity Building</p>			
<p>3. CPS Objective: Enhanced capacity of Central Administration of Statistics (CAS) to carry out and analyze key surveys (Partially Achieved)</p>			
	<p>Indicator: Household survey totally carried out by CAS according to international standards</p> <p>a</p> <p>Baseline: No (2010)</p> <p>Target: Yes (2014)</p>	<p>The Central Administration of Statistics (CAS) completed a household survey with technical support from the Bank for the purpose of the National Poverty Targeting Program. All surveys are now being carried-out according to international methodologies and standards.</p>	<p>Source: CLR</p> <p><u>ASA</u> Capacity Building to Implement the Statistical Master Plan (P127895) (FY14).</p> <p>The CLR reports that the WB provided technical assistance to the Central Administration for Statistics (CAS) for implementing household budget survey</p>

	CPS FY11-FY15 / Focus Area 1: Strengthened Fiscal and Public Financial Management	Actual Results (as of current month/year)	Comments
			(HBS). IEG could not identify the project ID number for this TA. <u>Trust Funds</u> The CLR reports that the WB provided capacity building to implement key steps for the Statistical Master Plan. The activity was financed by the Trust Fund for Statistical Capacity Building and approved in FY11. IEG could not identify the project ID number for this TA.
	CPS FY11-FY15 / Focus Area 2: Improved Competitiveness	Actual Results (as of current month/year)	Comments
	Area: Business Environment		
	4. CPS Objective: Improved business environment (Not Achieved)		
Major Outcome Measures	Indicator: Number of days to comply with business regulation Baseline: 587 (2011) Target: 337 (2014)	The CLR reports that during the CPS, delays and other challenges required the main IFC project supporting this objective to be restructured into two phases. Phase 1 focused on achieving consensus on reform strategy, and Phase 2 focused on implementation. Phase 1 was successful in building consensus around the strategy for the modernization of the commercial registry and an inter-operability framework for the Lebanese administration has been developed and approved by the different stakeholders. Phase 2 will be conducted during the new CPF cycle. Thus, no metrics available yet.	Source: CLR The CPS objective and indicator were revised at the CPSPR stage. <u>IFC – AS</u> Debt Resolution & Insolvency Licensing Reform Secured Lending Business Start Up & Commercial Registry
	Indicator: Days to settle a case Baseline: 721 in courts (2012) Target: 90 through mediation (2014)	Two mediation centers under the Tripoli Bar Association and the Chamber of Commerce of Beirut and Mount Lebanon were established, with 35 mediators trained and accredited. Alternative Dispute Resolution curricula were introduced in Master degrees of two business faculties. However, the project fell short of increasing number of commercial cases	<u>Trust Funds</u> <u>ASA</u> FSAP Development Module Lebanon (P144736) (FY14).

	CPS FY11-FY15 / Focus Area 2: Improved Competitiveness	Actual Results (as of current month/year)	Comments
		referred and settled through mediation due to the slow and difficult process to foster trust in new services such as mediation, especially in the absence of a legal framework. Therefore, through December 2014, only one mediation case was actually settled, which took 14 days.	Investment Environment Reform (P122897) (FY12)
	<p>Indicator: Law of Secured transactions drafted</p> <p>Baseline: No (2010)</p> <p>Target: Yes (2014)</p>	Draft law on Secured Lending was completed and is with the Office of Prime Minister (PMO) pending submission to Parliament.	
Area: Access to Finance for SMEs and Women Entrepreneurs			
5. CPS Objective: Improved access to finance among SMEs and Women Entrepreneurs (Achieved)			
	<p>Indicator: Increased Sustainable Energy Finance (SEF) for Bank Libano Francaise (BLF)</p> <p>Client 1 Baseline: 0</p> <p>Target: N/A</p> <p>Client 2 Baseline: 0</p> <p>Target: \$10 million of which \$2.8 million to SMEs</p> <p>Client 3 Baseline: 0</p> <p>Target: \$3 million</p>	<p><u>Client 1</u> As of end June 2014, the CLR reports that 24 projects for \$136.3 million were delivered and that a GHG reduction of 5572 tCO₂eq was achieved.</p> <p><u>Client 2</u> As of July 2014, the CLR reports that 10 corporate projects for \$12 million were delivered and that a GHG reduction of 1945 tCO₂eq was achieved.</p> <p><u>Client 3</u> As of December 2014, the CLR reports that 3 projects for \$2.76 million were delivered and a GHG reduction of 1033 tCO₂eq was achieved.</p>	<p>Source: CLR</p> <p><u>Lending</u> Supporting Innovation in SMEs Project (P127306) (FY13) (LIR: MU)</p> <p><u>ASA</u> Development of SMEs (P122956) (FY12) Challenges of informality for women (P121412) (FY12)</p> <p><u>IFC – Investment</u> SEF Microfinance Bank Audi</p> <p><u>IFC – AS</u> SEF</p>
	Indicator: Banks assisted to increase lending to women-owned businesses –	As of June 2014, the CLR reports 4996 SME loans disbursed cumulatively of which 16.6% to women entrepreneurs.	Women in Business (WIN) Risk Management

	CPS FY11-FY15 / Focus Area 2: Improved Competitiveness	Actual Results (as of current month/year)	Comments
	<p>Assist Banque Libanese pour le Commerce (BLC) to grow its SME portfolio with focus on loans to women entrepreneurs.</p> <p>Baseline: 1260 SMEs loans disbursed annually of which only 7% are for women entrepreneurs (2011).</p> <p>Target: 1525 SME loans disbursed annually, of which 20% will be for women (2014)</p> <p>Indicator: AMEEN microfinance institutions assisted to scale up micro finance lending</p> <p>Baseline: \$11,619,614 (2008)</p> <p>Target: \$15,410,000 (2012)</p>	<p>\$21.1 by end 2013 (\$5.6 million to women).</p>	<p>SME Banking Microfinance</p>
Area: Trade and Regional Integration			
6. CPS Objective: Improved access by private sector to trade financing (Achieved)			
	<p>Indicator: Trade finance volume under GTFP by banks to the private sector</p> <p>Baseline: \$92 million (2010)</p> <p>Target: At least 10% increase (2014)</p>	<p>Annual volume for FY14: \$464 million, a 500% increase. Number of banks participating in Global Trade Finance Program (GTFP) increased from 3 in 2010 to 8 by end 2014. FY11 & FY12 average volume of trade finance increased 232% over FY10. Cumulative Volume of GTFP from FY11 through FY14 \$1.5 billion.</p>	<p>Source: CLR</p> <p>The CPS objective and indicator were revised at the CPSPR stage.</p> <p><u>IFC – Investment</u> IFC Global Trade Finance Program</p>
Area: Telecommunications			
7. CPS Objective: Improved capacity to develop strategy for and regulate the Telecommunication sector (Partially Achieved)			
	<p>Indicator: A long term strategy for reform of the Telecommunications sector developed</p> <p>Baseline: No (2010)</p>	<p>Technical assessment of actions resulted in revisiting of options for sector reform. Potential for sector liberalization still open with a technical understanding of fiscal impact.</p>	<p>Source: CLR</p> <p>The CPS objective and indicators were revised at the CPSPR stage.</p>

