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PROJECT PERFORMANCE ASSESSMENT REPORT



LEBANON

Cultural Heritage and Urban Development Project

Report No. 140539

AUGUST 13, 2019

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CULTURAL HERITAGE AND URBAN DEVELOPMENT PROJECT
(IBRD-71660, IBRD-81370)

August 13, 2019

Financial, Private Sector, and Sustainable Development

Independent Evaluation Group

Abbreviations

CHUD	Cultural Heritage and Urban Development Project
DGA	Directorate General of Antiquities
IEG	Independent Evaluation Group
PPAR	Project Performance Assessment Report
ICR	Implementation Completion and Results Report
IEG	Independent Evaluation Group
PPAR	Project Performance Assessment Report

All dollar amounts are U.S. dollars unless otherwise indicated.

Fiscal Year

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Contents

Preface	vii
Summary	ix
1. Project Background and Context	1
Project Design	3
2. What Worked and Why?	4
Design	4
Implementation and Results Achieved	5
3. What Didn't Work and Why?	11
Design	11
Implementation	13
Social Risk Mitigation at the Community and Residential Level	15
Oversight of Public Works and Public Safety	17
4. Lessons	19
References	21

Box

Box 3.1. Integrated Cultural Heritage and Urban Development in Baalbek	13
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Figures

Figure 1.1. Lebanon's Population Density, 2006–16	2
Figure 2.1. The Restoration of Khan al-Askar in Tripoli	7
Figure 2.2. New Apartments for the Former Residents of Khan al-Askar in Tripoli	8
Figure 2.3. Khan al-Askar as an Event Space	9
Figure 3.1. CHUD Projects in Tripoli Focus on Visible Sections of Buildings	17
Figure 3.2. Water Leaks through CHUD-Installed Works	18
Figure 3.3. The Former Cement Steps from the Citadel to the Souks in Tripoli	18
Figure 3.4. A Souk Entrance	19

Tables

Table 2.1. CHUD Touristic Stay Outcomes as Reported by the CRI Impact Assessment (2016)	10
Table 2.2. CHUD Satisfaction Levels by City and CRI Impact Assessment Score (percent)	11

Appendixes

Appendix A. Overall Project Ratings.....	23
Appendix B. Project Data and Other Issues.....	33
Appendix C. Assessment Methodology and Persons Met.....	34
Appendix D. Key Concepts from World Bank Advisory Services and Analytics on Cultural Heritage	44
Appendix E. Borrower Comments	51

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Principal Ratings

	ICR*	ICR Review*	PPAR
Outcome	Satisfactory	Moderately satisfactory	Moderately satisfactory
Risk to development outcome	Modest	Substantial	Substantial
Bank performance	Satisfactory	Moderately satisfactory	Moderately satisfactory
Borrower performance	Moderately satisfactory	Moderately satisfactory	Moderately satisfactory

Note: The Implementation Completion and Results Report (ICR) is a self-evaluation by the responsible Global Practice. The ICR Review is an intermediate Independent Evaluation Group product that seeks to independently validate the findings of the ICR. PPAR = Project Performance Assessment Report.

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IEG Mission: Improving World Bank Group development results through excellence in independent evaluation.

About This Report

The Independent Evaluation Group (IEG) assesses the programs and activities of the World Bank for two purposes: first, to ensure the integrity of the World Bank's self-evaluation process and to verify that the World Bank's work is producing the expected results, and second, to help develop improved directions, policies, and procedures through the dissemination of lessons drawn from experience. As part of this work, IEG annually assesses 20–25 percent of the World Bank's lending operations through fieldwork. In selecting operations for assessment, preference is given to those that are innovative, large, or complex; those that are relevant to upcoming studies or country evaluations; those for which executive directors or World Bank management have requested assessments; and those that are likely to generate important lessons.

To prepare a Project Performance Assessment Report (PPAR), IEG staff examine project files and other documents, visit the borrowing country to discuss the operation with the government and other in-country stakeholders, interview World Bank staff and other donor agency staff both at headquarters and in local offices as appropriate, and apply other evaluative methods as needed.

Each PPAR is subject to technical peer review, internal IEG panel review, and management approval. Once cleared internally, the PPAR is commented on by the responsible World Bank Country Management Unit. The PPAR is also sent to the borrower for review. IEG incorporates both World Bank and borrower comments as appropriate, and the borrower's comments are attached to the document sent to the World Bank's Board of Executive Directors. After an assessment report is sent to the Board, it is disclosed to the public.

About the IEG Rating System for Public Sector Evaluations

IEG's use of multiple evaluation methods offers both rigor and a necessary level of flexibility to adapt to lending instrument, project design, or sectoral approach. IEG evaluators all apply the same basic method to arrive at their project ratings. Following is the definition and rating scale used for each evaluation criterion (additional information is available on the IEG website: <http://ieg.worldbankgroup.org>).

Outcome: The extent to which the operation's major relevant objectives were achieved, or are expected to be achieved, efficiently. The rating has three dimensions: relevance, efficacy, and efficiency. *Relevance* includes relevance of objectives and relevance of design. Relevance of objectives is the extent to which the project's objectives are consistent with the country's current development priorities and with current World Bank country and sectoral assistance strategies and corporate goals (expressed in Poverty Reduction Strategy Papers, Country Assistance Strategies, sector strategy papers, and operational policies). Relevance of design is the extent to which the project's design is consistent with the stated objectives. *Efficacy* is the extent to which the project's objectives were achieved, or are expected to be achieved, taking into account their relative importance. *Efficiency* is the extent to which the project achieved, or is expected to achieve, a return higher than the opportunity cost of capital and benefits at least cost compared with alternatives. The efficiency dimension is not applied to development policy operations, which provide general budget support. *Possible ratings for outcome:* highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, and highly unsatisfactory.

Risk to development outcome: The risk, at the time of evaluation, that development outcomes (or expected outcomes) will not be maintained (or realized). *Possible ratings for risk to development outcome:* high, significant, moderate, negligible to low, and not evaluable.

Bank performance: The extent to which services provided by the World Bank ensured quality at entry of the operation and supported effective implementation through appropriate supervision (including ensuring adequate transition arrangements for regular operation of supported activities after loan or credit closing toward the achievement of development outcomes). The rating has two dimensions: quality at entry and quality of supervision. *Possible ratings for Bank performance:* highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, and highly unsatisfactory.

Borrower performance: The extent to which the borrower (including the government and implementing agency or agencies) ensured quality of preparation and implementation and complied with covenants and agreements toward the achievement of development outcomes. The rating has two dimensions: government performance and implementing agency(ies) performance. *Possible ratings for borrower performance:* highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, and highly unsatisfactory.

Preface

The World Bank and the United Nations Education, Scientific and Cultural Organization have jointly developed a *Culture in City Reconstruction and Recovery* position paper (UNESCO and World Bank 2018). The two agencies have made a commitment to put culture at the heart of city reconstruction and recovery processes in the wake of crises. The World Bank is facing increased demand to help cities prepare for, and recover from, disasters that are both more intense and more frequent than in the past. At the same time, armed conflicts are increasingly causing widespread destruction of cities. Both types of calamities threaten to cause irrevocable damage to people's tangible and intangible cultural heritage. Placing culture at the heart of urban reconstruction and recovery strategies is critical to effectively restoring the physical and social fabric of societies.

This Project Performance Assessment Report of the World Bank Group's support for the Lebanon Cultural Heritage and Urban Development Project (CHUD; P050529), implemented between 2003 and 2016, was designed to provide operational lessons for the roll out and implementation of the *Culture in City Reconstruction and Recovery* position paper. Similarly, it responds to a request by the World Bank to deliver lessons on postconflict reconstruction as an input into the World Bank Reconstruction Strategy for the Middle East and North Africa Region and the World Bank's Fragility, Conflict and Violence Strategy. The project was chosen because of its operational complexity and its learning potential: it was groundbreaking in its attempt to pursue a holistic, integrated approach to cultural heritage and urban development in five of Lebanon's most historic cities.

Methodology. This assessment used a layered approach and was conducted in three phases. The first phase consisted of a literature and document review, key informant interviews held in Washington, DC, in October and November 2018, and a stakeholder mapping exercise. A team of Independent Evaluation Group (IEG) staff and international consultants conducted the second phase, which was launched in Lebanon in November 2018. This phase included meetings and a workshop with the implementing agencies within the Council of Development and Reconstruction and the Directorate of Antiquities; interviews of local government officials, parallel financing partners, and other architectural and cultural heritage experts. The second phase included site visits to all five historic city centers, supported by the Project Management Unit and the local governments of Baalbek, Byblos, Saida, Tyre, and Tripoli. The third phase, conducted in December 2018, used learning from phases I and II to identify and assess implementation issues in Baalbek, Tripoli, and Saida, where implementation issues had been identified. Field protocols developed for these cities included

interviewing a range of project-affected persons living and working around the project sites (appendix B).

This report is part of a pilot effort to reform the structure of IEG's PPARs. It uses a simplified framework that embeds evaluative inquiry into sections on What Worked and What Didn't Work to make the learning more visible. Accountability elements, in line with the IEG / Operations Policy and Country Services harmonized evaluation guidelines, are retained in the appendix. Following standard IEG procedure, copies of the draft PPAR was shared with relevant government officials for their review and comment. All comments are included in appendix E of this report.

Summary

Lebanon has a rich and diverse cultural heritage inherited from many civilizations that existed in succession on its territory. This cultural diversity is reflected in the many layers of tangible and intangible heritage that reveal themselves through the country's various festivals, music, cuisine, and architecture—including through its world-renowned heritage sites and in its historic urban cores.

However, disasters and conflict, and more recently the rapid and unmanaged growth of Lebanon's historic cities have damaged this heritage. Most of Lebanon's renowned heritage is in cities that lack the mandate, institutional capacity, and financing to oversee its management and upkeep. Its cultural sites, including its historic urban cores, have been damaged by earthquakes, civil war, and aerial bombardments. The Syrian war, and the competing needs of the displaced Syrian population that sought refuge in Lebanon's cities, has placed further strain on municipalities to increase the provision of basic services while preserving the country's cultural heritage.

The Cultural Heritage and Urban Reconstruction Project

The World Bank partnered with the government of Lebanon and bilateral agencies in 2003 to implement the Cultural Heritage and Urban Reconstruction Project (CHUD) to help conserve and restore the country's cultural heritage in five of its historic cities: Baalbek, Byblos, Saida, Tripoli, and Tyre. CHUD's objective was "to create the conditions for increased local economic development and enhanced quality of life in the historic centers of five main secondary cities" and "to improve the conservation and management of Lebanon's built cultural heritage" (World Bank 2003, 3). The \$119 million project was financed with an International Bank for Reconstruction and Development loan, parallel financing from the governments of France and Italy, and with counterpart financing.

CHUD was innovatively designed to help build a "connective tissue" between Lebanon's cultural heritage sites and its historic urban cores. The project aimed to physically connect Lebanon's historic sites to the tangible and intangible heritage embedded in its urban core. This connectivity would increase local economic development opportunities by widening the tourism playing field. It would also increase the quality of life by upgrading unorganized, congested and polluted parts of the urban core.

The project placed culture at the heart of the country's postconflict reconstruction efforts. It offered a more socially cohesive reconstruction pathway than that experienced by other cases in the region and globally whose modern reconstruction designs left people and culture behind.

Results

Between 2003 and 2016, the World Bank effectively assisted Lebanon in creating the conditions for increased local economic development and enhanced quality of life in the targeted historic cities, to varying degrees. Specifically, the project successfully

- **Amplified the role of cultural heritage in Lebanon.** The project was instrumental in halting the further deterioration of major cultural heritage sites in several historic cities. The World Bank's loan size, its multisector expertise, and sustained engagement through conflict affected delays (and refinancing) helped raise the profile of cultural heritage nationally.
- **Established an integrated system of laws and decrees that contribute to the improved conservation and management of cultural heritage.** CHUD helped strengthen the Directorate General of Antiquities and its ability to protect and restore nationally renowned cultural heritage sites, including by training local staff in specialized conservation activities.
- **Significantly contributed to the restoration and preservation of renowned cultural heritage sites and upgraded many features of the targeted historic urban cores.** The project was responsible for an extensive conversion of pedestrian space in the five cities, from 9,840 square meters in 2006 to an estimated 274,000 square meters by 2016, including the establishment of public squares, sidewalks, and rehabilitated historic facades. This extensive conversion led to increased investment, and expanded tourism opportunities. To provide an example, in Byblos, for each one dollar invested by the project, private sector mobilized seven dollars.
- **Through the extensive introduction of pedestrian space, allowed for the comprehensive reconstruction of underground services, including water supply and sewers,** so that residents living in historic cities could enjoy immediate benefits from the project. Although some segments of beneficiaries could immediately appreciate the benefit of these initiatives, others (for example, shop owners) have reacted negatively due to decreased vehicular access and parking.
- **Effectively used infrastructure to create a physical “connective tissue” between the antiquities and historic cores but was only partially effective at stimulating economic activities.** Cultural heritage can be an effective tool for local economic development, but stimulating this requires complementary social and economic measures at the local level to succeed. While some cities managed to leverage the project's investments for local economic growth, others failed due to political, cultural and institutional capacity reasons. There were specific challenges related

to the handover of restored heritage sites (for example, the khans) to the Ministry of Culture and the municipalities who require additional support to develop and sustain adaptive economic uses of the space.

- **Contributed to increased touristic activities in Byblos, Saida, and Tripoli.**

However, results measurement was undermined by a weak results framework and attributable indicators, and a qualitative impact assessment showed mixed results, as gathered from secondary data and public opinion. The assessment found that Byblos, Saida, and Tripoli saw an increase in touristic numbers, overnight stays, and shopping visits. Baalbek, however, remained a “one-stop” destination (for example, the Roman ruins), and Tyre’s share of tourism and hotel stay activities shrank. The security situation in these cities played a large role in undermining project-level touristic achievements. The opinion polls record higher levels of satisfaction in Byblos and Saida, with greater levels of dissatisfaction reported in Baalbek, Tripoli, and Tyre. High satisfaction scores are correlated with the provision of public infrastructure: benches, landscaping, and recreational spaces. Negative scores are highly correlated with residential dissatisfaction of the project’s efforts to use urban rehabilitation to regulate traffic flows in the old cities, expand pedestrian space in ways that limit access or parking, or remove access to service roads.

