

DRAFT – For Discussion  
Limited Distribution



# GOVERNMENT OF LEBANON 3-YEAR DEVELOPMENT PRIORITIES

May 04, 2020  
Grand Serail, Beirut,  
Lebanon

# AGENDA

## *Remarks by the Prime Minister*

1. GoL Development Planning Framework

2. Productive Sectors Development

3. Social Policies

4. Environment

## *Open Discussion*

*Remarks by the Prime Minister*

**1. GoL Development Planning Framework**

2. Productive Sectors Development

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*Open Discussion*

# GoL DEVELOPMENT PLANNING FRAMEWORK | TOOLS

The GoL is addressing Lebanon's 3-year development priorities across several focus areas, through complementary planning tools and support mechanisms; today's focus is on productive sectors, social policies and environment



# GoL DEVELOPMENT PLANNING FRAMEWORK | PROGRESS

Progress is ongoing across all areas simultaneously, with notable results on the COVID response, the economic rescue plan approved, sectoral and anti-corruption reforms accelerated, and social assistance activated



# COVID-19 LEBANON EMERGENCY INTERVENTION

The UN and partners shall contribute through a 3-month humanitarian intervention to the ongoing government COVID-19 response

## GoL COVID-19 Response Pillars

Communication & Engagement

Health

Infection Prevention & Control

Surveillance & Rapid Response

National Laboratories

Points of Entry

Logistics & Supply

Service Continuity

## UN COVID-19 Lebanon Emergency Intervention Priorities

Health System Support

Engagement & Communication With Communities

**Assistance to Vulnerable Communities**  
*refugees and host communities covered by the LCRP*

**Assistance to Vulnerable Communities**  
*refugees and Lebanese not included in the LCRP*

*Remarks by the Prime Minister*

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# PRODUCTIVE SECTORS | INDUSRTY

In response to the deepening crisis, the Ministry of Industry has developed a roadmap for the industrial sector, aimed at supporting existing industries, encouraging diversification, increasing exports and containing unemployment

## TARGET SECTORS



Agro-Food



Light Industries



Pharmaceuticals & Medical equipment



Construction



Textiles and Furniture



Jewelry



Knowledge Industries



Creative & Cultural Industries

## OBJECTIVES

- Increase share of industrial contribution to GDP
- Increase industrial exports
- Reduce the trade deficit and improving the balance of payments position
- Encourage and support existing industries
- Establish new industries (knowledge and technology)
- Limit unemployment and create new and sustainable job opportunities to ensure social security for the Lebanese workforce

# PRODUCTIVE SECTORS | SHORT TERM - INDUSTRY

Immediate priorities are to secure raw material, support struggling businesses, and incentivize employee retention

## ACCESS TO FINANCE & FISCAL INCENTIVES

*Priority measures to provide urgently needed liquidity*

Purchase of industrial raw material through **country to country agreements**  
*LBP 300 BN – 250 beneficiaries*

**Soft loans** to finance the purchase of industrial raw material & equipment  
*LBP 300 BN, out of which LBP 100 BN dedicated to MSMEs & Craftsmen*

**Cash guarantees** to finance import of raw material for export-oriented industries  
*LBP 300 BN*

Setup of the **OXYGEN fund** to provide access to FX for the import of raw material  
*USD 750 MN – Interim Setup of a BDL **bridge fund** of USD 100 MN*

Establishment of an **Industrial Development Bank**

*Business support conditional upon employee retention*

Extended scope & application of BDL **0% interest loan scheme**; Reduction of interest rates and rescheduling of current loans

**Fiscal exemptions, including deferral of import fees**, exemption on land registration fees for new investments

Temporary suspension of **social security contributions**

**Energy subsidies**

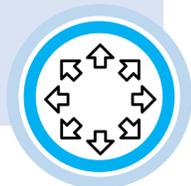


# PRODUCTIVE SECTORS | SHORT TERM - INDUSTRY

The plan also focuses on supporting exports and creating an enabling environment through adequate infrastructure projects and key regulatory reforms

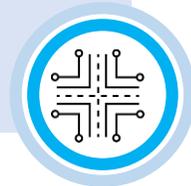
## EXPORT PROMOTION & TRADE COOPERATION

- Export **tariff waivers** for selected products
- Support for participation in **international trade fairs**
- Review of **trade policies and agreements**, anti-dumping measures, and tariffs to ensure fair competition for local products
- Activation of networking to increase market access including through **commercial attaches**, and economic diplomacy
- **Technical assistance** to ensure compliance with production and export standards
- Promotion of **brand Lebanon**
- Increased product recognition through **trademark certificates**



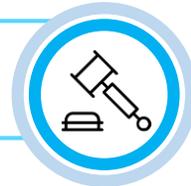
## INFRASTRUCTURE

- Tripoli Special Economic Zone
- Regional industrial zones
- Technology & Innovation clusters



## REGULATORY REFORMS

- Code of Commerce
- Judicial Mediation
- E-Transactions
- Secured Lending
- Insolvency Law
- Insolvency Practitioners Law
- Competition Law
- Private Equity Fund



# PRODUCTIVE SECTORS | SHORT TERM - AGRICULTURE

The government also acknowledges the criticality of preserving national food security; including through strategic support to local agriculture production to increase self-sufficiency levels, as laid out in the Ministry of Agriculture plan

**Production Expansion**

**Soft loans** to famers, especially to :

- > Boost production of selected products esp. wheat (increase by 3700T) barely (750T), other fodder, beans and pulses.
- > Encourage adoption of new production mechanisms and productivity enhancing technology (e.g. precision agriculture)

*LBP 130 BN - 30,000 beneficiaries.*



**Agricultural Input**

- **Cash transfers** for the purchase of seeds and plants

*LBP 15 BN - 30,000 beneficiaries*



**Animal Sector**

- **In-kind distribution** of veterinary products LBP 2.3 BN
- Support for cowherders and beekeepers LBP 6.3 BN



**Irrigation**

- **Subsidies** to irrigation water tariffs
- Support farmers' adoption of modern irrigation techniques.