	CPS FY11-FY15 / Focus Area 2: Improved Competitiveness	Actual Results (as of current month/year)	Comments
	<p>Target: Yes (2014)</p> <p>Indicator: TRA regulatory technical capacity improved as evidenced by adoption of new regulatory approval processes and new spectrum regulations</p> <p>Baseline: No (2010)</p> <p>Target: Yes (2014)</p>	<p>TRA has adopted new regulatory processes. The IDF grant to TRA is closed and the project is complete. All objectives under the Project have been satisfactorily completed. TRA has stream-lined its internal processes (Component 1); enhanced the transparency of its internal processes (Component 2); and prepared additional regulatory instruments to enhance its internal capacity (Component 3). Cutting across these components, a new MIS has been installed to support TRA and is operational, as contemplated by the Project.</p>	<p><u>ASA</u> Broadband Policy for ICT-Enabled Economic Growth (P118182) (FY11). Broadband Development (P123027) (FY12).</p> <p><u>Trust Funds</u> Telecommunications Regulatory Capacity Building (P116856) (FY10).</p>
	CPS FY11-FY15 / Focus Area 3: Improved Economic Infrastructure	Actual Results (as of current month/year)	Comments
	Area: Electricity		
	8. CPS Objective: Improved capacity to implement the Government's electricity sector reform strategy (Not Achieved)		
<u>Major Outcome Measures</u>	<p>Indicator: Roadmap for EdL (Lebanon Electric) Restructuring / Corporatization finalized and agreed</p> <p>Baseline: No (2010)</p> <p>Target: Yes (2014)</p>	<p>Corporatization plan prepared but broad Government consensus not yet achieved. Implementation pending. Although a Corporatization plan has been finalized, no agreement has been reached on this amongst interested stakeholders.</p>	<p>Source: CLR</p> <p>The CPS objective and indicator were revised at the CPSPR stage.</p> <p><u>Trust Fund</u> Emergency Power Sector Reform Capacity Reinforcement Project (P104774) (FY07).</p> <p><u>ASA</u> Sectoral Policy Paper</p> <p><u>MIGA</u> Butec Utility Services S.A.L. in Lebanon (P11576) (FY14)</p>
	<p>Indicator: Satisfactory implementation of Sector Program, as evidenced by (i) sufficient budget allocation; (ii) commencement of procurement of 50% of program projects</p> <p>Baseline: No (2010)</p> <p>Target: Yes (2014)</p>	<p>Significant progress had been made in the implementation of the 2010 Electricity Sector Policy Paper, but over the past 6-12 months this progress has now stalled. Contracts under execution have been suspended, and planned projects remain unfinanced. The cost of this suspension of progress on the implementation of the Government's Electricity Sector Program is significant and continues to mount.</p>	

	CPS FY11-FY15 / Focus Area 3: Improved Economic Infrastructure	Actual Results (as of current month/year)	Comments
	<p>Indicator: Final decision to proceed with development of alternate fuel supply (liquefied natural gas)</p> <p>Baseline: No (2010)</p> <p>Target: Yes (2014)</p>	<p>Preferred bidder to develop a floating storage regasification unit in Beddawi to import LNG and replace petroleum derivatives has been proposed to the Council of Ministers, however endorsement of this preferred bidder has not been given. This project has now effectively stalled, at significant ongoing cost to Lebanon due to foregone savings.</p>	
	Area: Water		
	9. CPS Objective: Increased Access to and reliability of potable water in targeted project area (Partially Achieved)		
	<p>Indicator: Number of households legally connected to the improved water supply network in the West Bek'aa and neighboring regions</p> <p><u>West Bek'aa</u> Baseline: 13,589 (2007)</p> <p>Target: 47,705 (2013)</p> <p><u>Ba'albeck</u> Baseline: 15,714 for water and 18,000 for wastewater (2001)</p> <p>Target: 73,640 for water and 29,410 for wastewater (2013)</p>	<p><u>West Bek'aa</u> The CLR reports that 9,905 households were connected to improve water supply. In addition, the CLR reports that the closed West Beka'a Emergency Water Supply Project rehabilitated 194 kilometer of water supply network (over 85 kilometers more than planned at project appraisal) and pumping stations deliver water that meets World Health Organization quality standards.</p> <p><u>Ba'albeck</u> The CLR reports that 73,640 households were provided with water services and 29,410 with wastewater services. In addition, the CLR reports that the closed Ba'albeck Water and Wastewater Project installed over 134 kilometers of water distribution and wastewater collection network and that the laot wastewater treatment plant is operational at design levels.</p>	<p>Source: CLR</p> <p>The CPS objective and indicators were revised at the CPSPR stage.</p> <p><u>Financing</u> Ba'albeck Water and Wastewater Project (P074042) (FY02) (IEG: U). Greater Beirut Water Supply Project (P103063) (FY11) (LIR: MS).</p> <p><u>Trust Funds</u> West Beka'a Emergency Water Supply Project (P103885) (FY07) (IEG: U)</p> <p><u>ASA</u> Water Sector Strategy (P122364) (FY12).</p>
	<p>Indicator: WHO standards for water quality met West Beka'a</p> <p>Baseline: Nitrates: 100 mg/l (2007) and Coliform: 10/100 ml. (2007).</p>	<p>The CLR reports that WHO Quality parameters met. Results show that levels of nitrate across the network are well under 10 mg/l and total coliforms average 1/100 ml per month.</p>	