The Independent Evaluation Group’s fieldwork was designed to identify the explanatory factors that influenced implementation performance and outcomes. Deep-dive case-based analysis was developed based on a wide set of global and country interviews, a Project Management Unit workshop, mayoral discussions, city visits, and follow-on targeted project-affected person interviews in cities that were identified to have had particular implementation challenges (Baalbek, Tripoli, and Tyre). The case-based analysis revealed that implementation challenges were associated with the project’s infrastructure-led design, which sought to rapidly challenge cultural and behavioral norms in densely populated urban cores. The program lacked a programwide communication strategy to bring society along by demonstrating local benefits and allaying fears about changing norms.

More specifically, the case-based analysis found the following:

- While there was effective consultation during preparation, a lack of follow-through during implementation reduced the project’s adaptive management capacity. The re-appropriation of space—from productive to pedestrian—stoked fear and raised the ire of local shop owners and some residents. Concerns associated with economic displacement because of urban re-engineering designs (that is, redirected traffic, widened sidewalks, blocked entrances, and so on) were

managed through costly project infrastructure adjustments as part of protracted safeguard processes rather than through consensual decision-making as part of the project design. The project had greater success, intuitively, in the city of Byblos, where changes to the built environment occurred incrementally.

- Relatedly, there was a need to better manage trade-offs associated with efficiency versus equity considerations. More emphasis should have been placed on the results orientation of the project: on the achievement of economic and social benefits, in addition to supporting enabling conditions. The articulation of both economic and social aims in a cultural heritage and urban upgrading project would have allowed for more robust analysis and measurement of both objectives and mechanisms to better manage the relevant trade-offs.
- The restoration of residential facades along touristic pathways was viewed negatively by residents because the financing was used for touristic aims and not for basic upgrading needs (that is, leaks, repairs). Residents also expressed concerns that the restoration was not authentic. In historic cities, the public good component of the housing stock are their facades, whereas housing interiors are private property. While financing the public goods aspects of cultural heritage with public funds is good practice, the project has contributed to an intense amount of learning about how to work in residential areas. It has informed, for example, principles of effective urban regeneration as pronounced at the 2017 Seoul Workshop on Cultural Heritage cohosted by the World Bank. In that workshop, participants—building on decades of project implementation knowledge—emphasized the need for policy and projects to respect residents’ needs and aspirations and to protect communities (and their residential rights) from unintended consequences. These principles are also enshrined in the World Bank’s newly adopted social standard on cultural heritage.

Lessons

Assigning economic values of cultural heritage requires consideration of both its “use” and “nonuse” values. This principle has been well recognized by the World Bank’s analytical work on the subject, including in the *Economics of Uniqueness*. Whereas use values can be estimated by calculating entry prices to tourist sites or tourist spending, nonuse values require the calculation of public good benefits. These benefits include symbolic, spiritual, historic, scientific, and social values that vary among users and nonusers of the heritage. Some heritage sites may have cultural value but no economic value. In others, the reverse is true. The valuation of heritage therefore requires—especially in the context of a World Bank loan—a way of calculating the benefits and costs of “tangible and intangible” benefits.

Urban rehabilitation projects designed to expand public space require ex ante and intermittent analysis of the risks associated with local economic displacement, caused by restricted access and the changing preferences of upgraded space. CHUD added a significant amount of pedestrian space by removing parking and narrowing roads. Although the quality of life in the city centers improved for many residents, cafés and restaurants displaced traditional shops in some upgraded areas. The need to accurately estimate the aggregate economic and social gains of urban rehabilitation activities—including by understanding and mitigating the effects of economic displacement—is both a social standard and a core tenant of good project design.

Infrastructure-led urban rehabilitation of economically dense and culturally sensitive urban cores requires complementary investments in “soft skills” to ensure effective two-way communication about project aspirations and to adapt to citizen concerns. CHUD had a technically sound urban planning focus, with interventions planned to reduce the effects of congestion and pollution on the heritage it was designed to protect. But the integrity of the urban reforms was undermined in the more complex cities by the challenges associated with building consensus among citizens with disparate interests, especially in cities with weak enforcement capacity. Since then, the World Bank has engaged in building this type of capacity in the participatory design of urban rehabilitation through mechanisms such as charettes—creative, intense working sessions using public workshops and open houses common in architectural design processes.

Cultural heritage and sustainable tourism investments must be designed to respect residents’ needs and aspirations and to protect communities’ residential right from unintended consequences. The CHUD experience reveals that residential upgrading requires a robust participatory design and implementation process to understand and honor residents’ aspirations. It also requires close supervision to ensure that equipment and materials are of the highest quality, and that contractors behave with integrity.

José Carbajo
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Sustainable Development Department

1. Project Background and Context

1.1 Cultural heritage is an expression of the ways of living developed by a community and passed on from generation to generation, including customs, practices, places, objects, artistic expressions and values. Cultural heritage is often expressed as either intangible or tangible and can be distinguished within the built environment (for example, monuments, townscapes); in the natural environment (for example, forests or valleys); or as artifacts (ICOMOS 2002).

1.2 Lebanon has a rich and diverse cultural heritage inherited from many civilizations that existed in succession on its territory. Lebanon, once home to the Phoenicians, has been conquered by the Assyrians, Greeks, Romans, Persians, Arabs, the Crusaders, the Ottoman Turks, and the French. This cultural diversity is reflected in the many layers of tangible and intangible heritage that reveals itself through the country's various festivals, music styles, literature and lore, cuisine, and architecture—including world-renowned World Heritage sites and in its historic urban cores.

1.3 However, disasters and intermittent conflict, and more recently the effects of rapid and unmanaged growth in and around Lebanon's historic cities have damaged this precious heritage. Most of Lebanon's internationally renowned heritage is situated in cities with limited planning and enforcement capacity (Lebanon 2016). Civil war and aerial bombardments have damaged its cultural sites, including its historic urban cores, most recently from the 2006 war between Lebanon and Israel. The Syrian war and its associated security risks, and the competing needs of 1.6 million displaced Syrians who sought refuge mainly in Lebanon's cities, have further strained municipal capacity to plan and manage their cultural heritage.

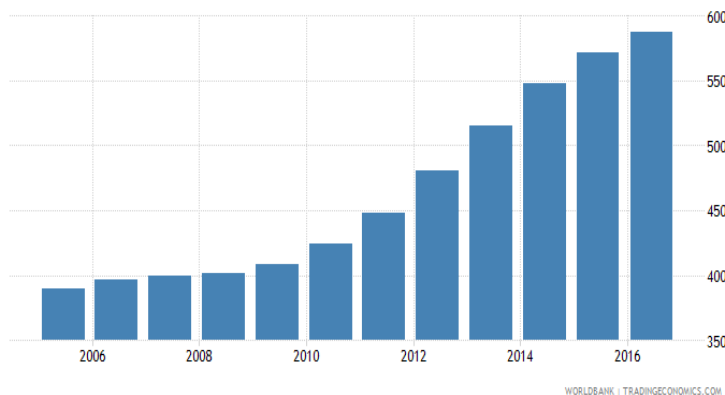
1.4 The Lebanon Cultural Heritage and Urban Development Project (CHUD) was designed to demonstrate how a reconstruction process anchored in a country's cultural assets could achieve the dual aim of easing social tensions while promoting a sustainable and inclusive model of local economic growth. The project was developed to address the low contribution of cultural heritage to local socioeconomic development and civic life. The project's intent to engage in limited resettlement was equally important. Sites were selected to ensure broad coverage of different religious and historic sites within and between Lebanon's historic cities.

1.5 The project context changed dramatically over the decade in which CHUD was implemented and in ways that put pressure on the complex project to complete activities designed in the previous decade. The Syrian crisis, for example, was not

anticipated. With the outbreak of the Syrian crisis in 2011, Lebanon witnessed a massive influx of displaced people from Syria, with more than 1 million Syrian refugees registered as of October 2015, in addition to 43,500 Palestine refugees from Syria and smaller numbers of Lebanese returnees and Iraqi refugees. The displaced from Syria, to a large extent, follow the urbanization pattern of the host population as there are no formal camps. Urban expansion in Lebanon is concentrated in and around the main coastal cities (Beirut, Saida, Tripoli, and Tyre), between secondary cities and in the form of informal areas on the belts of cities. Three of four key economic sectors—construction and real estate, service industry, and tourism (the exception is the agricultural sector)—are concentrated in the main cities along the coast and larger, informal markets and services.

1.6 Lebanon's population is estimated to have increased by one-third, from 4 million to 6 million inhabitants, between 2000 and 2016, and its population density, especially in its coastal cities, has nearly doubled (figure 1.1; World Bank 2016). The unprecedented rate at which Lebanon's urban areas have densified—because of the influx of displaced people from Syria—put pressure on the government of Lebanon during the project period to deliver quick service delivery wins in the targeted municipalities to mitigate social risks (for example, municipal waste). The pressures that municipalities faced in the latter part of the project period influenced their ability, in some cases, to stay committed to urban planning decisions made previously, including those made during previous administrations. The experience offers a lesson in the need to build in mechanisms for adaptive management, including through results frameworks, that allow for more fluidity in conflict affected environments.

Figure 1.1. Lebanon's Population Density, 2006–16



Source: World Bank.

Project Design

1.7 The project development objective was to assist the borrower in creating the conditions for increased local economic development and enhanced quality of life in the historic centers of the cities of Baalbek, Byblos, Saida, Tripoli, and Tyre (Sour) and to improve the conservation and management of the country's cultural heritage.

1.8 **Financing, including parallel financing, and costs.** CHUD was a large project of \$119 million and was structured with International Bank for Reconstruction and Development financing (\$58.5 million, 50 percent of project cost), parallel financing from the governments of France and Italy (\$42 and \$10 million, respectively), and counterpart financing (\$8.5 million). Discussions concerning parallel financing took place at appraisal, whereby each donor signed separate legal agreements. At the time of the Independent Evaluation Group (IEG) evaluation, World Bank financing had been fully implemented, but other parallel activities were still ongoing.

1.9 **Design features.** The project had an integrated design to link Lebanon's historic sites into the urban fabric of five of its most renowned cities: Baalbek, Byblos, Saida, Tripoli, and Tyre. Although tangible cultural heritage was the entry point, the project focused heavily on urban upgrading features deemed necessary, even in the absence of the envisioned links, to reduce congestion and pollution and to create more public space. Urban studies, focusing on areas adjacent to the historic cores, were conducted and used to develop a menu of activities at the city level. These activities included the (i) enforcement of city center zoning regulations; (ii) traffic and parking improvements, the creation or expansion of public spaces (squares, sidewalks); (iv) the rehabilitation of the heritage housing stock; (v) conservation and planning for the adaptive use of monuments and support for productive and commercial activities; and (vi) protection and landscaping of coastal and green areas, including drainage works.

1.10 Urban upgrading activities accounted for 75 percent of project financing (\$90 million of the \$119 million of actual project costs). Other activities—focused on archaeological site conservation and management improvements—accounted for \$21 million and included researching, documenting, conserving, and improving the site management of United Nations Education, Scientific and Cultural Organization (UNESCO) World Heritage sites in Baalbek and Tyre, and similar activities in non-UNESCO sites in Tripoli. A small but important amount of project financing, \$7.7 million, was also directed toward institutional strengthening. Although the parallel financing offered an opportunity to afford both the restoration of the cultural heritage and the needed urban upgrades, project design did not include component financing for the development of local economic or entrepreneur activities within the

newly connected areas. The different start and end dates also affected efforts to achieve integrated design, in some instances.

1.11 Dates and project restructuring. The project was restructured and extended five times between its approval in 2003 and its final closing date in December 2016. The numerous extensions, ranging from 6 to 18 months, are attributable to both project and nonproject factors. Delays are attributable to the uniqueness of the project in Lebanon. Although it took three years after approval to begin the physical implementation of the upgrading activities, the project documentation attributes some of the delays (and cost overruns) to “a lack of sufficiently detailed studies at appraisal and uncertainties associated with rehabilitation works on historic sites” (World Bank 2011, 3). Later extensions are associated with the quality of implementation support. In 2012, the World Bank requested that implementation be halted until the project became compliant with safeguard requirements. Other delays and extensions are associated with defaulting contractors, political instability and warring activities in the south in 2006, warring factions in Tripoli, and the Syrian crisis which affected project implementation capacity and activities after 2012.

2. What Worked and Why?

Design

2.1 The project effectively amplified the role of cultural heritage in Lebanon, *both* as a source of national pride, and as way of demonstrating the potential of heritage to drive local economic development opportunities. To ensure buy-in, it worked at multiple levels across governorates administered by different political parties and at the municipal level to ensure buy-in. The following section details many of the specific achievements, however it is also important to note that this project was implemented in and out of active conflict. Although there was sporadic damage to some of the project financed assets, the project retained its commitment to achieving its objectives. Measurement was challenged by the nascency of this type of intervention in the World Bank.

2.2 CHUD was also instrumental in halting the further deterioration of major cultural heritage in several of Lebanon’s historic cities. All key informants interviewed for this assessment agreed that the CHUD approach, of using heritage as an anchor to revitalize historic urban cores was relevant.

2.3 The overall approach of using an international financial institution to support a large-scale, multisector and multicity cultural heritage and upgrading operation was relevant. All these factors—the choice of the World Bank Group as a financing

institution, the large loan size, and the wide coverage of different cultural and religious sites—raised the profile of cultural heritage in the country. Interviews with key officials indicated that these combined elements were necessary to influence the direction and approach of urban upgrading in Lebanon’s renowned cities during the postconflict period.

