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## *Moving forward*

This Briefing Note reports on donors' commitment and implementation progress till June 2010. It focuses on aid development projects implemented in the Nahr El Bared Camp Adjacent Area, Adjacent and Surrounding Municipalities and presents also the status of donor funding to the reconstruction efforts in the Nahr El Bared Camp (1<sup>st</sup> ring).

We are grateful to the contributions made to this Briefing Note by the donors and UNRWA. Comments shall be sent to Dr. Sateh El-Arnaout (Director of the NBC Recovery and Reconstruction Cell and Chief Technical Advisor at the Presidency of the Council of Ministers) on [sarnaout@pcm.gov.lb](mailto:sarnaout@pcm.gov.lb) or [sarnaout@gmail.com](mailto:sarnaout@gmail.com)

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| 1 <sup>st</sup> ring                              |                         | Old Camp  |
|---|-------------------------|---|
| 2 <sup>nd</sup> Ring                              | Adjacent Area           | Muhamara, Bhannine  |
|   | Adjacent Municipalities | Deir Ammar, Minnieh, Bhannine, Muhammara, Bebnine, Beddawi  |
| 3 <sup>rd</sup> Ring (Surrounding Municipalities) |                         | Bkarzala, Borj el Arab , Deir Daloun , Halba , Hakour, Jdidet el Joumeh, Karm Asfour, Markabta, Mar Touma , Majdala Homeira, Mazraat El Ghattas, Minyara, Ouadi El jamous, Qantara, Qarqaf , Sheikh Taba, Zouarib, Zouk el Haddara, Zouk el Habalsah, Zouk el Hassineh, Zouk el Moukachrine, Mashha, Haizouk, Sheikh Mouhammad, Nfeiseh |

### Special points of interest:

- The USA donated an additional \$18 million for the reconstruction of the NBC
- Rubble removal has been completed
- EMKAN microfinance program supported 1193 beneficiary

### Reports

- Economic Development in North Lebanon: Market assessment (executive summary). Produced by EMKAN, May 2010.
- Socio-economic situation in NBC surrounding communities (3rd ring): A Baseline report. Produced by UNDP, March 2010.



# 1<sup>ST</sup> RING: OLD CAMP RECONSTRUCTION

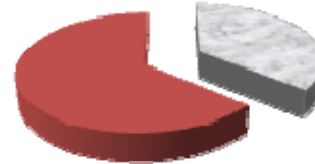
## Financial status

The United States Government has allocated an additional \$18million for the reconstruction of the Old Camp.

### Old Camp Reconstruction Estimated budget (\$326.6M)

Shortfall  
 (\$209 M,  
 64%)

Secured  
 Pledges  
 (\$118 M,  
 36%)



Source: UNRWA

### Reconstruction efforts in Package 1

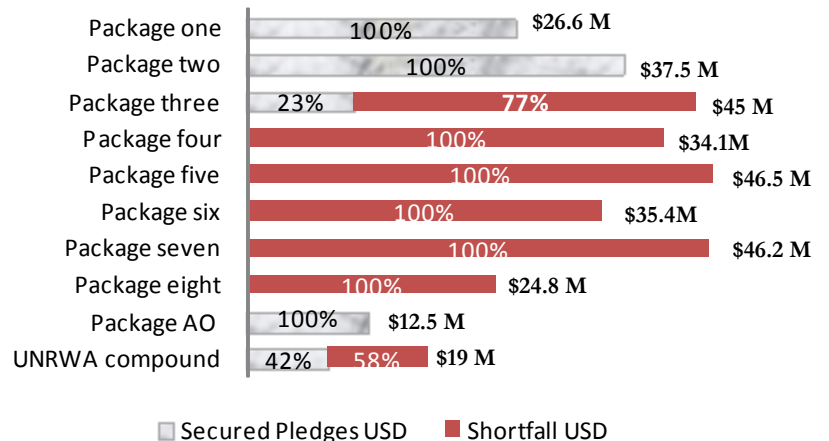


Source: UNRWA

The confirmed pledges to UNRWA reached \$118.0 million. The pledges cover 36% of the Old Camp reconstruction cost. As of May 2010, an additional \$27.0 million were secured for the reconstruction of the NBC. This includes donations from the USA (\$18.0 million), Multi-Donor Trust Fund (\$5.6 million) and the CAYAN/Welfare Association (\$3.0 million).