	CPS FY11-FY15 / Focus Area 3: Improved Economic Infrastructure	Actual Results (as of current month/year)	Comments
	Target: Nitrates: 10 mg/l (2013) and Coliform: 1/100 ml. (2013).		
	Indicator: Per capita per day delivery of water within project area in West Beka'a Baseline: 60 liters (2007) Target: 100 liters (2013)	100 liters/capita/day	
	Indicator: Volume of wastewater collected and treated (Ba'albeck) Baseline: 0 cubic meters (2007) Target: 5,922 cubic meters / day (2013)	8,000 m3/day	
	Indicator: National Water Sector Strategy finalized and approved by the Parliament Baseline: No (2010) Target: Yes (2013)	The Ministry of Energy and Water developed a National Wastewater Sector Strategy which was approved by the Council of Ministers in March 2012. The Strategy is under implementation and incorporates wastewater management for the Beka'a Valley. The Ministry of Environment also finalized the Business Plan for Combating Pollution of Lake Qaraoun in the Beka'a valley.	
Area: Transport			
10. CPS Objective: Improved efficiency of existing urban transport infrastructure and traffic management in Beirut city and GBA (Mostly Achieved)			
	Indicator: Percentage increase of traffic volumes diverted to new efficient urban transport infrastructure Baseline: 0 (2010) Target: 25% (2014)	Dropped at the CLR stage. The indicator was introduced at the CPSPR stage. The CLR notes that the indicator was dropped to harmonize it with the indicators of the Additional Financing Project Paper approved by the Bank, as well as the ISRs.	Source: CLR <u>Lending</u> Urban Transport Development Project (P034038) (FY02) and Additional Financing (P110956) (FY09) (LIR: MS).
	Indicator: Regulated parking spaces in Beirut	The on-street Paid Parking of 899 pay-and-display parking meters has been implemented.	<u>ASA</u> The CLR reports two ASAs: (i) Public Transport Strategy and (ii) Mass Transit

	CPS FY11-FY15 / Focus Area 3: Improved Economic Infrastructure	Actual Results (as of current month/year)	Comments
	Baseline: 6,500 (2010) Target: 8,000 (2014)		Options for the Beirut-Tabarja corridor. IEG could not identify the project IDs for these two ASAs
	Indicator: Intersections with traffic lights Baseline: 182 (2010) Target: 195 (2014)	Traffic control lights have been installed at 200 intersections along with 55 CCTV cameras connected to the equipped and operational TMC.	
	Indicator: An integrated urban transport strategy for the Greater Beirut Area Baseline: No (2010) Target: Yes (2014)	A Public Transport Strategy to improve mobility within the GBA (TransBeirut) has been finalized.	
	Indicator: Average speed increases on major corridors improved under the project (km/h). Baseline: 20 (2004) Target: 30 (2015)	29.14 (km/r)	Source: CLR Neither the CPS nor the CPSPR included these indicators. The indicator were introduced at the CLR stage.
	Indicator: Average daily revenue per park-meter installed under the project (LBP) Baseline: 0 (2004) Target: 50,000 (2015)	42,463	<u>Lending</u> Urban Transport Development Project (P034038) (FY02) and Additional Financing (P110956) (FY09) (LIR: MS).
	Indicator: Traffic Management Center in operation using intelligent transportation systems technologies to monitor and control traffic operations Baseline: No (2004)	The Traffic Management Program has been successfully implemented. Operation of the traffic management system including the Traffic Management Center (TMC) is ongoing.	<u>ASA</u> The CLR reports two ASAs: (i) Public Transport Strategy and (ii) Mass Transit Options for the Beirut-Tabarja corridor. IEG could not identify the project IDs for these two ASAs

	CPS FY11-FY15 / Focus Area 3: Improved Economic Infrastructure	Actual Results (as of current month/year)	Comments
	Target: Yes (2015)		
	Area: Environment and Waste Management		
	11. CPS Objective: Improved environmental management (Achieved)		
	<p>Indicator: EIA, SEA and environmental compliance certification system operational</p> <p>Baseline: No (2010)</p> <p>Target: Yes (2014)</p>	<p>EIA decree (no. 8633); SEA decree (no. 8213) and Environmental Compliance decree (no. 8471) approved by the Council of Ministers in 2012. All three systems are now fully operational.</p>	<p>Source: CLR</p> <p>The CPS objective and indicators were revised at the CPSPR stage.</p> <p><u>Lending</u></p>
	<p>Indicator: GHG emissions reduced (IFC)</p> <p>Baseline: 0 (2010)</p> <p>Target: 10,000 metric tons / year (2014)</p>	<p>9,155 tCo2 reduction. Conducted 5 Green Building Audits. Trained 12 local consultants to conduct Green Building Audits (IFC).</p>	<p>Environmental Pollution Abatement Project (P143594) (FY15) (LIR: S).</p> <p><u>Trust Fund</u></p> <p>Improve Capacity for Environmental Compliance (P143701) (FY13). PCB Management in the Power Sector Project (P122540) (FY15).</p> <p><u>AAA</u></p> <p>Country Environmental Analysis (P113910) (FY12) Inventory and Removal of POPs Materials (P108112) (FY12) Environmental Pollution Abatement (P126224) (FY14)</p> <p><u>IFC - AS</u></p> <p>CP Building Sec.</p> <p>The CLR reports others WB interventions: (i) Best fit practices for reforestation (ASA) and (ii) GEF Reg. Gov. & Knowledge Generation (Trust Fund). IEG could not identify the project IDs for these two interventions.</p>