2.4 This assessment appends and reverses the project validation finding that the large number of cities and activities undermined project relevance (World Bank 2017b). The design choice to work in five historic cities was well aligned with sensitive political and cultural considerations. The regional variation was necessary to obtain political buy-in from parliament. Lebanon’s parliamentary government system, forged after its 15-year civil war, is based on securing representation for the country’s numerous communities. Securing the buy-in from different communities was critical for the loan approval. The multiplicity of interventions was required—in line with the theory of change—to develop a physical “connective tissue” between the restored sites and the historic urban cores. The regulatory and institutional strengthening support assured that the efforts would be sustained after project close. If the political economy had allowed for some experimentation (for example, by phasing activities through a “learning by doing” approach), some of the implementation challenges discussed in this assessment might have been revealed and addressed sooner.

Implementation and Results Achieved

2.5 CHUD effectively supported the establishment of an integrated system of laws and decrees in Lebanon to improve the conservation and management of cultural heritage. The project helped strengthen the Directorate General of Antiquities (DGA) and its ability to protect and restore nationally renowned cultural heritage sites, including by training local staff in specialized conservation activities. The project helped the DGA to review its internal laws and to promulgate new decrees. At the municipal level, like in Tripoli, the project helped demarcate the “old city”—and within it—to adopt building laws to support its cultural integrity. The DGA used project financing to hire and train local staff in specialized activities. The project originally hired the current DGA director, and 15 of the 200 trained experts contracted by the project are now permanent staff at the DGA.

2.6 CHUD significantly contributed to the restoration and preservation of many renowned cultural heritage sites and upgraded many features of the targeted historic urban cores. It increased the amount of public space in the five targeted cities from 9,840 square meters in 2006 to an estimated 274,000 square meters by project closure. It also increased the number of rehabilitated historic facades from 42,582 square meters in 2006 to 311,100 square meters in 2016. The rehabilitation of historic facades

generated increased private investment and further property development. To provide an example, in Byblos, for each one dollar invested by the project, private sector mobilized seven dollars.

2.7 The extensive introduction of pedestrian space allowed for the comprehensive reconstruction of underground services, including water supply and sewers, so that residents living in historic cities could have immediate benefits from the project. While some segments of beneficiaries could immediately appreciate the benefit of these initiatives, others (for example, shop owners) have reacted negatively due to decreased vehicular access and parking (see chapter 3).

2.8 One of CHUD's most notable achievements was its sustained engagement in the Tripoli marketplace—located in a highly fragile area between the districts of Bab al-Tabbaneh and Jabal Mohsen. After completing a significant level of construction and organizational arrangements, the structure was heavily damaged by shooting between feuding parties. Despite delays, the project sustained its commitment to ensure that the asset was fixed and put into operation. The sustained engagement was recognized through a *2017 Sustainable Development Vice President Award*. Market operations—such as this one in Tripoli that is reported to house some 300 vendors—can yield important local economic and social benefits, if they are well managed and sustained. It is important therefore that projects innovate to develop ways to measure the enhanced economic benefits of market reconfiguration—for the municipality, the vendors and consumers. Social outcomes are also relevant since a well-functioning marketplace that includes representation of different segments of society can foster cultural awareness and social cohesion—but measurement is challenging.

2.9 Another one of CHUDs notable achievements was its support for the restoration of Lebanon's historic khans. CHUD helped restore the historic Khan al-Askar in Tripoli, in part, by effectively using the World Bank's resettlement procedures to facilitate the restoration and the transfer of the site to the Ministry of Culture (figure 2.1). Khan al-Askar was built in Tripoli in the 13th Century as a garrison for soldiers; it later functioned as a trading post during the Ottoman and French periods. In 1955, Tripoli's Abu Ali River overflowed. Many displaced families were “temporarily” moved to the khan where they stayed for more than 50 years. Over time, the historic site fell into disarray. Key informant interviews conducted with engineers and urban planners in Lebanon indicated that the khans would have collapsed in the absence of the project.

2.10 The project effectively supported the resettlement of the formerly displaced families into newly built apartments, in an area very close to the khan (figure 2.2). At the time of project appraisal, about 71 families—about 350 people who ran more than

40 shops—lived in and around the khan. The IEG assessment included visits to the resettlement areas and dialogue with some of the resettled members of the community. The assessment found that the resettlement activities were in line with the World Bank’s operational policies and that the communities had received increased access to services and amenities within the assigned units. Residents indicated more could have been done to help them connect—through more sustainable infrastructure and services—to the local schools and to local economic opportunities. The residents interviewed seemed cognizant of the economic potential of the restored khan and pointed to that foregone potential.

Figure 2.1. The Restoration of Khan al-Askar in Tripoli



Source: Independent Evaluation Group.

Figure 2.2. New Apartments for the Former Residents of Khan al-Askar in Tripoli



Source: Independent Evaluation Group.

2.11 Although the restoration of the Khan al-Askar was achieved and the building handed over to the Ministry of Culture as a cherished antiquity, the municipality has not been able to fully transform it into a local touristic and artisan space as envisioned by the project. The assessment learned that the restored khan has been used to host high-level and public events during Ramadan, for example, and that this is attributable to the craftsmanship, the exceptional attention to detail, and the materials used (figure 2.3). However, other efforts to transform the space for the promotion of local economic development (for example, by carving out space for shops and installing ready outlets) has been stalled due to the handover arrangements.

Figure 2.3. Khan al-Askar as an Event Space



2.12 The narrative surrounding the restoration of the Khan al-Askar illustrates a wider challenge faced by the project related to adaptive reuse of restored heritage sites. The project relied on the Ministry of Culture, and its good offices with the respective municipalities, to develop alternative effective uses for the restored khans, including uses that could economically benefit the local population. But in cultural heritage projects, this type of handover can be problematic if the municipality lacks the capacity to support entrepreneurial and small business development activities. This was the finding of, for example, a report issued by the Agence Française de Développement, which pointed to the need to focus on alternative economic uses of the restored khans in line with the project aim. Interviews with the Agence Française de Développement staff suggested that more effort is required to test and analyze how to best use the “space in between” the restored cites and the urban cores and the repurposed cultural sites.

2.13 The physical improvements made to the built environment, including the historic sites, reportedly contributed to the expansion of tourism and cultural tourism activities. This was measured by estimating the number of seats added in restaurants and cafés in project assisted areas. Across the five cities, the number of seats in these areas rose from 5,846 in 2002 to 20,550 by project closure. The number of individuals working in the culture and tourism sector and in heritage-related local businesses also reportedly increased from 662 to 1,575 across all cities.

2.14 A qualitative impact assessment provided additional evidence to support the reporting of project achievements, and showed mixed results across cities, according

to secondary data and public opinion polls.¹ The assessment found that Byblos, Saida, and Tripoli increased their touristic numbers, overnight stays, and shopping visits. Baalbek, however, remained a “one-stop” destination (for example, the Roman ruins) and Tyre’s share of tourism and hotel stay activities shrank (table 2.1). The security situation in these cities played a large role in undermining project-level achievements, especially in relation to the project’s ability to stimulate investment.

Table 2.1. CHUD Touristic Stay Outcomes as Reported by the CRI Impact Assessment (2016)

Main Results	Byblos	Saida	Baalbek	Tripoli	Tyre
Visitors	Increase in tourism with stay. Improvements in the share of visitors with regular shopping	Tourism with stay arrangements doubled and regular shopping visits purposes improved.	Most visitors engage in one-day tourism.	Increase in tourism with stay arrangements and in share of visitors for regular shopping purposes.	The share of tourism with stay activities shrunk.

Source: CRI Impact Assessment 2016.

Note: CHUD = Cultural Heritage and Urban Development Project; CRI = Consultation and Research Institute.

2.15 Opinion polls conducted during the impact assessment also pointed to mixed perceptions of citizen satisfaction associated with the urban infrastructure investments. (Chapter 3 of this assessment provides a more granular analysis of the implementation challenges associated with the underperformance issues, as reported in the perception survey). The opinion polls record higher levels of satisfaction in Byblos and Saida, with greater levels of dissatisfaction reported in Tripoli, Baalbek and Tyre (table 2.2). High satisfaction scores in Byblos and Saida are correlated with the provision of public infrastructure: benches, landscaping, and recreational spaces. Negative scores in the other cities are correlated with residential dissatisfaction with the redirection of traffic; the narrowing of roads and the installation of public spaces at the expense of parking; and the removal of service roads, among other issues.

¹ A qualitative impact assessment was conducted by the Consultation and Research Institute, a national research agency. The survey included four methodological tools including opinion surveys conducted four times (2006, 2013, 2015, and 2016), a business census (2009, 2013, 2015 and 2016), real estate monitoring (2009, 2013, 2015, and 2016) and qualitative in-depth stakeholder interviews (in 2006 and 2015).

Table 2.2. CHUD Satisfaction Levels by City and CRI Impact Assessment Score (percent)

Satisfaction Score Characteristics	City				
	Byblos	Saida	Baalbek	Tripoli	Tyre
CHUD projects assessed (<i>no.</i>)	6	8	10	12	12
Projects scoring above 3.5 (%)	67	—	—	—	—
Projects scoring between 3.0 and 3.5 (Median) (%)	33	100	30	—	—
Projects scoring below 3 (%)	—	—	70	100	100

Source: CRI Impact Assessment 2016.

Note: — = not available; CHUD = Cultural Heritage and Urban Development Project; CRI = Consultation and Research Institute.

3. What Didn't Work and Why?

Design

3.1 CHUD's focus on creating a connective tissue between some of the country's most renowned architectural sites and its historic urban cores was highly innovative; it was also highly ambitious. CHUD had a strong, sound focus on urban planning, with an appropriate goal of reducing congestion and the wear on areas adjacent to cultural heritage sites and, importantly, on creating pedestrian space. The approach relevantly sought to connect the country's tangible and intangible heritage—as a way of protecting and more fully exploiting the rich culture of the five historic cities. The project succeeded in many ways to foster greater connectivity between sites within each city.

3.2 But the overall project approach—especially relating to urban rehabilitation—was designed too uniformly for five cities whose history, culture, context, politics and other particularities vary widely. The project's urban planning models were anchored in a desire to achieve increased efficiency, and modernity, but implementation often proceeded at a rate that outpaced society, especially in Baalbek and Tripoli. Activities in these cities could have benefited from a more deliberate phasing of project activities, to begin more modestly and “to learn by doing,” as well as by developing project change agents. That experience would better inform implementation in other city investment sites. The project had greater success, intuitively, in the city of Byblos, where changes to the built environment to create more pedestrian space had occurred incrementally, over decades. Because Byblos is at a more advanced stage of urban regeneration, citizen concerns are more likely focus on gentrification and affordability than on the behavioral changes brought about by environmental design.

3.3 The use of cultural heritage sites as anchor investments was spatially sound, but the site selection methodology underestimated the complexity of working in culturally sensitive areas of an urban core. CHUD site selection was based on the existence of degraded physical cultural heritage assets that, once restored, could generate increased revenue and spur local economic development. The urban upgrading activities were then designed to create a connective tissue between the cultural heritage sites and the historic urban cores. The menu of urban upgrading investments in some cities was too ambitious for the financing and time allowed. Urban upgrading in sensitive cultural heritage sites requires time for “chance finds” that involve further exploration, inspection and collaboration between the municipality and agencies overseeing antiquities. CHUD anticipatedly experienced delays and extra costs due to “chance finds” as it ensured that they were properly excavated, communicated and managed.

3.4 Urban rehabilitation designs, which were infrastructure led, lacked both a multisectoral approach that would bring citizens along and short-term wins to demonstrate benefits. Sidewalks were designed to be extra wide and high to change traffic patterns and prevent congestion and their use as parking space. Bollards were used for similar purposes. But in both Baalbek and Tripoli, a “clash of values” about project design was revealed by the concerns interviewed residents had and continue to have about the effects of these changes on economic and productive spaces. These changes were made in economically dense areas used by shop owners and consumers to conduct everyday economic transactions.

3.5 Residents’ feedback in Baalbek and Tyre illustrate the nature of these concerns: “By what logic have they tightened the streets for the sake of the sidewalk? These sidewalks are a big mistake. We are not the Champs-Élysées!” —Residents of Baalbek

3.6 The infrastructure-led approach in Baalbek and Tripoli resulted in protracted and costly engagements after the sidewalks had been laid. According to interviews with the Project Management Unit, the sidewalk width around a newly installed public square in Tripoli was renegotiated with the local population, with additional support from the World Bank’s social specialist. Similarly, in Baalbek, gains initially achieved concerning the additional provision of public space and traffic management plans are being eroded in response to vendor outcry. As discussed with the Baalbek municipality, the need to manage societal tensions is prominent, even if it means reversing previously made decisions about urban design.

Implementation

3.7 The project did not adequately assess—nor effectively mitigate the social risks associated with—the benefits and costs of redesigning urban space in economically dense urban cores. Urban rehabilitation always involves winners and losers. The project added a significant amount of pedestrian space to the historic cities, including through the construction of new marketplaces, and provided services under urban roads (water, sewers, electricity), public squares, and sidewalks, often by removing parking and allocating parking space at the edge of the historic downtowns or by narrowing space for cars in existing roads. As documented in the results section of this report, the project increased the amount of pedestrian space in the five cities from 9,840 square meters in 2006 to an estimated 274,000 square meters by 2016.

3.8 However, the expansion of pedestrian space sometimes came at the expense of traditional, local livelihoods, which has led to a certain level of societal resistance. This was the case in Baalbek where, after project closure, many of the changes made to the built environment have been contested—including the removal of pavement and bollards, destruction of public furniture, infringement of traffic and parking rules, and an underinvestment in basic maintenance of the project-supported infrastructure (box 3.1).

Box 3.1. Integrated Cultural Heritage and Urban Development in Baalbek

In Baalbek, CHUD sought to create a connective tissue between the city's antiquities and its historic urban core. It financed the restoration of the Venus and Bacchus temples and Arab Wall. Linkages were established between the sites and the historic core by building a stairway and public square. To create a more livable core, (e.g. by reducing congestion and pollution, and increasing public space), the project reorganized the traffic flow by building wide sidewalks, medians, bollards, and by setting new rules. To incentivize tourism, the project built a "lower road" for parking, equipped with solar lamps appropriate for the site.