As of May 2010, donor contributions have covered the reconstruction costs for Package 1, Package 2, Package AO as well as 42% of UNRWA Compound and 23% of Package 3.

### Distribution of secured funds by Construction Package



Source: UNRWA

## *Reconstruction efforts*

Rubble removal in the Old Camp has been completed.

Reconstruction efforts in Packages 1 and Package 2 are proceeding as planned. Reconstruction of Package 1 is expected to be completed by November 2010.

The final designs of Package 3 are being reviewed by the NBC residents.

### *Distribution of buildings and apartments in NBC*

| <b>Construction of packages</b> | <b>No. of buildings</b> | <b>No. of families</b> |
|---------------------------------|-------------------------|------------------------|
| Package 1                       | 149                     | 423                    |
| Package 2                       | 200                     | 666                    |
| Package AO                      | 60                      | 187                    |
| Package 3                       | 228                     | 638                    |
| Package 4                       | 256                     | 720                    |
| Package 5                       | 272                     | 788                    |
| Package 6                       | 166                     | 509                    |
| Package 7                       | 247                     | 735                    |
| Package 8                       | 109                     | 367                    |
| <b>TOTAL</b>                    | <b>1,687</b>            | <b>5,033</b>           |

Source: UNRWA

Supported by the EU ( \$2,880,000), the Business reactivation project, ended in March 2010. The project's objective was to develop economic activities in the NBC aimed at creating sustainable job opportunities. Around 750 business reactivation grants to 553 small-size and 197 medium –size enterprises were distributed under the project.