	CPS FY11-FY15 / Focus Area 3: Improved Economic Infrastructure	Actual Results (as of current month/year)	Comments
	Area: Local Development		
	12. CPS Objective: Basic services restored and local economic recovery and development supported (Mostly Achieved)		
	Indicator: Infrastructure rebuilt Baseline: None (2010) Targets (2014): 18 municipal building repaired / restored; 183 road km repaired / restored; 50 retaining wall km repaired / restored; 4,684 street lighting poled repaired / restored; 13 water drain km repaired / restored.	The First Municipal Development Project was satisfactorily completed on April 30, 2012. All the respective targets were achieved.	Source: CLR The CPS objective and indicators were revised at the CPSPR stage. <u>Lending</u> Cultural Heritage and Urban Dev. (P050529) (FY03) and Additional Financing (P116197) (FY13) (LIR: MS).
	Indicator: Estimated beneficiaries to 5 historic city centers. Baseline (2010): 325,000 visitors and 1,196,000 residents Target (2014): 375,000 visitors and 1,294,000 residents	As of the end of the CPS period, the CLR reports 350,000 visitors and 1,255,000 residents.	<u>Trust Funds</u> Municipal Infrastructure (P103875) (FY07). <u>ASA</u> Tourism and Growth Potential (P119458) (FY11) <u>IFC – Investment</u> MobiNetS (IFC investment)
	CPS FY11-FY15 / Focus Area 4: Enhanced Human Capital Development and Social Protection	Actual Results (as of current month/year)	Comments
	Area: Education		
	13. CPS Objective: Increased availability of Education data for decision making in Ministry of Education and Higher Education (Partially Achieved)		
<u>Major Outcome Measures</u>	Indicator: Education Management Information System (EMIS) is used to make decisions related to the transfer of teachers in all cycles	As tracked by the ISRs for EDP2, the number of Ministry units able to access education data for decision making have increased from the baseline of 0 to 4 as of June 2014 (and the end target is 5), Further progress is expected on the EMIS in the coming year. The indicator relating to the increase in	Source: CLR <u>Lending</u> Second Education Development Project (P118187) (FY11) (LIR: MU)

	CPS FY11-FY15 / Focus Area 4: Enhanced Human Capital Development and Social Protection	Actual Results (as of current month/year)	Comments
	<p>Baseline: No (2010)</p> <p>Target: Yes (2014)</p>	<p>access to EMIS data is directly linked to the outcome indicator of “increased availability of education data.”</p>	<p><u>Trust Funds</u> Second Emergency Social Protection Implementation Support Project (P111849) (FY09).</p> <p><u>ASA</u> Lebanon Higher Education TA (P133435) (FY13). Measuring Financial Literacy in Lebanon (P127159) (FY14).</p>
Area: Social Protection and Social Safety Nets			
14. CPS Objective: Improved administration, delivery and financial sustainability and targeting of social services (Mostly Achieved)			
	<p>Indicator: Increased percentage of hospital admissions according to Admission Criteria Standards by medical controllers</p> <p>Baseline: 0 (2010)</p> <p>Target: 70% (2013)</p>	<p>By the end of the project in August 2014, the project exceeded its target of 70% to reach 83%.</p>	<p>Source: CLR</p> <p>The indicator was introduced at the CPSPR stage.</p> <p><u>Lending</u> Social Promotion And Protection Project (P124761) (FY13) (LIR: U).</p>
	<p>Indicator: Youth that have successfully completed a 75 hour training on life skills, coaching and placement training under NEW program</p> <p>Baseline: 0 (2013)</p> <p>Target: 650 of which 50% women (2014)</p>	<p>The GOL, in an effort to address the high levels of unemployment and underemployment among youth, launched an innovative program for first-time job seekers to improve their employability. Decree N°8691 passed by the Cabinet in August 2012, approved the creation of a “First Job for Youth Program” and a 5-year budget for this program was approved by the Council of Ministers on December 18, 2014. With support from the Bank, this program will be piloted in its first 2 years through the New Entrants to Work program (NEW). All preparatory work has been completed under the NEW program, which is ready to be launched as soon as Cabinet</p>	<p><u>Trust Funds</u> Second Emergency Social Protection Implementation Support Project (P111849) (FY09) (LIR: MU).</p> <p><u>ASA</u> Labor Markets and Migration (P113058)</p>

	CPS FY11-FY15 / Focus Area 4: Enhanced Human Capital Development and Social Protection	Actual Results (as of current month/year)	Comments
	<p>Indicator: People registered in the National Poverty Targeting Program (NPTP) database</p> <p>Baseline: 62,000 (2012)</p> <p>Target: 90,000 (2014)</p>	<p>approves the decree of the original ESPISP II Grant agreement.</p> <p>The indicator was introduced at the CPSPR stage.</p> <p>The NPTP has exceeded the target of reaching 90,000 individual beneficiaries by 2014. To date, 376,000 individuals have been deemed eligible to receive the social assistance package under the NPTP. In addition, the poorest 27,200 eligible NPTP beneficiaries have received the e-card food voucher benefit for six months, as part of the scale up of the program under the Emergency NPTP project.</p> <p>The indicator was introduced at the CPSPR stage.</p>	<p>The CLR reports others WB interventions: (i) Lebanon MILES; (ii) National Poverty Targeting Program (NPTP) (TA) Programmatic TA. IEG could not identify the project IDs for these two interventions.</p>
	<p>Indicator: Targeted persons in Hermel-Ba'albeck reporting an increased understanding of administrative and judicial proceeding to obtain ID documents, marriage and birth certificates (number)</p> <p>Baseline: 0 (2013)</p> <p>Target: 500 (2014)</p>	<p>The CLR reports that the Bank instrument to support the achievement of this indicators was dropped, based on a request from the Government of Lebanon.</p> <p>The indicator was introduced at the CPSPR stage.</p>	