But changes to the built environment raised the ire of shop keepers and some residents, because it too abruptly attempted to upend behavioral norms, and lacked a communication plan. Shop owners claimed that business had declined because of the reduction of vehicular traffic. Urban residents interviewed also professed a penchant for driving, rather than walking and complained that the new parking "was too far away" from the services and shopping located in the historic urban core.

Shopkeepers and residents also expressed a sentiment that the project favored tourists over local businesses. The urban design, that installed the lower road for tourists, was felt to be rerouting touristic business away from the town center. As expressed to IEG, "due to CHUD, tourists come and leave, without using the main road or Al-Qualaa road, where businesses depend on tourists, and not on local customers. The buses stop at the parking on the lower road and tourists are guided to the historical site. These concerns were validated by IEG. Tourist operators are not integrating local economic activities into their itineraries (rather they encourage them to dine in Zahle, outside of the city, for example).

Baalbek also demonstrates the importance of sustained municipal buy-in. While at appraisal, the project had strong municipal support, this was not sustained with the change in administration, in part due to grievances of influential residents. IEG's visit revealed that city planning decisions introduced by CHUD were not fully enforced, and residents were rejecting the new norms. Examples include residents' refusal to follow traffic regulations, the breaking of bollards, and installation of lights out of step with UNESCO guidelines.

The project did not finance a study of the net effects of the project on local economic activity. Businesses in Baalbek have been negatively affected by the Syrian war and overall economic decline. In the absence of a study, it is difficult to determine whether the urban rehabilitation activities negatively affected local economic activity. But given the fragility of the area, it is important to recognize that perceptions can be more influential than facts, and when left unmanaged, can lead to social unrest.

A general lesson that emerges from the Baalbek experience is the need to ensure that urban rehabilitations conducted as part of a well communicated, "two-way street." In such a contested environment, partnerships between the project, residents, and local government are essential for developing and implementing sensitive and sustained designs.

Source: IEG field visit to Baalbek, 11/2018; 12/2018; project documentation; impact assessment; interviews.

3.9 A participatory field assessment of the reconstructed covered market in Tyre revealed that anticipated economic and quality of life gains may not have been realized. Interviews with vendors in the transformed, historic covered market were conducted because the project not only reconstructed the infrastructure, but it also changed the "rules of the game" for the vendors within the market place (by reorganizing the market and requiring fees). On the day of the field assessment (a day that normally should have been busy) the whole market area looked deserted. The vegetable and fruit sellers were playing cards because they had no customers. Two sets of interviews, the first in the presence of the mayor and project team and the second in a follow-up set of interviews within many of the vendors present in the transformed covered market, indicated the following: (i) fewer permanent vendors than what had been arranged through the resettlement action plan worked in the marketplace; (ii) fruit and vegetable vendors struggled to make a living as a result of their prices being undercut by sellers outside of the market (who don't have to pay fees); (iii) the changing urban landscape—including the installation of a new supermarket nearby—affected business; and (iv) the amount of parking was reduced.

3.10 The interviews at the transformed historic market point to the need for projects to indicate *for whom* economic gains and quality of life achievements will be realized. During the project cycle, analytical support (for example, studies) is needed to accompany project-induced organizational and behavioral shifts to assess outcomes or support adaptive management features along the way.

3.11 In Tyre, as in Baalbek, there is a feeling that CHUD prioritized activities that favored tourists over residents. This is especially true among business owners who expressed concerns that traditional businesses were being replaced by touristic ones and that the finance and skills required to transition were out of reach for many of them. Owners of generations-old businesses around the newly installed public square indicated that the project model—which eliminated parking—hurt existing businesses, whereas new restaurant and café owners benefited. Although restaurants and cafés are more in line with the vision of the historic core, their proprietors are shown to have more connections and wealth. Even the café owners acknowledged that while they were benefiting, other traditional businesses in the area are suffering.

3.12 Several sentiments expressed by business owners in the city center, including the covered market that was refurbished, illustrate these concerns well:

“The message is clear. They want this area to become touristic. It is not for commercial activities that service the residents of Tyre. It is a matter of time that we leave. They should compensate us, and we will go away.”

“Even during the war, commercial activity was high. We used to get [United Nations Interim Force in Lebanon] soldiers here who would shop. Now we have reached the worst phase of war because it is a war against commercial activity.”

“We are now only relying on our loyal customers ... There are no walk-in customers because nobody walks around here anymore. We are thinking of closing and moving to another location. Our type of business is not possible in this location anymore.”

Social Risk Mitigation at the Community and Residential Level

3.13 Although a significant level of consultation took place during project preparation, clear feedback was lacking during implementation of the final CHUD plans. This created a level of confusion, and discontent, among residents living and working in and around the historic city centers. In Tripoli, vendors in the old souks indicated that they had been contacted before the kickoff of the works and that they were adequately informed about CHUD plans. The shop owners and tenants agreed on some matters, rejected others, and suggested new urban planning solutions. They were promised that their suggestions and objections would be considered but feel that, ultimately, this didn’t happen. Residents of the historic souk houses denied being contacted before or during the work. According to the residents of the historic souk homes, they themselves went to engineers on site to understand and request or refuse certain works. The same narrative applies to the renovation of the historic market and the creation of a public square in Tyre.

3.14 In Tyre, project consultations held for the market reconstruction lacked adequate feedback mechanisms with vendors during and after implementation to ensure a stable transition between the old and the new marketplace. Consultation processes require transparent data collection and feedback mechanisms to manage expectations, and to inform participants about the divergence between what was expected and what is being planned. The market association collected the signatures of hundreds of vendors who would have to pay rent in the new marketplace to maintain and operate the facility but who were opposed to the market changes and had organized two sit-ins. Vendors indicated that although they had initially been informed of the planned changes, they were not told about project revisions. One frequently cited example concerns the way that revisions to the parking system would affect market activity. Vendors indicated that a compromise had been reached to provide parking space for 180 cars. The actual parking area, however, accommodates only 36 cars (enough for the vendors).

3.15 Residents of homes around the ancient souks of Tripoli also expressed dissatisfaction with the way the project communicated and implemented facade upgrading. CHUD sought to create a connective tissue between the restored historic citadel and the adjacent souks, which required project work in intervening residential areas. In these areas, the project rehabilitated the facades of houses at the entrance to the souk, to make the entrance more alluring. But homeowners interviewed could not understand why the project wanted to “cover up the beautiful and historic sandstone walls of their houses.” Most residents interviewed expressed discontent about the way that the sandstone was covered with concrete. Smoothing the walls deprived their area from its characteristic look, of which they are proud

3.16 Residents of rehabilitated houses and sellers at the souk said, “Before smoothing the walls, our area looked like Turkey with these sandstones houses.” “If the reason is to protect the sandstones, there are definitely better ways to do it.”

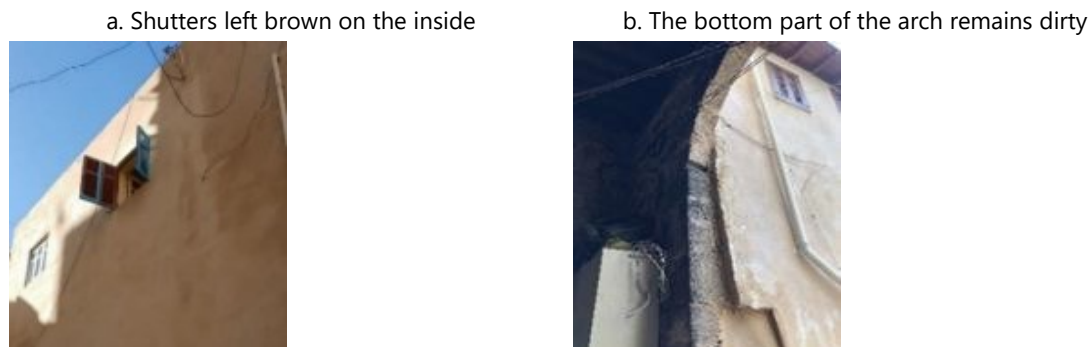
3.17 The CHUD experience of residential and neighborhood upgrading lends itself to a debate about the idea of “authenticity.” The field protocol in Tripoli exposed an interesting debate about cultural preservation: efforts to smooth and paint homes “white and blue” in the old souk area—to make them more appealing to tourists—were considered *inauthentic* by residents.

3.18 In several cases, in Tripoli and Baalbek, residents expressed concern that the project only cared about the way the houses and structures appeared from the outside. Windows were painted on the outside but left alone on the inside (figure 3.1).

“I begged them to paint it all. I am really ashamed to open my window. ... The shutters are blue from outside and brown from inside!” —House owner, male.

“The upper part of the arch’s stones was cleaned while the lower part remained as is, blackened through time. We implored them to complete the job, but they only care about what’s visible from the steps.” —House owner, female.

Figure 3.1. CHUD Projects in Tripoli Focus on Visible Sections of Buildings



Note: CHUD = Cultural Heritage and Urban Development.

3.19 But in historic cities, the public good component of the housing stock is their facades, whereas housing interiors are private property. Spending public funding on the interior of private houses would have represented a distortion of the housing market and a suboptimal use of public funding.

3.20 The residential feedback provided is useful, however, from a learning perspective: it showcases the kinds of concerns that private homeowners are likely to have in similarly implemented projects. The case study can be contemplated as part of the wider international dialogue, such as the dialogue that took place at the Seoul Workshop on Cultural Heritage cohosted by the World Bank in 2017. In that workshop, participants—building on decades of project implementation knowledge—emphasized the need for policy and projects to respect residents’ needs and aspirations and to protect communities’ (and their residential rights) from unintended consequences. These principles are also enshrined in the World Bank’s newly adopted social standard on cultural heritage.

Oversight of Public Works and Public Safety

3.21 In Tripoli, the quality of residential works was raised as an issue in residential interviews. Respondents reported that water leaks through the project-installed surfaces, wooden windows, and doors (figure 3.2). Residents also would have preferred if the project would have installed iron bars on the windows, at least on the

ground floors, but this was not aligned with the project ethos. In some cases, residents have affixed them themselves.

3.22 Residents also pointed to the “impracticality” of installing “beautiful, new, yellow stone steps” designed to lead tourists from the citadel to the souks: while very wide and visually appealing, the polished stones are “slippery when wet,” and “do not have handrails” (figure 3.3). Residential feedback paints a picture of neighborhood discontent, even if the feedback provided was exaggerated to make the point. The exaggeration in the comments received was also deemed a symptom the residents not feeling heard: they had raised their concerns with CHUD engineers and with the municipality but reportedly to no avail. Illustrative comments provided to the IEG field protocol team in Tripoli include the following:

“The old cement steps were much safer. Now we go down the stairs holding our heart in our hands, frightened to fall. They’re greasy like soap.” —House owner, male.

“I had to throw all the shoes I have out and buy new ones with rubber shoehorn to be able to walk outdoors on these steps!” —House owner, female.

“I went to the foreman in charge of paving the steps and demanded an insurance policy from his company. ... It’s their fault if I fell on these steps and if something happened to me, they should be held responsible! ... But of course, they wouldn’t care less!” —House owner, female.

Figure 3.2. Water Leaks through CHUD-Installed Works



Note: CHUD = Cultural Heritage and Urban Development.

Figure 3.3. The Former Cement Steps from the Citadel to the Souks in Tripoli



Note: CHUD = Cultural Heritage and Urban Development.

3.23 Residents questioned other aspects of souk rehabilitation from a public safety perspective. In the urban plans laid out by CHUD, the entrances to historic souks were reengineered to prohibit vehicular traffic by, for example, placing bollards at the entrances or installing elevated sidewalks. The citizens of Tripoli and Tyre have wholly rejected the bollards and the idea of restricted access. First, concerns were expressed about the lack of access for emergency vehicles, such as ambulances and fire trucks. Vendors in Tyre indicated that the service roads in and out of the souks had previously been “pedestrian only” since they were well “regulated” to allow emergency vehicles and commercial goods, to move in and out of the historic core. Additionally, especially in Tripoli, concerns were expressed about economic consequences associated with the delivery of goods into the souk: it costs more to transport goods from the street into the souks in trolleys, and there is a higher risk of goods being damaged.

3.24 According to resident interviews, the concerns about emergency vehicles (ambulances and fire trucks) require attention and rethinking on how the streets have been blocked (with a cement block). Other concerns, such as vendors lacking vehicular access to their stalls, are more debatable and in line with the trade-offs associated with creating more pedestrian spaces in the souks. A vegetable seller said, “When we asked the municipality, what would you do in case of fire to save the people who live in the souk? They told us not to worry, ‘We will cut the stakes if something happened.’”

Figure 3.4. A Souk Entrance



4. Lessons

4.1 Assigning economic values of cultural heritage requires consideration of both its use and nonuse values. This principle has been well recognized by the World Bank’s analytical work on the subject, including in the *Economics of Uniqueness* (Licciardi and Amirtahmasebi 2012). Whereas use values can be estimated by calculating entry prices to tourist sites or tourist spending, nonuse values require the calculation of public good benefits. These benefits include symbolic, spiritual, historic, scientific, and social values that vary among users and nonusers of the heritage. Some heritage sites may have cultural value but no economic value. The reverse is true for other sites. Therefore, the valuation of heritage requires a way of calculating the

benefits and costs of “tangible and intangible” benefits, especially in the context of a World Bank loan.

4.2 Urban rehabilitation projects designed to expand public space require ex ante and intermittent analysis of the risks associated with local economic displacement caused by restricted access and the changing preferences of upgraded space. CHUD added a significant amount of pedestrian space by removing parking and narrowing roads. Although the quality of life in the city centers improved for many residents, cafés and restaurants displaced traditional shops in some upgraded areas. The need to accurately estimate the aggregate economic and social gains of urban rehabilitation activities—including by understanding and mitigating the effects of economic displacement—is both a social standard and a core tenant of good project design.