### *Reconstruction efforts in Package 1*



Source: UNRWA

**Reconstruction efforts will secure residential apartments for 5,033 families.**

### *A shop owner benefiting from Business reactivation project in NBC*



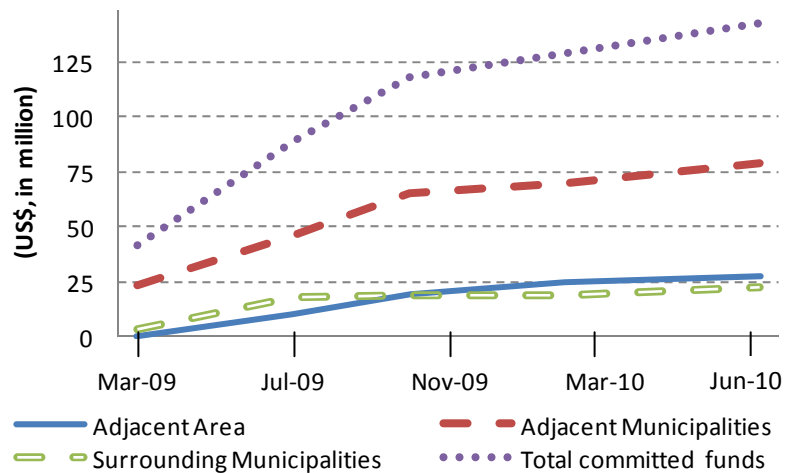
Source: UNRWA

## SUMMARY OF DEVELOPMENT AID: 2<sup>nd</sup> & 3<sup>rd</sup> RINGS

### Financial status

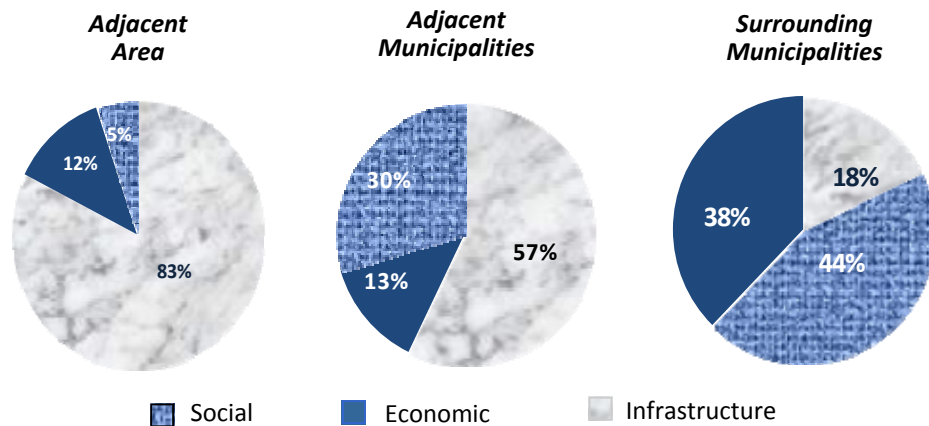
Donor allocations remained unchanged (\$143 million). However funds previously pledged by the Lebanese Recovery Fund (LRF) and the Millennium Development Goals Fund (MDGF) were now allocated to both the Adjacent Municipalities (AM) and Surrounding Municipalities (SM).

Allocation of funds over time

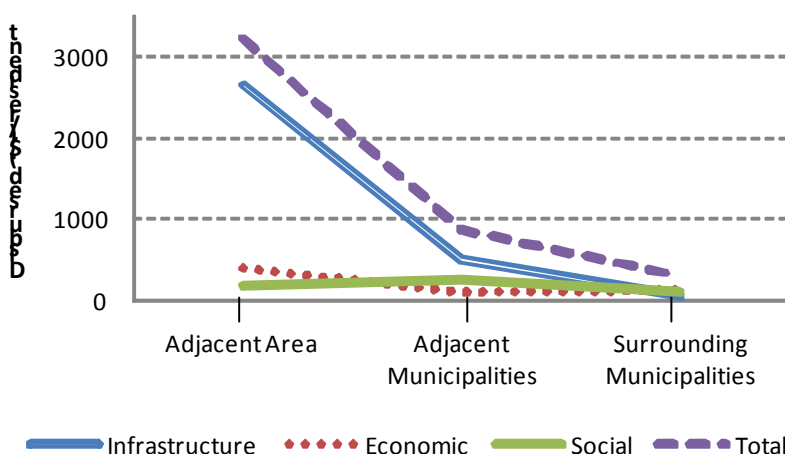


US\$ committed/resident population/sector

Total resident population in the second ring is 165,000.



Distribution of funds by resident population and by sector



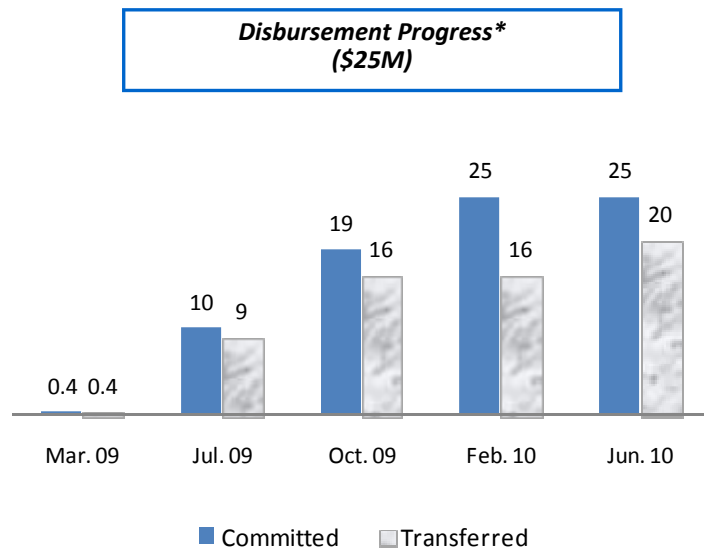
Changes in terms of fund distribution by resident population and sector are minimal.

The project funded by the LRF allocated 20% of its budget to infrastructure activities in the Surrounding Municipalities.