Annex Table 2: Lebanon Planned and Actual Lending, FY11-15

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Approved IBRD Amount	Outcome Rating
Project Planned Under CPS / CPSPR FY11-14							
P103063	Greater Beirut Water Supply Project (IL)	2011	2011	2019	200.0	200.0	LIR: MS
P118187	Second Education Development Project (IL)	2011	2011	2017	35.0	40.0	LIR: MU
P116197	Cultural Heritage Additional Financing (IL)	2012	2012	2016	20.0	27.0	Not Applicable
P122081	Energy Sector Investment Project	2012	DROPPED	DROPPED	20.0	DROPPED	DROPPED
P124813	Capacity Building to Implement Key Steps for the Statistical Master Plan (TFSCB)	2012	DROPPED	DROPPED	0.1	DROPPED	DROPPED
P133546	Building CSO Capacity to Provide Legal Aid Services (IDF Grant)	2013	DROPPED	DROPPED	0.3	DROPPED	DROPPED
P132097	5M: Displaced People in Lebanon (SPBF)	2013	DROPPED	DROPPED	1.2	DROPPED	DROPPED
P124761	Social Promotion and Protection Project	2013	2013	2019	30.0	30.0	Cancelled: LIR: U
P131202	Mobile Internet Ecosystem Project	2013	2014	2018	6.4	6.4	Cancelled LIR: MU
P143594	Env. Pollution Abatement Project (IL)	2014	2015	2021	15.0	15	LIR: S
P122540	PCB Management (GEF)	2014	DROPPED		2.5		
P133226	LB Fiscal Management Reform 2	2014	2014	2017	4.0	5.2	LIR: MS
P125184	Water Augmentation Project (IL)	2014	2015	2024	125.0	474	LIR: MS
P131431	Sustainable Agriculture Livelihoods in Marginal Areas (SALMA) (IL)	2014	DROPPED	DROPPED	24.0	DROPPED	DROPPED
P131431 / TF013957	Sustainability in Marginal Areas (GEF)	2014	DROPPED	DROPPED	7.2	DROPPED	DROPPED
P152504	Beirut Peripherique and A2 Highway project (IL)	2014	DROPPED	DROPPED	DROPPED	DROPPED	DROPPED
P146202	LNG Development (PRG)	2014	DROPPED	DROPPED	DROPPED	DROPPED	DROPPED

Project ID	Project name	Proposed FY	Approval FY	Closing FY	Proposed Amount	Approved IBRD Amount	Outcome Rating
Total Planned					490.8	797.6	
Unplanned Projects during the CPS and CPSPR Period							
P127306	Supporting Innovation in SMEs Project (IL)		2013	2018	30.0	30.0	LIR: MU
Total Unplanned						30.0	
Total Planned and Unplanned during FY11-14						827.6	
On-going Projects during the CPS and CPSPR Period			Approval FY	Closing FY		Approved IBRD Amount	
P050529	LB - Cultural Heritage and Urban Dev.		2003	2017		31.5	LIR:MS
P074042	LB - Ba'albeck Water and Wastewater		2002	2012		43.53	LIR: MU
P034038	LB - Urban Transport Development Project		2002	2016		65	LIR:MS
P110956	LB - Urban Transport Dev Add'l Financing		2009	N/A		69.7	N/A
Total On-going						210	

Source: Lebanon CPS, CPSPR and AO as of 5/31/16

*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.

Annex Table 3: Grants and Trust Funds Active in FY11-FY15 for Lebanon (in US\$ million)

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount	Outcome Rating *
P152898	Emergency Education System Stabilization	TF 18789	2015	2019	32.00	LIR: S
P152646	Emergency Primary Healthcare Restoration Project	TF 18845	2015	2019	15.00	LIR: S
P149724	Lebanon Municipal Services Emergency Project	TF 17510	2015	2018	10.00	LIR: S
P149242	Emergency Nat'l Poverty Targeting Proj	TF 17200	2015	2018	8.20	LIR: S
P122540	LB: PCB Management in the Power Sector Project	TF 18030	2015	2020	2.54	
P143701	LB - Improve Capacity for Env. Compliance	TF 14421	2014	2017	0.30	
P127465	Young Men's Christian Association (YMCA)	TF 10188	2012	2014	0.03	
P126734	National Volunteer Service Program	TF 10404	2012	2017	2.00	
P111849	Second Emergency Social Protection Implementation Support Project	TF 97692	2012	2013	1.77	
P116856	Telecommunications Regulatory Capacity Building	TF 96775	2011	2015	0.49	
P118859	LB-Research on the Recovery & Reconstruction of the Nahr el-Bared	TF 95205	2010	2011	0.09	

Project ID	Project name	TF ID	Approval FY	Closing FY	Approved Amount	Outcome Rating *
	Palestinian Refugee Camp & Conflict-Affected Areas of North LB					
P113862	LB-Multi-Donor TF Facility for Conflict-Affected Areas of North Lebanon	TF 93689	2009	2014	9.73	
P111849	Second Emergency Social Protection Implementation Support Project	TF 92582	2009	2017	6.00	LIR: MU
P111602	Lebanon Emergency Fiscal Management Reform Implementation Grant	TF 93850	2009	2014	4.00	
P113179	CA: Lebanon- Al Fayhaa Sust.Dev Strategy	TF 92011	2008	2012	0.35	
P110641	PCF Trust Grant for Nahr al-Barid - Post Conflict Emergency	TF 91513	2008	2011	2.03	
P105547	Developing Capacity Building Tools for Sustainable Governance	TF 90548	2008	2011	0.34	
P104774	LB-EMERGENCY POWER SECTOR REFORM CAPACITY REINFORCEMENT	TF 58084	2007	2013	5.00	IEG: U
P103885	West Bekaa's an Emergency Water Supply Project	TF 58085	2007	2012	15.00	IEG: U
P103875	LB - Municipal Infrastructure	TF 57505	2007	2012	30.00	IEG: S
P100029	Supporting the Judiciary System in the Enforcement of Environmental Legislation	TF 56820	2007	2011	0.33	
Total					145.18	

Source: Client Connection as 5/27/16

*IEG Validates RETF that are more than 5M

*LIR: Latest internal rating. MU: Moderately Unsatisfactory. MS: Moderately Satisfactory. S: Satisfactory. HS: Highly Satisfactory.