4.3 Infrastructure-led urban rehabilitation of economically dense and culturally sensitive urban cores requires complementary investments in “soft skills” to ensure effective two-way communication about project aspirations and to adapt to citizen concerns. CHUD had a technically sound urban planning focus, with interventions planned to reduce the effects of congestion and pollution on the heritage it was designed to protect. But in the more complex cities—especially those with weak enforcement capacity—the integrity of urban reforms was undermined by the challenges associated with building consensus among citizens with disparate interests. Since then, the World Bank has engaged in building this type of capacity—for example, in the participatory design of urban rehabilitation through mechanisms such as charrettes, which are creative, intense working sessions using public workshops and open houses (common in architectural design processes).

4.4 All cultural heritage and sustainable tourism investments must be designed to respect residents’ needs and aspirations and to protect communities’ residential right from unintended consequences. The CHUD experience reveals that residential upgrading requires a robust participatory design and implementation process to understand and honor residents’ aspirations. It also requires close supervision to ensure that equipment and materials are of the highest quality and that contractors behave with integrity.

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Appendix A. Overall Project Ratings

Table A.1. Overall Project Ratings

Indicator	ICR*	ICR Review*	PPAR
Outcome	Satisfactory	Moderately satisfactory	Moderately satisfactory
Risk to development outcome	Modest	Substantial	Substantial
Bank performance	Satisfactory	Moderately satisfactory	Moderately satisfactory
Borrower performance	Moderately satisfactory	Moderately satisfactory	Moderately satisfactory

Note: The Implementation Completion and Results Report (ICR) is a self-evaluation by the responsible Global Practice. The ICR Review is an intermediate Independent Evaluation Group product that seeks to independently validate the findings of the ICR. PPAR = Project Performance Assessment Report.

Project Performance Assessment Report Ratings Assessment Methodology

The Independent Evaluation Group assesses the programs and activities of the World Bank for two purposes: first, to ensure the integrity of the World Bank's self-evaluation process and to verify that the World Bank's work is producing the expected results, and second, to help develop improved directions, policies, and procedures through the dissemination of lessons drawn from experience. As part of this work, IEG annually assesses 20–25 percent of the World Bank's lending operations through fieldwork. In selecting operations for assessment, preference is given to those that are innovative, large, or complex; those that are relevant to upcoming studies or country evaluations; those for which executive directors or World Bank management have requested assessments; and those that are likely to generate important lessons.

To prepare a Project Performance Assessment Report (PPAR), IEG staff examine project files and other documents; visit the borrowing country to discuss the operation with the government, and other in-country stakeholders, and interview World Bank staff and other donor agency staff both at headquarters and in local offices as appropriate, as well as using other evaluative methods when needed.

Each PPAR is subject to internal IEG peer review, panel review, and management approval. Once cleared internally, the PPAR is commented on by the responsible World Bank country director. The PPAR is also sent to the borrower for review. IEG incorporates both World Bank and borrower comments as appropriate, and the borrowers' comments are attached to the document that is sent to the World Bank's Board of Executive Directors. After an assessment report has been sent to the Board, it is disclosed to the About the IEG Rating System for World Bank Evaluations IEG's use of multiple evaluation methods offers both rigor and a necessary level of flexibility to

adapt to lending instrument, project design, or sectoral approach. IEG evaluators all apply the same basic method to arrive at their project ratings. Following is the definition and rating scale used for each evaluation criterion (additional information is available on the IEG website: <http://ieg.worldbankgroup.org>).

Outcome: The extent to which the operation's major relevant objectives were achieved, or are expected to be achieved, efficiently. The rating has three dimensions: relevance, efficacy, and efficiency. Relevance includes relevance of objectives and relevance of design. Relevance of objectives is the extent to which the project's objectives are consistent with the country's current development priorities and with current World Bank country and sectoral assistance strategies and corporate goals (expressed in Poverty Reduction Strategy Papers, Country Assistance Strategies, Sector Strategy Papers, Operational Policies). Relevance of design is the extent to which the project's design is consistent with the stated objectives. Efficacy is the extent to which the project's objectives were achieved, or are expected to be achieved, taking into account their relative importance. Efficiency is the extent to which the project achieved, or is expected to achieve, a return higher than the opportunity cost of capital and benefits at least cost compared with alternatives. The efficiency dimension generally is not applied to adjustment operations. Possible ratings for outcome: highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, highly unsatisfactory.

Risk to development outcome: The risk, at the time of evaluation, that development outcomes (or expected outcomes) will not be maintained (or realized). Possible ratings for risk to development outcome: high, substantial, modest, low, not evaluable.

Bank performance: The extent to which services provided by the World Bank ensured quality at entry of the operation and supported effective implementation through appropriate supervision (including ensuring adequate transition arrangements for regular operation of supported activities after loan/credit closing, toward the achievement of development outcomes). The rating has two dimensions: quality at entry and quality of supervision. Possible ratings for Bank performance: highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, highly unsatisfactory.

Borrower performance: The extent to which the borrower (including the government and implementing agency or agencies) ensured quality of preparation and implementation, and complied with covenants and agreements, toward the achievement of development outcomes. The rating has two dimensions: government performance and implementing agency(ies) performance. Possible ratings for Borrower performance:

highly satisfactory, satisfactory, moderately satisfactory, moderately unsatisfactory, unsatisfactory, highly unsatisfactory

Project Performance Assessment Ratings Assessment Table

Project development objective. To create the conditions for increased local economic development and enhanced quality of life its historic centers and to improve the conservation and management of the country's cultural heritage.

Rating	ICR	ICRR	PPAR	Justification
Outcome	Satisfactory	Moderately satisfactory	Moderately satisfactory	The project's objective and design were substantially relevant, though greater attention should have been paid in the design to measuring and mitigating negative externalities associated with urban rehabilitation in economically dense neighborhoods. The project was substantially effective at developing the enabling conditions for cultural heritage to play a role in generating greater local economic opportunities, especially through the restoration of and expanding access to tangible cultural heritage sites. The project was correct to pursue an integrated approach that focused on the connectivity between the cultural heritage sites and the urban cores of the historic cities (also cultural heritage sites), but more attention was needed to develop inclusive economic opportunities within the targeted areas (the connective tissue.) The economic analysis was neglected except for a special study that was conducted, which was unable to measure the project's efficiency (its value for money or cost efficiency). This is an area that could benefit from analytical work on how to determine the value and cost of heritage interventions better. Experts in the cultural heritage and sustainable tourism field have recognized this.
Relevance of objectives	Substantial	Substantial	Substantial	The project development objective was relevant to the urban development challenges in Lebanon at the time of appraisal, which included low contribution of cultural heritage to local and national socioeconomic and civic development, physical and environmental degradation of cultural heritage assets, and outdated and underfunded sector institutions. The project was and remained in

Rating	ICR	ICRR	PPAR	Justification
				line with the aims of the Country Partnership Framework drafted alongside project close (FY17–22) that focused on the need to revitalize key sectors, such as tourism, to improve the living standards of the Lebanese citizens. The project's aim also remained relevantly aligned with the Country Partnership Framework's aim of strengthening state institutions and bolstering efforts to support longer-term development challenges (like local economic development in Lebanon's secondary cities). However, the statement language could have been aligned more closely with the project's theory of change and design. As written, it unnecessarily separates the urban development and cultural heritage aims.
Relevance of design	Substantial	Modest	Substantial	<p>The project design intention, to anchor local economic development in the restoration and sustainable use of Lebanon's renowned cultural heritage, was substantially relevant. The design decision to work in five historic cities was well aligned with sensitive political and cultural considerations. The regional variation was necessary to obtain political buy-in from the parliament. Securing the buy-in from different sects was critical for the loan approval. The multiplicity of interventions was required (in line with the theory of change) to develop a connective tissue between the restored sites and the historic urban cores. The regulatory and institutional strengthening support assured that the efforts would be sustained after project close.</p> <p>However, greater emphasis should have been placed on the project's results orientation: the achievement of economic and social benefits, in addition to the establishment of enabling conditions. Urban planning intrinsically involves trade-offs and the management of negative externalities often associated with increased efficiency and equity considerations. The articulation of both economic and social aims in a cultural heritage and urban upgrading project would have allowed for a more robust analysis and measurement of both aims, and potentially a more effective means to manage the trade-offs. As the ICR also indicated, there was a need for a more integrated approach to</p>

Rating	ICR	ICRR	PPAR	Justification
Efficacy	High	Substantial Modest Substantial	Substantial	<p>support this sensitive project's social dimensions.</p> <p>This PPAR considers the CHUD to have a single, integrated objective statement in line with the integrated design of the project. CHUD substantially contributed to the restoration and preservation of many renowned cultural heritage sites and upgraded many features of the targeted historic urban cores. This helped create the conditions for local economic development, but these gains and a reported improved quality of life were mixed. The project was effective in creating a physical connective tissue through urban rehabilitation activities between the restored antiquities and the historic urban cores, but it was only partially effective in spurring local economic activities in and around the restored sites. An independent qualitative assessment conducted over four stages of the project cycle found that Byblos, Saida, and Tripoli increased their touristic numbers, overnight stays, and shopping visits. However, Baalbek remained a one-stop destination (the Roman ruins), and Tyre's share of tourism and hotel stay activities shrank. Higher levels of satisfaction were recorded for Byblos and Saida, with greater levels of dissatisfaction reported in Baalbek, Tripoli, and Tyre. High satisfaction scores are correlated with the provision of public infrastructure: benches, landscaping, and recreational spaces. Negative scores are highly correlated with residential dissatisfaction of the project's efforts to use urban rehabilitation to regulate traffic flows in the old cities, expand pedestrian space in ways that limit access or parking, or remove access to service roads. CHUD also helped to improve the conservation of cultural heritage by establishing an integrated system of laws and decrees to improve the conservation and management of cultural heritage. CHUD helped to strengthen the Directorate General of Antiquities and its ability to protect and restore nationally renowned cultural heritage sites, including by training local staff in specialized conservation activities.</p>
Efficiency	Substantial	Modest	Modest	The project did not conduct a cost-benefit analysis at appraisal or at additional

Rating	ICR	ICRR	PPAR	Justification
				<p>financing, though a traditional rate of return analysis would not have been enough. At appraisal, the project deemed that it lacked data to estimate land or rental values and job creation, and it was uncertain how to calculate benefits associated with cultural heritage investments. For example, there was a reluctance to calculate tourism revenue because tourism potential was deemed limited in many of the sites at the time because of their physical conditions and security risks. During preparation of the additional financing in 2012, the World Bank stated, "In the context of Lebanon, the necessary data are not available" to estimate a financial or economic rate of return. According to the World Bank, because property and transfer taxes are not administered well, and the real estate and labor markets in the historic areas are not well documented, there was not a "realistic way of predicting the increase in monetary flows" attributable to the project.</p> <p>At closure, the project commissioned an independent study to assess efficiency. Data were collected for Byblos (highest performing) and Tyre (moderately performing). This assessment finds that although the calculations are robust for the two cities, the findings are not generalizable to the five cities, as the study suggests. Thus, a partial assessment was conducted. The estimated increases in annual tourist visitation to the cultural sites in Byblos reported by the study are plausible (about 40,000), as are related business investments calculated through questions applied in the impact assessment surveys.</p> <p>Other positive impacts reported, including indirect impacts on the national and local economies, are also plausible, but the measured benefits (tourist expenditure and consumption-induced impacts) are highly concentrated (for example, in Byblos), and in cities like Baalbek, these would have been captured mostly by tourist operators.</p> <p>The study estimated indirect and induced effects of expenditures identified by the surveys by calculating output multipliers for the tourism industry and for the business and residential investment expenditures</p>

Rating	ICR	ICRR	PPAR	Justification
				using data from the 2011 Lebanese input-output tables. It then applied them to the expenditure data to yield estimates of the indirect effects on the economy brought about by the rounds of responding after the initial impact. As a result, the study derived estimates of the direct, indirect, and induced effects on economic activity that can be attributed to the project. It found that the indirect impact on output in the Lebanese economy caused by the increased tourist expenditure is about \$5 million, and the consumption-induced impact is estimated to be more than \$7 million. The indirect and consumption-induced impacts on employment are approximately 100 and 150 jobs, respectively.
Risk to development outcome	Low	Substantial	Substantial (in some cities)	Overall, the government has high ownership to support advancement of cultural heritage and to exploit it for local economic development. There is less risk to development outcomes in cities where the tourism sector is more advanced, such as in Byblos compared with Tripoli, where there are substantial risks of underinvestment in the economic and social uses of some of the repurposed heritage sites. Social risks are apparent in Baalbek, where reforms were stalled because of local interests and, like in Tripoli, intergroup friction. There are also exogenous risks associated with macroeconomic stability and peace and stability, on which the cultural heritage and sustainable tourism sector depends.
Bank performance	Satisfactory	Moderately satisfactory	Moderately satisfactory	Quality at entry is rated satisfactory . Project design was based on previous project experiences in the Middle East and North Africa Region that demonstrated the possibility of adopting an integrated approach to urban development, social cohesion, and cultural heritage. Quality at entry was innovative in that it sought to take the model to scale. Preparation was detailed and based on rigorous feasibility studies, although contractor and material quality would later become an issue. Consultations held during the early stages of project preparation were reported to have been comprehensive and highly participatory, but feedback waned during implementation. Monitoring and evaluation, designed 16

Rating	ICR	ICRR	PPAR	Justification
				<p>years ago, was thoughtful but would not be considered adequate today.</p> <p>As reported by the impact assessment, the project was not designed to work alongside city plans that the municipalities had already prepared or were in the process of preparing. Therefore, the work sometimes happened at cross-purposes.</p> <p>Quality of supervision is rated moderately satisfactory, with some modestly performed aspects observed. The modestly performing part of World Bank supervision is associated with the communication or lack of it between the project and project-affected persons throughout the project cycle. This issue is raised in the context of CHUD because expectations were raised through its excellent preparation stage. During preparation, broad-based consultations were held in participating cities as mayors, civil society representatives, and local communities presented their vision for the project. There were about 50 formal consultations and efforts to empower decision-making of local communities, the urban poor, and particularly youth, women, and vulnerable groups. Donors have commended this effort on several occasions, and the World Bank applied this good practice in multiple projects in the Middle East and North Africa Region and elsewhere. However, there was no follow-through after the original task team leader left the project shortly after the works began. This issue is also raised in the context of an urban engineering project implemented in a postconflict society, in which tensions can flare in reaction to nonrepresentative decision-making at the national level.</p> <p>However, the World Bank effectively oversaw the implementation of this complex project during periods of political upheaval and active conflict. A year after effectiveness, the project continued uninterrupted even when the country's prime minister was assassinated. Two years after effectiveness, aerial bombardments in a war waged with Israel affected activities directly. Four years into implementation, the project was interrupted because the World Bank temporarily suspended all travel to Lebanon</p>