## DONOR FINANCING TO THE 2<sup>nd</sup> RING : Adjacent Area

### Financial status

Donor's support to the Adjacent Area (AA) represents 20% of the total committed funds allocated to the 2nd ring. As of June 2010, funds committed for the AA remained unchanged (\$25 million), as no additional funds were allocated by donors. Funds transferred from the donors to the implementing agencies for project implementation reached \$20million (80% of the committed funds).



*\*Committed: Funds committed when signing the Agreement*  
*Transferred: Funds transferred from donor to the implementing agency*  
*Disbursed: Amount spent by the implementing agency or contractor*

### Implementation progress

#### Support to the Reconstruction of the NBC Adjacent Area

In the NBC adjacent area, considerable progress was made in the selection of the Italian NGO that will support the *Central Fund for Displaced* in the implementation of the Italian-funded housing repair and rehabilitation project.

Also, the scoping of infrastructure works to be financed by Greece (EURO 1.0 million) in the NBC Adjacent area was completed by

the NBC Recovery and Reconstruction Cell at the Presidency of Council of Ministers in close coordination with the *Council for Development and Reconstruction*.

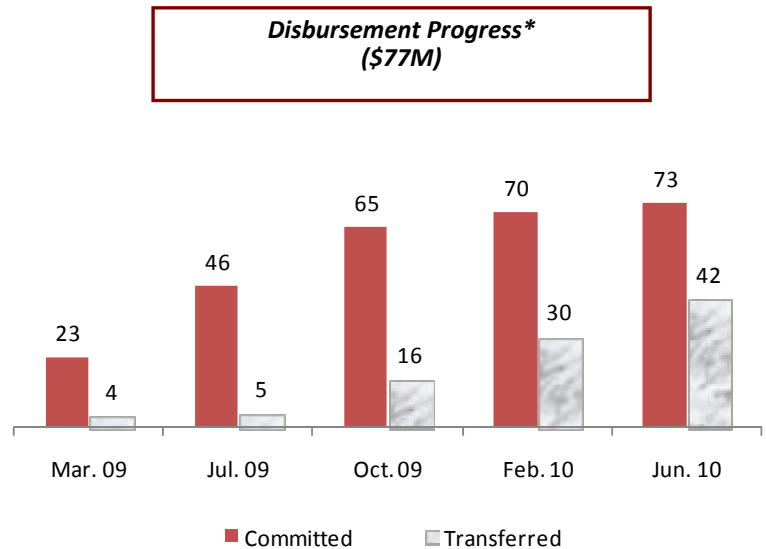
The Government approved also the Masterplan of the EC-funded "*Mohajareen*" housing reconstruction project. The European Commission is funding the total cost of housing and infrastructure reconstruction and has allocated Euro 3.335 million for that purpose.

## DONOR FINANCING TO THE 2<sup>nd</sup> RING : Adjacent Municipalities

### Financial status

Donor's support to the Adjacent Municipalities represents 54% of the overall financial aid allocated to the 2nd and 3rd ring.

Implementation progress improved since February 2010 as reflected by the increase in the transferred funds from 42% in February 2010 to more than 57% of committed funds in June 2010.



\*Committed: Funds committed when signing the Agreement  
 Transferred: Funds transferred from donor to the implementing agency  
 Disbursed: Amount spent by the implementing agency or contractor

### Implementation progress

#### Microfinance program

Funded by MP S. Hariri (\$3,000,000) and implemented by EMKAN, the microfinance program is supporting small entrepreneurs in trade, services, industry and agriculture. The program's is to boost the business dynamics and improve entrepreneurs practices. The loan ranges between \$350 to \$5,000 with an interest rate of 10%. Repayment terms are flexible ranging between 3 to 36 months.

As of May 2010, the program has disbursed \$1,700,000 and supported 1,193 beneficiaries.