Annex Table 4: Analytical and Advisory Work for Lebanon, FY11 - FY15

Proj ID	Economic and Sector Work	Fiscal year	Output Type
P113910	LB - Country Environmental Analysis	FY11	Country Environmental Analysis (CEA)
P122364	LB-Water Sector Strategy	FY12	Not assigned
P122896	LB - Capital Inflows and Growth	FY11	Not assigned
P127669	LB - Economic and Social Equity of Taxes	FY14	Public Expenditure Review (PER)
P144736	FSAP Development Module Lebanon	FY14	Financial Sector Assessment Program (FSAP)
P147545	Lebanon Impact and Needs Assessment	FY14	Sector or Thematic Study/Note
Proj ID	Technical Assistance	Fiscal year	Output Type
P108112	LB - Inventory & Removal POPS Materials	FY12	Not assigned
P113058	LB - Labor Markets and Migration	FY12	Not assigned
P118182	LB Broadband Policy for ICT	FY11	Not assigned
P119458	LB-Tourism and Growth Potential	FY11	Not assigned
P121412	LB - Challenges of informality for women	FY12	Not assigned
P122897	LB - Investment Environment Reform	FY12	Not assigned
P122956	LB - Development of SMEs & Women SMEs	FY12	Not assigned
P123027	LB - Broadband Strategy and Deployment	FY12	Not assigned
P126224	LB-Environmental Pollution Abatement	FY14	Not assigned
P127159	Measuring Financial Literacy in Lebanon	FY14	Not assigned



Proj ID	Economic and Sector Work	Fiscal year	Output Type
P129247	LB-ESMAP Wind Power Development Study	FY14	Not assigned
P133435	Lebanon Higher Education TA	FY13	Not assigned
P144835	Lebanon Health Policy Dialogue	FY13	Not assigned
P147618	LB-Support to Gas Unit for LNG at MoEW	FY15	Not assigned

Source: AO Table ESW/TA 1.4 as of 5/26/16

Annex Table 5: IEG Project Ratings for Lebanon, FY11-FY15

Exit FY	Proj ID	Project name	Total Evaluated (\$M)	IEG Outcome	IEG Risk to DO
2012	P074042	LB - Ba'albeck Water and Wastewater	43.2	UNSATISFACTORY	SIGNIFICANT
2012	P103875	LB - Municipal Infrastructure	29.6	SATISFACTORY	SIGNIFICANT
2012	P103885	West Bekaa Emergency Water Supply Project	15.0	UNSATISFACTORY	SIGNIFICANT
2013	P104774	LB - Emergency Pwr Reform Capacity Reinf	5.0	UNSATISFACTORY	HIGH
2014	P111602	LB - Emergency Fiscal Management Reform	3.9	MODERATELY SATISFACTORY	HIGH
		Total	96.7		

Source: AO Key IEG Ratings as of 5/26/16

Annex Table 6: IEG Project Ratings for Lebanon, FY11-15

Region	Total Evaluated (\$M)	Total Evaluated (No)	Outcome % Sat (\$)	Outcome % Sat (No)	RDO % Moderate or Lower Sat (\$)	RDO % Moderate or Lower Sat (No)
Lebanon	96.7	5	-	40.0	-	-
MNA	4,380.2	93	52.6	62.6	24.7	20.4
World	102,359.5	1,228	81.3	70.6	62.6	49.5

Source: AO IEG Bank and Borrower Performance as of 5/26/16

* With IEG new methodology for evaluating projects, institutional development impact and sustainability are no longer rated separately.

Annex Table 7: Portfolio Status for Lebanon and Comparators, FY11-15

Fiscal year	2011	2012	2013	2014	2015	Average FY11-15
Lebanon						
# Proj	11	9	10	11	17	11.6
# Proj At Risk	5	6	5	6	12	6.8
% Proj At Risk	45.5	66.7		54.5	70.6	59.3
Net Comm Amt	510.2	450.3	505.2	529.0	1,069.5	612.9
Comm At Risk	90.0	255.0	252.0	312.4	350.8	252.0
% Commit at Risk	17.6	56.6	49.9	59.1	32.8	43.2
MNA						
# Proj	164	151	160	169	159	160.6
# Proj At Risk	44	54	47	39	61	49.0
% Proj At Risk	26.8	35.8		23.1	38.4	31.0
Net Comm Amt	9,450.1	8,532.3	9,082.0	12,335.1	13,628.7	10,605.6
Comm At Risk	1,478.6	1,839.9	1,817.0	2,284.4	2,931.5	2,070.3
% Commit at Risk	15.6	21.6	20.0	18.5	21.5	19.4
World						
# Proj	2,059	2,029	1,964	2,048	2,022	2,024.4
# Proj At Risk	382	387	414	412	444	407.8
% Proj At Risk	18.6	19.1		20.1	22.0	19.9
Net Comm Amt	171,755.3	173,706.1	176,202.6	192,610.1	201,045.2	183,063.8
Comm At Risk	23,850.0	24,465.0	40,805.6	40,933.5	45,987.7	35,208.4
% Commit at Risk	13.9	14.1	23.2	21.3	22.9	19.1

Source: BI Projects at Risk by Year as of 5/31/16

Annex Table 8: Disbursement Ratio for the Lebanon, FY11-15

Fiscal Year	2011	2012	2013	2014	2015	Average FY11-15
Lebanon						
Disbursement Ratio (%)	43.66	9.57	4.61	3.48	7.47	9.59
Inv Disb in FY	57.35	30.04	14.16	12.28	27.66	141.49
Inv Tot Undisb Begin FY	131.35	314.00	306.92	352.76	369.99	1,475.02
MNA						
Disbursement Ratio (%)	14.16	15.56	18.58	21.23	21.60	18.31
Inv Disb in FY	795.34	890.18	1,090.02	1,250.88	1,333.97	5,360.39
Inv Tot Undisb Begin FY	5,615.28	5,722.23	5,866.73	5,892.44	6,176.22	29,272.89
World						
Disbursement Ratio (%)	22.38	20.79	20.60	20.79	21.78	21.25
Inv Disb in FY	20,933.36	21,048.24	20,510.39	20,756.98	21,852.73	105,101.70
Inv Tot Undisb Begin FY	93,516.54	101,234.29	99,588.04	99,852.72	100,343.74	494,535.33

* Calculated as IBRD/IDA Disbursements in FY / Opening Undisbursed Amount at FY. Restricted to Lending Instrument Type = Investment.