Rating	ICR	ICRR	PPAR	Justification
				for security reasons, but the government continued project implementation despite social tensions. By 2011, the Syrian conflict spilled into Lebanon in deadly clashes between Sunnis and Alawites in Tripoli and Beirut. Tripoli, one of the project cities, fell into civil conflict. with impacts on project implementation.
Borrower performance	Moderately satisfactory	Moderately satisfactory	Moderately satisfactory	<p>Overall borrower performance is rated moderately satisfactory.</p> <p>Government performance is rated satisfactory. The government sought the World Bank's special expertise in resettlement to do business differently in the secondary cities supported by CHUD. The government remained committed throughout the entire project duration (13 years). There was support for integrating cultural heritage expertise in the reconstruction activities, as evidenced by the staff secondment between key agencies. The government also adopted laws and decrees to strengthen national and local management of cultural heritage sites, and it provided an advance of \$15 million while awaiting parliamentary approval. However, some government-related delays during the additional financing period affected effectiveness.</p> <p>Implementing agency performance is rated moderately satisfactory. The Council for Reconstruction and Development effectively oversaw the implementation of the project through periods of high social tensions and active conflict. Aspects of financial management were satisfactory. Audit reports had clear, unqualified opinions. Although the council followed the procurement guidelines, the external impact assessment found that the subprojects across the five cities were not coordinated well. For example, if a procurement problem occurred at one site (a faulty contractor, for example), there was no system connecting the sites so that another site could avoid repeating the same problems or hiring the same faulty contractor. Residents reported faulty contractors and the use of poor materials to the Independent Evaluation Group in the residential assessments conducted in some of the targeted cities.</p>

Rating	ICR	ICRR	PPAR	Justification
				<p>However, attention to the project's technical and engineering aspects outweighed the need to hire and sustain the use of soft skills required for iterative consultation, communication, and ultimately to support behavioral change. More ex ante analysis was needed on how the various urban development and infrastructure projects undertaken would affect residents. The project did not have a social scientist for several years, and when one was contracted, it was done ad hoc (and mainly to manage the safeguards). Communication with residents about the purpose of the urban rehabilitation activities and the details around the actual works was underemphasized.</p>

Note: ICR = Implementation Completion and Results Report; ICRR = Implementation Completion and Results Report Review; PPAR = Project Performance Assessment Report.

Appendix B. Project Data and Other Issues

Basic Project Information

Lebanon—Urban Development and Cultural Heritage (IBRD-71660, IBRD-81370)

Table B.1. Key Project Data

Financing	Appraisal Estimate (\$, <i>millions</i>)	Actual Estimate (\$, <i>millions</i>)	Actual as Percent of Appraisal Estimate
Total project costs	61.9	119.0	192
Loan amount	31.5	57.0	180

Table B.2. Cumulative Estimated and Actual Disbursements

Disbursements	FY04	FY05	FY06	FY07	FY08
Appraisal estimate (\$, <i>millions</i>)	3.60	10.36	7.99	5.94	3.21
Actual (\$, <i>millions</i>)	3.60	13.96	21.95	27.89	31.80
Actual as percent of appraisal		134.7	274.7	469.5	990.6

Table B.3. Project Dates

Stage	Planned	Actual
Approval	7-Nov-2003	17-Apr-2003
Effectiveness	n.a.	3-Feb-2004
Closing	31-Dec-2009	31-Dec-2016

Appendix C. Assessment Methodology and Persons Met

Methods overview. This assessment used a layered approach and was conducted in three phases. The first phase consisted of a literature and document review, key informant interviews held in Washington, DC, and a stakeholder mapping exercise. A team of Independent Evaluation Group (IEG) staff and international consultants conducted the second phase, which was launched in Lebanon in November 2018. This phase included meetings and a workshop with the implementing agencies within the Council of Development and Reconstruction and the Directorate of Antiquities, and interviews of local government officials, cofinancing partners, and other architectural and cultural heritage experts. The second phase also included site visits to all five historic city centers supported by the project, in partnership with the Project Management Unit and with the support of the local governments of Baalbek, Byblos, Saida, Tripoli, and Tyre. The third phase used learning from phases I and II to further explore the implementation issues raised by the desk review and site visits. A set of field protocols was developed and implemented for three cities (Baalbek, Tripoli, and Saida). The field protocols explored implementation patterns observed during the site visits and collected and triangulated perceptions of project benefits across a range of project-affected persons.

Detailed Method Description

Phase I: Desk Review and Key Informant Interviews in Washington, DC

The first phase included the following:

1. A detailed desk review of the literature, relevant analytical work, project documentation (project appraisal documents, Implementation Status and Results Reports, Implementation Completion and Results Reports, and Implementation Completion and Results Report Reviews) and the project impact assessment
2. Mapping of all project activities by city
3. The production of an evidence gap map
4. Key informant interviews with the task team leader and cultural heritage specialists in the World Bank (see List of Persons Consulted)

5. A stakeholder mapping exercise based on the project documentation and interviews

Table C.1. CHUD Project Aims and Activities by City

City	Project City Objectives	CHUD Activities
Baalbek	Better integrate historic sites into the urban fabric of the city; rehabilitate historic and cultural sites to attract more tourists; revive market areas and make better use of the public spaces; reorganize traffic and entrances into the city; work in cooperation with residents to promote traditional food products and arts and crafts, and create a better mechanism for marketing them	<ul style="list-style-type: none"> • Rehabilitation of the southern and northern entrance • Restoration of Temples of Venus, Bacchus and Arab Wall • Rehabilitation (infrastructure and facades) of Abdul Halim Hajar and Saleh Haidar streets and pave St. George Street • Establishment of bus parking at Sayyidah Khawla Mosque • Renovation of the Serail • Rehabilitation of building facades at Shouman Slope Street • New entrance to the archaeological sites and tourist paths, and rehabilitation of the public Moutran Garde
Byblos (Jbeil)	Renovate eastern entrance to historic site; improve general appearance of public spaces, sidewalks, and roads at the entrance to the city and the old center; enhance the seaside area and old port	<ul style="list-style-type: none"> • Rehabilitation of old city entrance • Rehabilitation of Serail Street • Rehabilitation of Old Market • Rehabilitation of Roman Street • Rehabilitation of the public space in front of the United Nations Education, Scientific and Cultural Organization building • Car parking area at Citadel Square
Saida	Enhance the overall appearance of the old city. Promote interaction with the local community, which plays a role in promoting local economic development. Enhance the appearance and organization of the sea facade	<ul style="list-style-type: none"> • Establishment of Saida History Museum • Rehabilitation of Al-Nejmeh Square • Renovation of the Land Castle • Renovation of the Bab Serail Square • Rehabilitation of Old City (facades and infrastructure) • Renovation of the touristic path • Renovation of Beit Safwan • Renovation of Khan Al-Qishli
Sour (Tyre)	Improvements to the waterfront, including upgrading infrastructure for local fisherman and promoting intangible heritage (wooden boat building) as a tourist attraction; upgrade public spaces and historic buildings; promote adaptive reuse of the khans; create a cultural promenade at the interface of the archaeological and historic areas; support coastal zone protection; housing rehabilitation	<ul style="list-style-type: none"> • Establishment of the vegetable market • Rehabilitation of Bawabeh Square • Rehabilitation of seaside boulevard at Northern Lighthouse • Rehabilitation of the Old City • Renovation of Mamlouk House • Rehabilitation of the archaeological site at the seaside • Development of the fishing harbor • Rehabilitation of Menshiyah Square • Establishment of the Syndicate of Fishermen • Rehabilitation of infrastructures at Hamra, Jaafariya and Tadamoun Square

City	Project City Objectives	CHUD Activities
Tripoli	Adjust riverside circulation, improve parking spaces, and landscape selected areas; build alternative housing and commercial space to accommodate Khan Al-Askar households and businesses; improve water supply, sanitation, and utility connections in the historic city; provide support to local economic development, cultural tourism, private sector participation, and communication	<ul style="list-style-type: none"> • Establishment of fish market (Syndicate Building) • Establishment of car parking area near the General Security • Rehabilitate Khan Al-Askar • Rehabilitate the southern neighborhood • Rehabilitation of the Nahr Abu Ali region • Establishment of kiosks (market) at the Abu Ali River • Widen the road on the eastern side of Abu Ali River • Renovation of Tripoli Citadel • Renovation of Burtasi Mosque and Garden • Rehabilitation of northern old markets (Nahhasine, Bazerkan) • Establishment of public space at the Abu Ali River • Rehabilitation of Souwaiqa (old city) facade • Renovation of Izzedine bathroom • Rehabilitation of public spaces in the old city • Rehabilitation of Churches' Street

Note: CHUD = Cultural Heritage and Urban Development Project.

Phase II: Field Mission, Key Country Level Informant Interviews and Site Visits with the Project Management Unit

The field plan for phase II was developed from the evidence gap map produced under phase I.

Phase II was initiated through a series of meetings with the main project implementing agency, the Council for Development and Reconstruction (CDR) at their offices in Beirut, Lebanon. The meetings included members of the IEG team, key CDR officials, and members of the Municipal Implementation Units (MIUs) for each city. A second key meeting was held with a second implementing agency, the Directorate General of Antiquities, a unit of the Ministry of Culture charged with the protection of all sites of national heritage in Lebanon. Key informant interviews were also conducted with cofinanciers and partners, including Agence Française de Développement, Agenzia Italiana per la Cooperazione allo Sviluppo (Italian Agency for Cooperation and Development), and the United Nations Educational, Scientific, and Cultural Organization (UNESCO). Three of the five Cultural Heritage and Urban Development Project (CHUD) sites—Baalbek, Byblos, and Tyre—are UNESCO-designated World Heritage sites. In addition to these government and donor entities, the team also conducted key informant interviews with the firm that conducted the impact assessments of CHUD on behalf of CDR, and with architects and urban planners who are familiar with CHUD works.

Phase II also included site visits to the five CHUD cities: Baalbek, Byblos, Saida, Tripoli, and Tyre. The visits were conducted alongside CDR and MIU representatives for each city. The visits allowed the evaluation team to view the CHUD project from the implementing partner's perspective. The evaluation team visited project works undertaken by CHUD, discussed with CDR and MIU officials the underlying vision and rationale in selecting specific locations and types of work in each city, observed the key accomplishments and challenges, and asked about adaptation strategies to meet the challenges. The site visits also included a meeting with each city's mayor.

Table C.2. Key Informant Interviews (Washington DC and Beirut)

World Bank		
1.	Christianna Johnnides	Senior Urban Management Specialist
2.	Guido Licciardi	Task team leader during implementation from April to December 2016, and
3.	Ahmed A. R. Eiweida	
		Senior Urban Specialist
Government		
4.	Wafa Charafeddine	Director, Funding Division, Council for Development and Reconstruction (CDR)
5.	Sarkis Khoury	Director, Directorate General of Antiquities
6.	Nabil Itani	Project Management Unit, Architect/Conservation Specialist, CDR
7.	Jean Yasmine	DGA Project Manager, Project Implementation Unit, CDR
8.	Maher Baker	Project Management Specialist, CDR
9.	Lana Shehadeh	Project Management Unit Archaeology Officer, CDR
10.	Ahmad Mchad	Municipal Implementation Unit, Tripoli
11.	Nidal Chehayeb	Municipal Implementation Unit, Saida and Tyre
12.	Adnan Khamfour	Municipal Implementation Unit, Baalbek
13.	Hala Deghaili	Procurement Specialist, CDR
14.	Samar Karam	Archaeologist, DGA
15.	General Hussein Lakis	Mayor, Baalbek
16.	Ahmad Qamareddine	Mayor, Tripoli
17.	Mohammad Seoudi	Mayor, Saida
18.	Hassan Dbouk	Mayor, Tyre
19.	Wissam Zaarour	Mayor, Byblos
20.	Emily Bouchrouch	Head of Tourism Department, Byblos
Donor Agencies		
21.	Ramy Saliba	Charge de Mission, Agence Française de Développement
22.	Maria Luigia Calia	Senior CHUD Program Officer, Agenzia Italiana Per La Cooperazione
UN Agencies		
23.	Joseph C. Kreidi	Programme Officer—Culture Sector, United Nations Education, Scientific and Cultural Organization

Architects		
24.	Serge Yazigi	Architect, Yazigi Atelier
Impact Assessment Firm		
25.	Redha Hamdan	Economist and Statistician, Consultation and Research Institute (CRI)
26.	Alexandre Ammar	CRI

Phase III. Qualitative Field Assessments Designed to Probe Implementation Challenges

Phase III was developed to derive explanatory factors—grounded in the local context—for the implementation challenges that were identified through the (i) project documentation (including Implementation Status and Results Reports and aide-mémoire), (ii) the low satisfaction scores reported through the Impact Assessment Team, further probed in a team interview; (iii) discussions and site visit observations conducted with city mayors or officials and the Project Management Unit.

Phase III used a purposive interview approach to create stakeholder categories aligned with the implementation challenges identified. The aim of the interview protocol for project-affected persons was to derive explanatory factors around the implementation challenges that were grounded in the sociocultural and local economic context of the different sites. For example,

- In Tripoli, issues pertaining to residential restoration (facades) were discussed with residents present during the IEG assessment. The bias present here is that these were mostly renters, not land owners, but that would not affect the credibility of the perceptions gathered.
- In Tyre, issues pertaining to the market transformation were discussed with most market stall operators present during the IEG assessment.
- In Baalbek, business owners around the contested space were interviewed because of the issues the assessment identified concerning economic displacement.