#### Microfinance program at EMKAN



Source: EMKAN

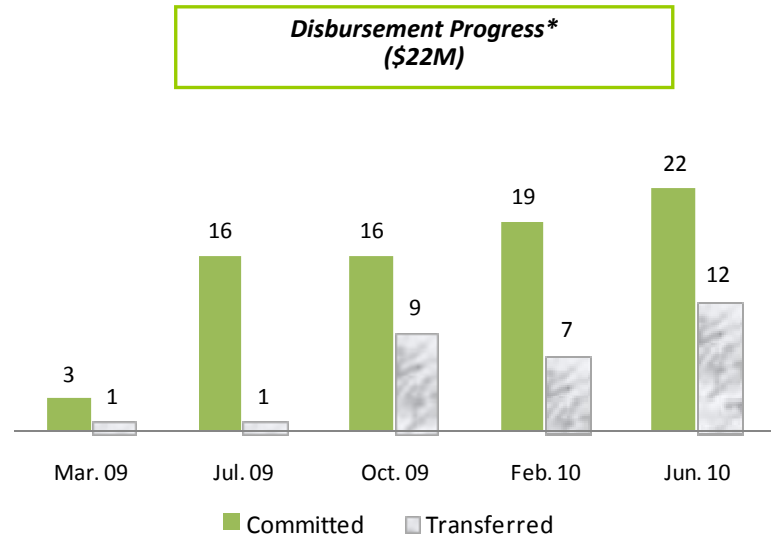
## DONOR FINANCING TO THE 3<sup>rd</sup> RING : Surrounding Municipalities

### Financial status

Donor aid to the Surrounding Municipalities represents 15% of the overall financial support allocated to the 2nd and 3rd rings.

Additional funds were committed, in June 2010, to the Adjacent Municipalities. This increased the total commitment by 1%.

Implementation progress doubled since February 2010 as reflected by the increase in the transferred funds from \$7 million in February 2010 to \$12 million in July 2010.



*\*Committed: Funds committed when signing the Agreement*  
*Transferred: Funds transferred from donor to the implementing agency*  
*Disbursed: Amount spent by the implementing agency or contractor*

### Implementation progress

#### Homeira community expands its public school facility

The project entails the construction of an additional building next to the existing school. The CHF through the "TAMKIN program", funded by the USAID (\$150,000), supported Homeira community in its project. The CHF covered the construction costs while the municipality made available the land and \$11,000. Works were completed in March 2010. The new building is ready to receive 200 new students and includes a laboratory, a library and a sheltered area for winter.

#### Homeira Public School



Source: USAID

## A FOCUS ON THE AGRICULTURE SECTOR IN NORTH LEBANON

### Agriculture production and exports in North Lebanon

#### Agricultural production in North Lebanon

In 2008, the agricultural area in North Lebanon, represented 28% of the total agricultural land (277,000 hectares) in Lebanon. It ranked second in terms of production after the Bekaa 39%.

Production in North Lebanon focuses on olive trees (30%), fruit trees (27%), cereals and pulses (22%), vegetables (17%) and other (4%).

Livestock is also an important sub-sector, poultry production accounted for 60% of the national production.

Akkar and Dannieh cazas represented 70% of North Lebanon agricultural area and production.

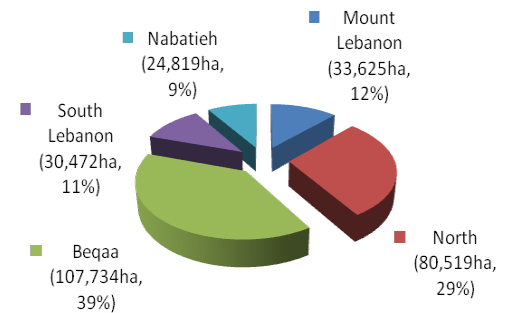
#### Agricultural exports in North Lebanon

About 90% of the agricultural products are exported through IDAL. The latter supports exporters by providing quality control services and financial assistance. The quality control of exported products is ensured through pre-shipment inspection of agricultural products in line with the requirements set by the Ministry of Agriculture and/or the importing countries. The financial assistance started in 2001 and is expected to end in 2011. In 2010, the financial assistance was down to 20% to reach zero in 2011.

Exports from North Lebanon constitute 28% of the total fresh agricultural exports by IDAL.