Source: BI as of 5/31/16

Annex Table 9: Net Disbursement and Charges for Lebanon, FY11-15

Period	Disb. Amt.	Repay Amt.	Net Amt.	Charges	Fees	Net Transfer
Jul 2010 - Jun 2011	41,791,087	35,525,999	6,265,088	3,740,748	55,719	2,468,620
Jul 2011 - Jun 2012	16,051,679	58,128,841	(42,077,163)	3,332,339	25,296	(45,434,797)
Jul 2012 - Jun 2013	14,379,715	63,196,125	(48,816,410)	3,032,336	609,692	(52,458,438)
Jul 2013 - Jun 2014	10,886,207	53,579,510	(42,693,302)	1,767,454	4,210	(44,464,967)
Jul 2014 - Jun 2015	23,748,626	50,803,234	(27,054,608)	1,350,413	146,500	(28,551,521)

World Bank Client Connection 5/31/16

**Annex Table 10: List of IFC Investments in Lebanon
Investments Committed in FY11-FY15 (US\$, 000)**

Project ID	Cmt FY	Project Status	Primary Sector Name	Greenfield Code	Project Size	Net Loan	Net Equity	Net Comm
33931	2015	Active	Finance & Insurance	E	3,000	2,000	-	2,000
25135	2015	Active	Finance & Insurance	E	25,000	25,000	-	25,000
35788	2015	Active	Finance & Insurance	E	88,500		60,000	60,000
32427	2014	Active	Finance & Insurance	E	2,500	2,500	-	2,500
33558	2014	Active	Finance & Insurance	E	150,000	37,500	-	37,500
34320	2014	Active	Finance & Insurance	E	30,000	7,000	-	7,000
34321	2014	Active	Finance & Insurance	G	15,000	1,500	-	1,500
31449	2013	Active	Finance & Insurance	G	2,000	2,000	-	2,000
31152	2012	Active	Finance & Insurance	E	20,000	20,000	-	20,000
32426	2012	Active	Finance & Insurance	E	7,500	7,500	-	7,500
30352	2011	Active	Information	E	12,700		2,000	2,000
Sub-Total					356,200	105,000	62,000	167,000

Investments Committed pre-FY11 but active during FY11-FY15 (US\$, 000)

Project ID	CMT FY	Project Status Name	Primary Sector Name	Greenfield Code	Project Size	Net Loan	Net Equity	Net Comm
27808	2010	Active	Finance & Insurance	E	100,000		100,000	100,000
28733	2010	Active	Finance & Insurance	E	5,000	5,000	-	5,000
25869	2008	Active	Finance & Insurance	E	40,000	19,000	-	19,000
26683	2008	Active	Construction and Real Estate	G	15,000		15,000	15,000
25646	2007	Closed	Finance & Insurance	E	80,000	30,000	-	30,000
25948	2007	Closed	Finance & Insurance	G	25,000	12,500	-	12,500
24875	2007	Active	Finance & Insurance	E	40,000	40,000	-	40,000
25845	2007	Active	Wholesale and Retail Trade	G	20,000		6,500	6,500
25878	2007	Active	Finance & Insurance	E	45,000	14,223	-	14,223
24799	2006	Active	Finance & Insurance	E	45,000	45,000	-	45,000
25157	2006	Active	Finance & Insurance	E	50,000	50,000	-	50,000
23923	2005	Active	Education Services	G	30,088	6,000	-	6,000
Sub-Total					495,088	221,723	121,500	343,223
TOTAL					851,288	326,723	183,500	510,223

Source: MIS Extract as of March 31, 2015

Annex Table 11: List of IFC Advisory Services for Lebanon

Advisory Services Approved in FY11-15

Project ID	Project Name	Impl Start FY	Impl End FY	Project Status	Primary Business Line	Total Funds, US\$
579068	Lebanon Secured Lending Project	2013	2013	TERMINATED	A2F	196,687
593987	Lebanon Debt Resolution and Business Exit	2013	2016	ACTIVE	IC	613,000
598507	Levant Corporate Governance Project	2013	2016	ACTIVE	SBA	860,000
569967	ADR Lebanon	2012	2015	CLOSED	IC	1,016,089
585847	Simplification and Automation Lebanon	2012	2016	ACTIVE	IC	1,049,731
586387	BLCBANK/SME/WIN	2012	2015	CLOSED	A2F	320,397
	Sub-Total					4,055,904

Advisory Services Approved pre-FY11 but active during FY11-15

Project ID	Project Name	Start FY	End FY	Project Status	Primary Business Line	Total Funds, US\$
576787	CP Building Sec.	2010	2012	CLOSED	SBA	595,860
	Sub-Total					595,860
	TOTAL					4,651,764

Source: IFC AS Data as of June 30, 2014

Annex Table 12: IFC Net Commitment Activity (US\$, 000) for Lebanon

	2011	2012	2013	2014	2015 (part)	Total	Percentages
Financial Markets			2,000	46,000	62,000	110,000	65.9%
Trade Finance (TF)		27,500		2,500	25,000	55,000	32.9%
Infra/Construction						0	0.0%
Telecom, Media, and Technology	2,000					2,000	1.2%
Total	2,000	27,500	2,000	48,500	87,000	167,000	100.0%
	2,000	27,500	2,000	48,500	87,000	167,000	

Source: IFC MIS Cube as of 5/22/15



Annex Table 13: Total Net Disbursements of Official Development Assistance and Official Aid for Lebanon