Specific lines of inquiry that were deemed in need of further investigation included (i) pedestrian-friendly streets, sidewalks, and squares in and around the historic sites of the city; (ii) the redirecting of traffic (routes and patterns); (iii) the rehabilitation of structures within historic souks; and (iv) market upgrading, including economic and social outcomes.

It should be noted that IEG did not plan for a comprehensive stakeholder analysis, since a large “n” perception survey was conducted by the project-commissioned impact assessment. IEG understood that multiple types of stakeholder groups were

interviewed for this wider assessment and, based on the acceptable quality of the assessment, did not seek to assess the credibility of the impact assessment findings.

Field Protocols

The local team was instructed to interview project-affected persons around the structures, squares, and streets that CHUD had rehabilitated or built and that had experienced implementation challenges. This section lists the specific lines of inquiry and list of stakeholder categories interviewed for each site selected.

Baalbek

The Baalbek field protocol was conducted on December 27, 2018. It included key informant interviews designed to qualitatively probe issues associated with CHUD's main investments in the city. These investments included the following:

- Traffic rerouting
- Sidewalks and pedestrian areas
- Parking spaces
- Changes to buildings' facades
- Emotional value of Baalbak historic site

Site visits were conducted in and around the investment areas. These included the following (see figure C.1):

- The Main Road = Beginning at the main entrance road to Baalbek city, starting from Palmira Hotel toward Jammal Hotel. Also referred to as "Al-Qualaa street" by residents
- The Lower Road = Referred to as the "Lower Road" by respondents. It's a new road created by CHUD, located between the main road and the Baalbek ruins. It starts from the parking space and extends in parallel to the main road. It leads to the (new) entrance gate to Baalbak historic site
- Al-Qualaa Road (the Castle Road) = This road is a perpendicular continuation of the main road. It winds around the ruins, therefore referred to by respondents as the Castle's Detour. Currently, Al-Qualaa Road is closed by a chain as per CHUD management instructions

Figure C.1. CHUD-Related Rehabilitation in Baalbek

a. The main road



b. The lower road



b. Al-Qualaa Road



Note: CHUD = Cultural Heritage and Urban Development Project.

Table C.3. CHUD-Affected Persons Interviewed in Baalbek

	Gender	Position	Type of Shop	Location	Years in Business
1.	Male	Employee	Hotel	Main Road	
2.	Male	Owner of Jupiter Hotel and 10 shops in the main road, rented by others	Hotel, Cloths, Electronics, Gadgets, and so on	Main Road	22
3.	Male	Owner	Bakery and Barbecue	Main Road	50
4.	Male	Owner	Silver Jewelry	Main Road	31
5.	Male	Owner	Alcohol shop (the only one in Baalbek)	Main Road	52
6.	Female	Owner	Antique items	Main Road	70
7.	Male	Owner	Shoes	Saleh Haydar	
8.	Female	Owner	Foulards	Saleh Haydar	15 years
9.	Male	Owner	Cutlery and tableware	Saleh Haydar	38
10.	Male	Owner of Shouman Hotel and Cesar Restaurant	Hotel and Restaurant	Al-Qualaa Road	50
11.	Male	Owner	Painting shops (wants to close and sell)	Main Road	
12.	Male	Owner of a Butchery that has now closed	now selling papers tissues	Main Road	
13.	Male	Owner	Sweets Shop	Al-Qualaa Road	40 years
14.	Female	The mother of cutlery shop owner			
15.	Male	Was present at the shoes shop			

Note: CHUD = Cultural Heritage and Urban Development Project.

Tyre

The field protocols in Tyre focused on the following:

- Conversion of parking area (formerly unpaid) into a public square (including a dysfunctional fountain) and paid parking lots
- Widening of sidewalks
- Renovation of the old covered market

Table C.4. CHUD-Affected Persons Interviewed in Tyre

No.	Gender and Business	Type of Shop	Location
1.	Male, shop owner	Paint Shop	Main square
2.	Male, shop owner	Clothing	Souk
3.	Male, shop owner	Gift Shop	Souk
4.	Male, shop employee	Kiosk	Public square
5.	Male, stall owner	Butcher	Covered market
6.	Male, stall owner	Butcher	Covered market
7.	Male, stall owner	Butcher	Covered market
8.	Male, stall owner	Chimney maker	Covered market
9.	Male, stall owner	Locksmith	Covered market
10.	Female, stall owner	Clothes	Covered market
11.	Female, stall owner	Clothes	Covered market
12.	Female, stall owner	Clothes	Covered market
13.	Female, stall owner	Clothes	Covered market
14.	Male, stall owner	Vegetables	Covered market
15.	Male, owner	Café	Main square

Note: CHUD = Cultural Heritage and Urban Development Project.

Tripoli

The main CHUD works discussed in interviews in Tripoli were the rehabilitation of the following:

- Steps leading from the citadel into the souks
- The houses on either side of the steps
- The souk itself (Al-Attareen Souk is the perfumes and spices market)
- The small square that connects one section of the souk to another

Table C.5. CHUD-Affected Persons Interviewed in Tripoli

No.	Gender	Position	Years in the Area
1	Female	Owner of a rehabilitated house	25 years
2	Male	Owner of a rehabilitated house	45 years
3	Female	Renter of a rehabilitated house	50 years
4	Male	Fish shop in the Souk	50 years
5	Male	Butchery in the Souk	
6	Male	Sweet shop in the Souk	
7	Male	Vegetables shop in the Souk	
8	Male	Vegetables shop in the Souk	
9	Female	Perfumes shop in the Souk	
10	Male	Spices shop in the Souk	
11	Male	Shoes shop in the Souk	
12	Male	Chicken shop in the Souk	
13	Male	Moghrabieh Food shop in the Souk	
14	Female	Clothes shop in the Souk	

Note: CHUD = Cultural Heritage and Urban Development Project.

Appendix D. Key Concepts from World Bank Advisory Services and Analytics on Cultural Heritage

This assessment was grounded in a review of relevant analytical work conducted by the World Bank on cultural heritage and development. The assessment commissioned a structured review of key pieces of analytical work issued throughout the project period but produced infrequently between 2001 and 2018. The wide time span allowed the evaluation to consider how both the concept and the World Bank's approach had evolved over time. It was also conducted to derive lessons on how cultural heritage benefits are measured to understand the frameworks and tools that have been applied in different contexts over time.

The analytical work is anchored in a seminal piece of analysis conducted within the World Bank's Middle East and North Africa Region in 2001 (Cernea 2001). It includes updated analysis in 2012 that benefited from operational learning, including from the Cultural Heritage and Urban Development Project. This assessment also considered how the concept had been interpreted and integrated as part of the World Bank's safeguard reform. As of October 18, 2018, cultural heritage had become a stand-alone social standard (ESS8) within the World Bank. At the same time in 2018, the World Bank (in partnership with the United Nations Educational, Scientific, and Cultural Organization) issued a position paper, *Culture in City Reconstruction and Recovery*, on the role of culture in city reconstruction and recovery. The same position paper lays out an operational framework that placed culture at the heart of city reconstruction and recovery processes.

Structured Review Questions Developed to Inform the Design of the Project Performance Assessment

1. Should the World Bank invest in cultural heritage projects?
2. What is the World Bank's comparative advantage in cultural heritage projects?
3. What framework can be used to understand the relationship between cultural heritage and development?
4. What are the key elements of a successful cultural heritage project?
5. What tools are available to measure impact?

6. What tools are available to measure impact ex post facto, using qualitative methods?

Findings from the Structured Review

1. Should the World Bank Invest in Cultural Heritage Projects?

Cernea (2001) and Licciardi and Amirtahmasebi (2012) wrote a decade apart. Two differences stand out in the content of the two works. First, Cernea (2001) begins with the question of whether and why the World Bank should invest in cultural heritage projects, while Licciardi and Amirtahmasebi (2012) takes the World Bank's role in the cultural heritage projects as a given.

In 2001, there was seemingly a need to justify the World Bank's role in supporting cultural heritage. Cernea (2001) lays out a clear rationale, stating, "The World Bank now recognizes, and advances the idea, that the cultural sector contributes to effective economic growth rather than just consuming budgetary resources" (Cernea 2001, 4). Referring specifically to the Middle East and North Africa Region, Cernea (2001) quotes Jean-Louis Sarbib's 2000 paper, *Minutes of the MENA Regional Management Team Meeting* "Assistance for cultural heritage is practiced neither as an activity separate from regular development work nor as a conjectural add-on to 'business as usual.'" Although the World Bank's policy in the 1980s was to "do no harm," this was considered a passive response, and by the late 1990s, the policy framework moved beyond safeguards to proactive capture of the economic value of cultural heritage.

Licciardi and Amirtahmasebi (2012) moves beyond considering *whether* the World Bank should provide assistance for cultural heritage projects to understanding *how* cities can grow and modernize without losing their heritage assets. It targets public and private stakeholders who design investment operations in historic city cores, heritage assets, and underutilized land in central locations, and it attempts to fill knowledge gaps on two issues: how heritage assets create jobs, and how the uniqueness of a place can be maintained.

The chapters take as their starting point the fact that rapid urbanization has created a jobs crisis and "cities that will be most successful at meeting the jobs and growth aspirations of their inhabitants, while alleviating poverty and working toward social inclusion, will be those that employ all their resources to promote a healthy environment for investment and talent. Among the resources that these cities need to harness is their built cultural heritage" (Licciardi and Amirtahmasebi 2012, 3). The assumption is that a "creative class" (a term coined by urbanist Richard Florida) exists that is more likely to want to live and work in unique, livable cities. Thus, there is a

direct link between jobs, growth, and economic development and sustainable growth of “unique” cities—those with cultural assets that are preserved and are part of a thriving social fabric.

The second difference between the two works is that by 2012, the field of heritage economics had grown, and the tools to study it have become more sophisticated, particularly on how to conduct valuation studies. Cernea (2001) outlines some methodologies, but Licciardi and Amirtahmasebi (2012) devotes four chapters to the various methodologies that have evolved over the years, particularly those influenced by environmental economics. Those chapters are

- Chapter 2, “Investing in the Sense of Place: The Economics of Urban Upgrading Projects with a Cultural Dimension,” by Martin Rama
- Chapter 4, “Economic Valuation of Cultural Heritage,” by Peter Nijkamp
- Chapter 5, “Heritage Conservation and Property Values,” by Donovan Rypkema
- Chapter 9, “Mapping Heritage Economics for Spatial Analysis Historic City Cores,” by Christian Ost

2. What Is the World Bank’s Comparative Advantage?

The analytical work points to many projects and activities within the cultural heritage sector that do not represent the World Bank’s comparative advantage, such as archaeological excavations. However, the World Bank adds value to cultural projects in several ways:

- The World Bank’s multisectoral engagement with governments can benefit the cultural sector tremendously. The World Bank can help incorporate impactful cultural heritage assistance into major development projects in sectors such as urban development, infrastructure, tourism, education, and agriculture.
- The World Bank can inculcate institutional capacity building in the cultural heritage sector, help improve management patterns, and reform the cultural heritage sector’s financing arrangements.
- The World Bank can help support a national strategy for the cultural sector at large that combines a nation’s cultural advantage with the World Bank’s comparative advantages in economic development projects.
- The World Bank’s focus on poverty reduction adds a different dimension from just conservation. Poverty-related impacts result when investments in cultural

heritage diversifies income generation, creates new jobs, and improves living standards of poor communities and neighborhoods, primarily around heritage sites.

Cernea (2001, 54–55) cites a study in the United States that showed seven different ways that cultural heritage can act as a powerful economic generator:

- Employment
- Stimulation of heritage tourism
- Small business incubation
- Revitalization of the downtown in big cities
- Economic revitalization of small towns
- Neighborhood stabilization
- Neighborhood diversity

What Framework Can Be Used to Understand the Relationship between Cultural Heritage and Development?

In Licciardi and Amirtahmasebi (2012) chapter 3, “Heritage Economics: A Conceptual Framework,” author David Throsby integrates various strands in the discussion on heritage economics and outlines the following as the key issues of concern:

- a. Heritage as asset: The concept of capital has been extended to the field of art and culture, to recognize the distinctive feature of certain cultural goods and to capture the ways in which such assets contribute, in combination with other inputs, to further cultural goods and services.
- b. Heritage is a particular form of capital asset because it has a market value but also a value that cannot be captured in economic terms.
- c. Sustainability: There are parallels between heritage assets and natural assets. Both are inherited from the past and will degrade if not maintained, and both impose a duty on present generations to take care of it for future generations. The long-term management of both natural and cultural assets can be cast in the principles of sustainable development.
- d. Valuation
 - i. Economic value: Use and nonuse values

- Use value—commercial or residential rental prices, entry prices to tourist sites, tourist spending on hotels, cafés, restaurants, shops, and so on
 - Nonuse value: Public goods benefits
 - Existence value (people value the existence of the asset even if they do not consume its services directly)
 - Option value (people wish to preserve the option that they or others might consume the assets at a future date)
 - Bequest value (people may wish to bequeath the asset to future generations).
- ii. Cultural value can be divided into the following:
- Aesthetic: The beauty of a site
 - Symbolic: The value of the site is a representation of meaning
 - Spiritual: Sites are of spiritual significance to groups or communities
 - Social: The cultural asset may contribute to social cohesion or stability
 - Historical: The site provides a connectedness with the past and reveals the origin of the present, thereby providing meaning or identity to those who connect with it
 - Authenticity: The asset is real, not false, and it is unique
 - Scientific: source of object of scientific study
- iii. Relationship between economic and cultural value: Some heritage sites may have cultural value but no economic value, while others may be the reverse. How much economic value are individuals willing to give up to secure a given level of cultural value, or vice versa? An indicator called quality-adjusted life years has been developed to confront the problem of choice for a person who is ill between a longer life with lower quality and a shorter life with higher quality. It may be possible to develop an indicator similar to quality-adjusted life years to encapsulate the equivalent trade-off between economic and cultural value.
- e. Heritage policy
- iv. Regulation

- Hard and soft regulation
 - Hard regulation: enforceable directives requiring certain behaviors, implemented through legislation, and involving penalties for non-compliance. For example, constraints on the appearance, use, or functions of a building.
 - Soft regulation: unenforceable directives calling for and encouraging certain behaviors. For example, treaties, conventions, guidelines, charters that operate through voluntary compliance rather than coercion.
 - Advantages of regulation
 - To avoid all-or-nothing choices, such as binary choices between preservation and demolition, it is useful to have instruments that allow gradations of behavior
 - Regulations have the advantage of being direct and deterministic in their outcome
 - Regulations may be invoked and removed speedily
- Disadvantages of regulation:
 - Regulations create inefficiencies
 - Regulations involve administrative costs for formulating standards and for monitoring and enforcing them
 - Regulations offer no incentives to do better
 - The regulatory process can be swayed by other influences

v. Fiscal incentives

Although Throsby discusses fiscal incentives, Licciardi and Amirtahmasebi (2012) offers a more instructive chapter that is devoted entirely to this subject. In chapter 8, “Financial Mechanisms for Historic City Core Regeneration and Brownfield Redevelopment,” authors Francesca Romana Medda, Simone Caschili, and Marta Modelewska provide different ways of blending public and private investments and provide four financial models: public-private partnerships, land value finance mechanisms, urban development funds, and impact investment funds. (Page xxvi of the overview chapter provides a quick understanding of each of these financial models.)