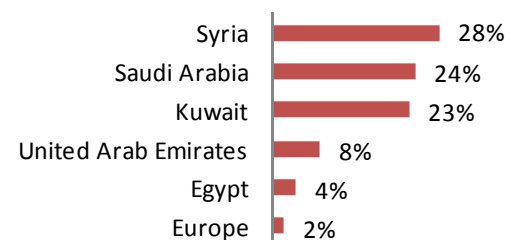
In 2009, the main exported agricultural products from North Lebanon were: citrus (62%), apple (15%), other fruits (5%), potato (10%), other vegetables (5%) and grape (5%).

#### Distribution of agricultural production by Mohafaza



Source: Ministry of Agriculture

#### North Lebanon: Major export destinations (Year 2009)



Source: IDAL

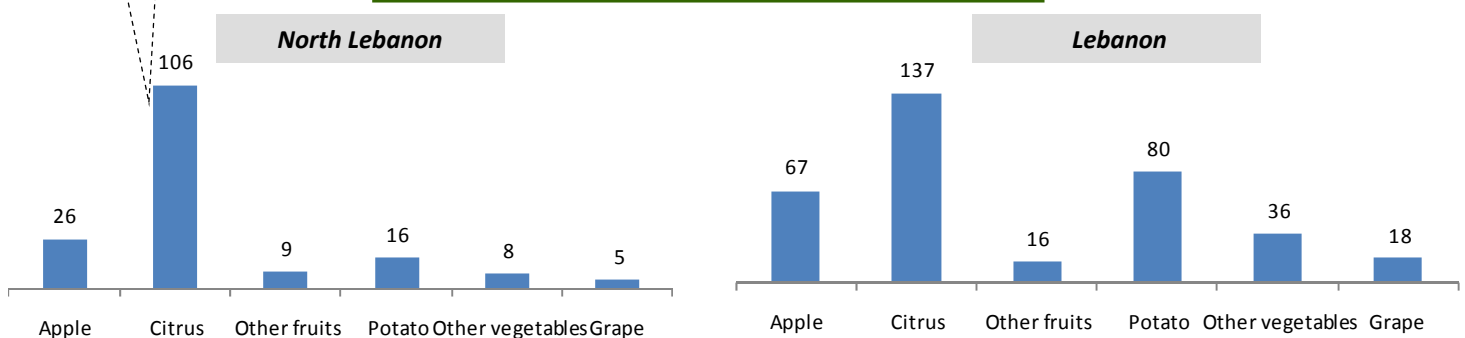
The major destinations for such exports were Syria (28%), Saudi Arabia (24%), Kuwait (23%), United Arab Emirates (8%) and Egypt (4%). Export to Europe accounted only for 2% of the total exports.



Akkar is the main producer of citrus for export

Citrus production in North Lebanon represents 77% of the total national exports

#### Exports of fresh agricultural products by IDAL in tons (Year 2009)



Source: IDAL

## Farmers' educational level and

### Farmer education



Agriculture, plays an important role in securing household income in Akkar and Minnieh/Dannieh Caza. About 30% of the population work in agriculture and fishing. But despite the fact that most families engage in it agricultural activities, does not represent the only source of household income.

In most cases, income is a

combination of small agricultural or commercial activities and public sector employment.

Most farmers (26%) working in the agriculture sector are illiterate, 53% have primary educational level and only less than 10% have reached secondary educational levels.