Development Partners	2011	2012	2013	2014
Australia	0.95	2.79	0.39	10.08
Austria	0.17	0.54	1.73	0.63
Belgium	1.57	0.23	0.49	0.1
Canada	2.8	4.94	41.88	41.59
Czech Republic	0.09	0.12	0.26	0.52
Denmark	0.69	0.01	6.21	2.53
Finland	0.73	0.37	1.51	12.19
France	55.3	80.55	50.68	40.54
Germany	29.16	38.02	31.27	106.93
Greece	0.98	0.81	0.11	0.1
Iceland	..	..	..	..
Ireland	1.89	1.64	2.62	3.92
Italy	19.06	15.73	17.08	27.45
Japan	7.02	16.49	7.03	19.41
Korea	1.58	0.87	0.93	1.45
Luxembourg	1.1	0.33	1.05	0.9
Netherlands	0.94	0.64	1.89	5.55
New Zealand	0.69	0.4	..	..
Norway	12.2	15.2	23.65	23.03
Poland	0.04	0.03	0.04	0.04
Portugal	..	..	0	0
Slovak Republic	..	..	..	0.04
Slovenia	..	..	..	..
Spain	24.75	14.35	10.42	9.97
Sweden	3.45	3	5.47	15.97
Switzerland	6.71	7.39	16.38	5.94
United Kingdom	2.64	6.86	12.56	42.82
United States	89.07	323.55	99.64	121.12
DAC Countries, Total	263.58	534.86	333.29	492.82
Adaptation Fund	..	1.59	..	..
Arab Fund [AFESD]	2.35	12.57	1.77	0.76
EU Institutions	94.33	64.52	172.33	213.35
Food and Agriculture Organisation [FAO]	..	..	0.32	..
Global Environment Facility [GEF]	1.74	1.37	0.85	0.96
International Atomic Energy Agency [IAEA]	0.84	0.43	1.05	0.34
International Bank for Reconstruction and Development [IBRD]	..	..	..	..
International Development Association [IDA]	..	..	..	..
IFAD	-0.88	-0.88	-0.63	-0.58
International Finance Corporation [IFC]	..	..	..	..
Islamic Development Bank [IsDB]	3.66	-0.99	-3.77	-1.46
OPEC Fund for International Development [OFID]	-0.7	-1.03	-1.38	-0.14
UNAIDS	0.04	..	..	..
UNDP	1.84	0.91	0.81	0.37
UNFPA	0.66	0.96	1.12	0.63
UNHCR	..	..	0.17	..
UNICEF	0.81	2.72	0.94	2.32
UN Peacebuilding Fund [UNPBF]	0	1.07	1.27	0.69
UNRWA	76.62	84.69	82.11	90.85
WFP	..	..	12.27	20.95
World Health Organisation [WHO]	0.57	0.45	0.52	0.62
Multilateral, Total	181.88	168.38	269.75	329.66
Cyprus	0.06	0.04	0.06	..
Estonia	..	..	0.17	..
Hungary	0.01	0.01	0.06	0.03
Kazakhstan	..	..	0.2	..



Development Partners	2011	2012	2013	2014
Kuwait [KFAED]	16.7	22.57	6.89	11.65
Romania	0.23	0.25	0.12	0.14
Russia	..	0.09	10.63	..
Turkey	7.06	7.95	5.72	2.54
United Arab Emirates	6.82	-22.65	-5.89	-17.19
Non-DAC Countries, Total	30.88	8.26	17.96	-2.83
Development Partners Total	476.34	711.5	621	819.65

Source: OECD Stat, [DAC2a] as of 5/31/16

Annex Table 14: Economic and Social Indicators for Lebanon, 2011 – 2015

Series Name	2011	2012	2013	2014	2015	Lebanon	MENA	World
						Average 2011-2015		
Growth and Inflation								
GDP growth (annual %)	2.0	2.2	0.9	2.0	..	1.8	13.0	2.5
GDP per capita growth (annual %)	0.8	1.0	-0.3	0.8	..	0.6	4.7	1.3
GNI per capita, PPP (current international \$)	16,460.0	16,890.0	16,950.0	17,590.0	..	16,972.5	52,096.5	14,164.6
GNI per capita, Atlas method (current US\$) (Millions)	9,070.0	9,410.0	9,610.0	10,030.0	..	9,530.0	24,242.7	10,426.4
Inflation, consumer prices (annual %)	..	..	5.5	0.7	-3.7	..	14.9	3.1
Composition of GDP (%)								
Agriculture, value added (% of GDP)	4.1	6.1	7.2	5.5	..	5.8	23.1	3.1
Industry, value added (% of GDP)	16.1	20.5	19.7	24.8	..	18.8	201.1	26.7
Services, etc., value added (% of GDP)	79.7	73.4	73.1	69.7	..	75.4	175.5	70.2
Gross fixed capital formation (% of GDP)	26.7	29.4	30.4	30.8	..	28.9	95.9	21.9
Gross domestic savings (% of GDP)	-1.2	2.4	0.7	0.6	..	0.6	152.8	22.5
External Accounts								
Exports of goods and services (% of GDP)	36.2	46.6	45.7	40.0	..	42.8	200.7	29.8
Imports of goods and services (% of GDP)	64.2	73.5	75.4	70.2	..	71.0	153.9	29.7
Current account balance (% of GDP)	-12.1	-23.2	-26.4	-26.7	..	-20.6	0.0	
External debt stocks (% of GNI)	61.6	67.0	70.3	68.0	..	66.3	0.0	
Total debt service (% of GNI)	13.3	9.8	8.0	7.2	..	10.3	0.0	
Total reserves in months of imports	16.9	19.0	16.5	18.1	..	17.5	116.9	13.3
Fiscal Accounts ¹								
General government revenue (% of GDP)	22.8	21.8	19.8	21.8	19.6	21.4		
General government total expenditure (% of GDP)	28.7	30.2	28.5	27.8	28.5	29.1		
General government net lending/borrowing (% of GDP)	-5.9	-8.4	-8.7	-6.0	-8.9	-7.7		
General government gross debt (% of GDP)	133.9	130.8	133.4	133.3	139.1	132.7		
Social Indicators								
Health								
Life expectancy at birth, total (years)	78.7	78.9	79.1	79.4	..	78.9	290.1	71.1
Immunization, DPT (% of children ages 12-23 months)	81.0	81.0	81.0	81.0	..	81.0	360.0	85.6
Improved sanitation facilities (% of population with access)	80.7	80.7	80.7	80.7	80.7	80.7	450.0	66.5
Improved water source (% of population with access)	99.0	99.0	99.0	99.0	99.0	99.0	434.2	83.0
Mortality rate, infant (per 1,000 live births)	8.3	7.9	7.6	7.3	7.1	7.9	104.6	33.8
Education								
School enrollment, preprimary (% gross)	84.9	83.2	84.5	..	..	84.2	84.9	52.8

Series Name						Lebanon	MENA	World
	2011	2012	2013	2014	2015	Average 2011-2015		
School enrollment, primary (% gross)	103.7	99.1	97.1	..	..	100.0	326.3	108.2
School enrollment, secondary (% gross)	76.1	71.0	68.2	..	..	71.8	240.3	73.9
Population								
Population, total (Millions)	4,388,637.0	4,440,728.0	4,493,438.0	4,546,774.0	..	4,440,934.3	1,620,924,624.0	7,132,668,294.3
Population growth (annual %)	1.2	1.2	1.2	1.2	..	1.2	8.2	1.2
Urban population (% of total)	87.3	87.4	87.5	87.7	..	87.4	253.1	52.7

Source: DDP as of 5/10/16

*International Monetary Fund, World Economic Outlook Database, April 2016

** IMF estimates starts on 2015