Specifically, for the Middle East and North Africa Region, Cernea (2001) writes that best practices in the Region show that incremental self-financing can be attained through more efficient pricing of assets and services, differential visitor charges that maximize net revenue, changes in tax laws, and new incentive levers. “Through a balanced blend of regulations and incentives, the public and private values of the heritage can be enhanced and leveraged for job creation” (Cernea 2001, xxiii).

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Appendix E. Borrower Comments

The Cultural Heritage and Urban Development (CHUD) is a large project started by the government of Lebanon in the late 1990s and beginning of the 2000s. It delivered solid results and continues to succeed. The government of Lebanon appreciated benefiting from the support of the World Bank and other donors for the CHUD. We agree with the view of the Independent Evaluation Group (IEG) that the project has been “groundbreaking in its attempt to pursue a holistic, integrated approach to cultural heritage and urban development in five of Lebanon’s most historic cities.” The World Bank had made itself available to appraise investments in five participating cities, Baalbek, Tripoli, Byblos, Saida, and Tyre. This was a welcomed support that made a wealth of international experience available to us in a time when our country was recovering from a long conflict.

We would like to submit that some investments presented in the project appraisal document were then financed by the World Bank, while other investments have been supported by other donors, including Italy and France. When the World Bank had prepared the project appraisal document, in fact, the government of Lebanon coordinated with all donors willing to support the project and signed separate legal agreements for parallel financing with each donor, discussing with individual donors what they were willing to finance. We wish to note that at the time these comments were prepared, July 2019, only World Bank financing has been fully implemented. The government of Lebanon continues implementation of this successful project with financing from the other donors, Italy, and France, based on the agreements signed with them. Hence, a number of activities presented in the project appraisal document are still under implementation because they are financed by other donors under separate agreements. From this perspective, the results presented by IEG on what the project has achieved so far are appreciable to us, and they represent lessons learned that can help us continue project implementation with the other donors. We would appreciate if IEG could present this ongoing nature of the project in a clear manner. We are glad that IEG undertook such a comprehensive evaluation, and we would welcome IEG again when the project as described in the project appraisal document is completed with the achievement of activities supported by the other donors.

The project development objective has been a relevant driver of the project. The project development objective was “to create the conditions for increased local economic development and enhanced quality of life its historic centers and to improve the conservation and management of the country’s cultural heritage.” To achieve it, one of the main approaches we adopted was the extension of pedestrian space. The IEG report dedicates a substantial share of its narrative to this choice, and we acknowledge

the interest. We understand that extensive conversion of pedestrian space in the five cities increased from 9,840 square meters in 2006 to an estimated 274,000 square meters by 2016, bringing back space in historic cities that was not designed for cars but for pedestrians. We also acknowledge that some segments of beneficiaries can immediately appreciate the benefit of these initiatives (for example, local residents), while others may need some time to accept change (for example, shopkeepers). Yet, the international experience shared by the World Bank provided comfort and supported our choice to implement these measures for managing vehicular traffic and reducing it in the historic centers of the participating cities. We would like to share that the wide introduction of pedestrian areas has allowed us to undertake comprehensive reconstruction of underground services, including water supply and sewers, so that local residents living in historic cities could have immediate benefits from the project in addition to extended pedestrian space. This created a vibrant demand for recreational businesses. To provide an example, in Byblos, for each \$1 invested by the project, the private sector mobilized \$7. These results represent an important achievement that we value a lot.

We responded to community needs in blending urban upgrading and cultural heritage conservation. We are glad that IEG visited the participating cities and, among other data-finding efforts, conducted interviews with 44 beneficiaries, 15 in Baalbek, 14 in Tripoli, and 15 in Tyre (tables C.3, C.4, and C.5), asking their feedback on the urban upgrading and cultural heritage conservation activities financed by the project. Forty of the beneficiaries interviewed by IEG were shopkeepers and four were house owners or renters. This is certainly an interesting perspective from a segment of the beneficiaries, and we understand that IEG based a relevant share of its narrative on their feedback. We welcome such an approach and are mindful of the importance of this evaluation, but we think feedback from other categories of beneficiaries living in the five participating cities is needed. In the effort of contributing to the IEG exercise, we wish to offer their feedback. All activities financed under the project were carefully designed for each city and were discussed with elected officials and in public consultations. As a matter of fact, using a systematic approach, we prioritized and implemented activities that had wide consensus and responded to the needs of our local communities, while deprioritizing those that had less consensus. We offer some relevant quotes from the beneficiaries we interviewed in June 2019 at the end of these comments for IEG's consideration.

We focused on interventions where the impacts of public funding could be maximized to leverage private investment. The IEG report indicates that one focus of the project was on facades in historic cities, without intervening in the interiors of private houses. We value the choice made, which is in line with international best practices. In the

context of a regular urban area, we would focus our interventions on publicly owned assets only. In the context of a historic city, in addition to publicly owned assets (for example, streets and squares), we concluded that part of public good were also the facades of historic buildings. We intervened on these facades. We understand residents would have wished us to intervene on interiors as well. However, as shown by international experience, it would have been less opportune to dedicate financing to the interior of private housing. While the upgrade of public space and historic facades can act as a stimulus for private sector investment in a historic city, doing more, including spending public funding in the interior of private houses, would have represented a distortion of the housing market that we consciously opted not to make and represent a suboptimal use of public funding.

We aligned monitoring and evaluation with evolving World Bank requirements and introduced it in the project during implementation. We learned much from the rigorous system of evaluation that the World Bank made available to us. This system evolved over time and today offers us a solid tool to guide our investments. We wish to submit that when this project was prepared, indicators were improved during implementation, as an effort to maintain the project aligned to evolving policies of the World Bank. We would appreciate if the IEG report could clarify that indicators were amended as a retrofit, made at the best of our capacity, as these indicators were required by the World Bank. In fact, we think that evaluation can maintain rigor if statements are tailored on requirements that are valid at the time choices were made. If not, we would be using requirements valid today, to retrospectively assess actions taken in the past.

The government of Lebanon thanks the donors for the support in this project and is proud of the continued and effective use of the sites targeted by the project. To conclude our comments, we are pleased to share that, as we do every year, in one of the main sites where the project financed conservation and management, Baalbek, we hosted our International Festival. It is a series of cultural events financed by our private sector and these events embody, to all Lebanese, a cornerstone of our identity and a hope for peace and stability in the region. This year, 2019, the festival took place in front of one of the cultural heritage assets the World Bank supported under this project, which was successfully conserved using state-of-the art techniques, accessed by us thanks to the project. We wish to submit that when we worked in this site with World Bank financing, 70 percent of the masons we employed were Syrian displaced people. To us, the opportunity of hosting our festival every year, for the Lebanese, in this site that we conserved with World Bank support, is a great symbol of peace and stability in a country that is internationally considered a fragile and postconflict state. We offer a few photos from the events organized in the site in June 2019, which IEG

can consider including in their report. It was attended by thousands of Lebanese—a sign of continued and effective use of the sites targeted by the project.

Figure E.1. Photos from the International Festival Hosted in Baalbek



Source: The photos were taken by a young Lebanese photographer, known online as rami_rizk89, and put on social media.

Quotes Gathered by the Project Coordination Unit

Baalbek

“My father complains about the municipality all the time because he cannot park his car in front of the place where he works, but for me it is good that there are more spaces for people to walk and kids to play. I am mother of four children, and it is good that they can run and play in the city. Now there are more public spaces, and this is good.”

—Zahra, woman, 39 years old

“I am a student, and during the weekend I help my parents that started a small guest house business in the city. The conflict is so close, but people still come from all over Lebanon to visit the city, the Temple of Bacchus and the Roman ruins. I am very proud of my city.”

—Zeinab, women, 22 years old

“I appreciate the work of the government to attract tourists to the city. During the summer, the Festival of Baalbek makes my city an international town. I work in the media industry, and it was nice to see such a level of performances at the Festival of Baalbek.”

—Ali, man, 40 years old

Tripoli

“The marketplace is a place where now we pay a rent, but at least we all have our place to sell our fruits and vegetables, and we feel safe now. I am getting old, and it is good to have a place where I can store the produce after the day of work. Before I had to carry everything, and my back was hurting.”

—Sawsan, woman, 47 years old

“The entire area is now safer, and the khan is a good place, and it is beautiful that we can use the spaces of the khan to sell our jams and local products to the people of Tripoli. These are all fresh products. I work during the week and my kids help me during the weekend to sell them. They have a good time and learn some math.”

—Fatima, woman, 57 years old, from the outskirts

“When I moved here in Lebanon, I had no job. People were nice to me, and I found a part-time job as a helper to sell used shoes in this new marketplace. There are many others like me in this place, and we feel safe. You can only walk here and rest. This marketplace changed our life and gives us hope. It is the beginning of a new start.”

—Youssuf, man, 18 years old, Syrian refugee

“The khan was an abandoned place and now is back to the community of Tripoli. During Ramadan, gatherings for iftar have been organized, and this was a good sign for this area that has been affected by a long conflict.”

—Fadi, man, 57 years old

Byblos

“The city of Byblos is a gem. I live on the hills in the outskirts of the city and come every weekend to spend time with my mum that is sick. We can now walk safely in the city center without all these cars we had before. Yet, more needs to be done to improve infrastructure to reach Beirut. I work in the capital, and it takes more than two hours during peak times.”

—Pascale, woman, 30 years old

“The government and the municipality did a great work and now businesses in the city are flourishing. Public spaces are really well used for festivals, local events; and people from Byblos enjoy their free time on the Via Romana or having a shisha in one of the many shops in the historic city center or walking down to the harbor.”

—Elie, man, 35 years old

“The city of Byblos has changed a lot, and I am very happy. I can now take my kids to the playground, and I do not have to worry for the cars that were everywhere before. The only negative thing is that it is louder than before during the weekend, because many people come from Beirut. Yet, this is good for my uncle who has a small shop in the city. Now he has more people walking by and his business goes much better.”

—Marie, woman, 42 years old, local

Saida

“10 years ago, I could not come here in the center of our old city. There were cars all over the place and very narrow sidewalks. With my wheelchair, I had no choice. Now, with the streets so nice, these sidewalks over there, and the cars outside the city walls, I can come downtown and meet my family. I feel so blessed.”

—Yousra, woman, 55 years old

“A lot of works have been done in Saida, and now the city is nice. With my husband, we decided two years ago to come back from Beirut to Saida where my parents still live. I work in the area of Abra as hairdresser, and my husband found a job in the solid waste facility. My parents are also helping us with the kids, and it was the best choice. Beirut is so chaotic, and the traffic is impossible. Here our kids can walk safely in the

city center, without the danger of cars.”

—Nour, woman, 42 years old

“I lived my entire life in this city, and many changes happened. I am a butcher and have a small shop in the main square. The public works of the mayor made the city cleaner, more beautiful, with more spaces free of cars and available for the people. Every day, I see new faces, and this is good for the city. I have to park my car 300 meters far from my shop, but I start seeing new customers now walking and stopping by my shop to buy.”

—Salem, man, 46 years old

Tyre

“My husband and I decided to do some reparation work in our house and open a bed and breakfast. We did this because the neighborhood was better with paved streets and lights at night, and we saw this as an opportunity. Tourists come from all Lebanon to discover Tyre, and this is a great pride for us.”

—Yasmine, woman, 45 years old

“Tyre changed so fast with all these projects done by the government. It is now a nice city and there are many spaces for the youth, like the library and the recreation center. I love the new corniche and I have a walk with my family there every weekend.”

—Rawan, woman, 26 years old

“I study in Beirut at the university, but I am always happy to go back to my hometown Tyre for the weekend to spend time with family and friends. I am a Boy Scout, and I care a lot about the cultural heritage in the city. With my group, we organize many activities for awareness, and we work with the museum of Tyre. Many works and projects have been done in the archaeological areas. Now it is open and accessible to people of Tyre, and this is very important for them to know their city and history. This is great!”

—Abdallah, man, 33 years old

“Before, working in the harbor you could hurt yourself, everything was broken, the docks, the pavement. We really needed a better harbor, and the new fish market is also good. I hope we can soon sell our fish directly to the people, the process is taking time, but the municipality assured that it will soon be functional.”

—George, man, 56 years old, fisherman

“After the war, our port could not be used anymore. With the other fishermen on the other side of the port, we could not go out with our boats. They cleaned and fixed the

port so well, and now our two communities have a safe space to recover the boats when the sea is rough. Being a fisherman is not easy. Some days I come back with no fish. I do it because it is the job my father had and my grandfather before him. I want to continue their tradition. Now, after all these works in Sur, we also have Lebanese who come from Beirut, and they spend their money here. In the weekends, I help them go around and see our beautiful city, it is a good job for me, and they ask so many questions about the sea and fishing. It is so nice to meet and speak to them."

—Maher, man, 37 years old, fisherman and tour guide