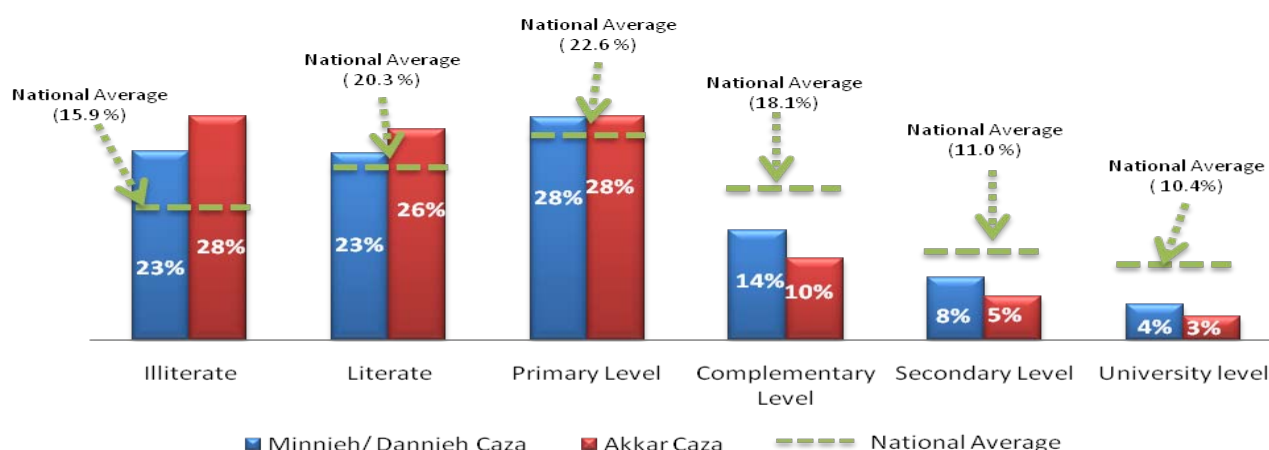
Farmers continue to use traditional techniques, making it difficult to compete with cheaper imports from

neighboring countries (poor quality product, very little processing capacity, and difficulty in marketing). Thus leading to a continuous decline in the sector .

Summing up, several problems are facing farmers' in North Lebanon mainly.

- **Poor educational level causing the use of old technology**
- **Lack of access to adequate training and extension services**

### Farmers' educational level



Source: Ministry of Agriculture

\* *Illiterate: don't read and write.  
 Literate: read and write, but did not go to school.*

"To catch the reader's attention, place an interesting sentence or quote from the story here."

### Agricultural vocational education

While the cazas of Akkar and Minnieh/Dannieh benefit from the presence of sufficient and adequate technical agricultural schools, they lack agricultural specialization at the university level. The Abdeh Vocational and Technical Public School (AVTPS), is the

only vocational school serving North Lebanon. The school is under the authority of the Ministry of Agriculture (MOA). It offers a 3 year program. A graduate student can then either work as a technician in the market or apply for a university degree.

The specializations offered by the school are very limited and do not meet the job market requirements.

Teaching methods used are traditional, with almost no workshops and trainings. This explains the low enrollment level at the school. The ratio of teachers to students is very high (1:2). Only thirty students are enrolled in the AVTPS during 2009/2010.

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Source: USAID

The budget assigned by the MOA for the technical and vocational education covers only the teacher's salaries and basic operational costs.

The current agricultural technical and vocational education is very poor and improving the quality of the education requires:

- **Improving the quality of the human resources**
- **Update the curricula to meet job market requirements**
- **Introduce modern teaching techniques with more workshops and trainings**

## *Strategy of the Ministry of Agriculture*

In December 2009, the Ministry of Agriculture has reviewed its strategy and identified 8 axes for intervention.

The objectives of the revised strategy are to ensure rational and sustainable use of natural resources, improve the competitiveness of agricultural products and contribute to improve the commercial and financial trade balance. This will be achieved by :

1. **Restructuring the framework of the MOA** to meet the actual needs and strengthen the links with the public sector and NGOs.

2. **Update and upgrade the sector legislations and regulations** in compliance with international standards and practices.
3. **Improve the agricultural infrastructure** including agricultural roads, water conservation and reduce water pollution, irrigation systems and land reclamation.
4. **Strengthening and increasing the efficiency of extension services.**
5. **Increase quality control on agricultural products.** Through upgrading the

laboratories and quality control systems and ensuring products compliance to international standards and regulations, in terms of safety, quality and traceability.

6. **Improve competitiveness of agricultural products and marketing channels.**
7. **Rational use of natural resources.** Develop a mechanism to induce the use of an abandoned land, improve the sustainable management of forestry resources and pastures, conserve water and biodiversity.