**Strategic Reserves**

- Maintenance of **strategic reserves** for basic commodities
- **Upgrade of grain silos** to reduce losses and ensure safer storage conditions



**Trade**

- **Direct public procurement** of key commodities
- **Review and adjustment of import tariffs** to protect domestic production



**Capacity Building & Technical Services**

- Increase of **MoA technical staff**, including veterinarians and agricultural engineers.
- **Technical training** for farmers



**Consumer Protection**

- **Price monitoring** & control, especially for basic commodities and timely dissemination of wholesale and retail food prices
- Strengthen **safety and quality** of agriculture and food products.



# PRODUCTIVE SECTORS | MEDIUM TERM

Within a 2-3 yr. timeframe, the government will roll out a comprehensive productive sectors support plan guided by the Lebanon Economic Vision (McKinsey plan), and revisited in view of current socio-economic conditions

**Agriculture**



- Apply modern technologies to improve yield;
- Focus on high value crops;
- Facilitate access to international markets;
- Legalize cannabis cultivation for medical purposes.

**Financial Services**



- Build an investment management and offshoring hub.
- Develop centers of excellence in niches like fintech, actuarial studies, analytics etc.

**Industry**



- Prioritize high-potential subsectors: food-processing, high-end products w/ creative design (jewelry, cosmetics, etc.), industries related to reconstruction in Syria, healthcare and pharma.
- Develop national integrated industrial parks

**Knowledge Economy**



- Become a global digital producer,
- Digitize government,
- Capture the regional market for high value added BPO services,
- Become a regional creative hub,
- Become an educational hub

**Tourism**



- Build distinctive core offerings in “City & Entertainment”, “Sun & Sea” and “Culture”.
- Develop Eco-tourism.
- Expand the business meeting & incentives offering.
- Promote medical tourism.

**Diaspora**



- Proactively approach the diaspora with investment opportunities.
- Establish a diaspora advisory board to lobby for Lebanon’s interests in global forums.

*Remarks by the Prime Minister*

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# SOCIAL POLICIES | IMMEDIATE TERM – NSSP

The government has launched a National Social Solidarity Program, consisting of cash assistance disbursements to vulnerable households

## National Social Solidarity Program

### BENEFICIARIES

200,000 HHs; identified through categorical targeting: elderly, disabled, taxi drivers, land-mine injured, HHs w/ children in public schools

### COMPONENTS

Unconditional Cash Transfers  
400,000 LBP/beneficiary over a one-month period

### BUDGET

LBP 800 BN; covered by the government

### CURRENT STATUS & NEXT STEPS

Beneficiary database is being developed by MoSA and MoIM with support from local authorities (IMPACT)

# SOCIAL POLICIES | SHORT TERM - ESSN

The GoL plans on rolling out, within a 3 month timeframe, an Emergency Social Safety Net (ESSN) Program to build on and expand its current National Poverty Targeting Program (NPTP)

## Social Safety Net Program

### BENEFICIARIES

- 100,000 HH (scalable upon fund availability)
- Identified through a hybrid targeting approach
- Addressing lifecycle vulnerabilities, esp. persons with special needs (disabilities) and elderly, within extreme poverty

### BUDGET

USD 564.4 MN to be funded through a World Bank program with both a loan and grant component; could also include other donor grants and GoL funding. Preference for a significant grant component as per parliament's direction.

### COMPONENTS

1. Cash Transfers for Food Support
2. Cash Transfer to Students at Risk
3. Access to Social, Educational and Health Services
4. Enhanced Delivery

### CURRENT STATUS & NEXT STEPS

- Led by MoSA, the program is currently being developed by the technical committee appointed by the GoL in collaboration with the WB and UN agencies;
- Program to be raised to the CoM by early May

# SOCIAL POLICIES | SHORT TERM - ESSN

The ESSN aims to arrest the increase in poverty and preserve the human capital of extreme poor households while building resilience and social cohesion, through 4 key intervention areas

## Components of Emergency Crisis-Response Social Safety Net Program (ESSN)

1. **Cash Transfers for Food Support**: Cash support for **100,000 Lebanese** households (Scalable upon funds) under the extreme poverty line. (LBP50,000/person/month; capped at 6 members in addition to a LBP100,000 Non-food top-up per HHLID constituting approx. 15% of the minimum salary wage).
2. **Cash Transfer to Students at Risk**: Provision of Education Cash Grant to **Lebanese** students (ages 6-18) from the **100,000** extreme poor **Lebanese** households at risk of dropping out of school. General and Vocational Education. (Average Total LBP 70,000/student/month)
3. **Access to Social, Educational and Primary Health Care Services, etc** with focus on vulnerable groups (women, children, elderly and persons with special needs) for **Lebanese** and **Syrian** refugees. Provided through MOSA SDC Public schools, MoPH PHC facilities and NGOs (Psycho-social support, Prevention and response to GBV, After-School support and Primary Health Care services)
4. **Enhanced Delivery** through (i) Creation of a Social Registry and related Information Systems, (ii) Grievance Redress Mechanism, (iii) Communication and Outreach, (iv) Monitoring and Evaluation, (v) External Technical Audits, (vi) Project Management

# SOCIAL POLICIES | SHORT TERM - ESSN

The program's total 2-year budget stands at 564.4 MN USD

Component	Beneficiaries	No. of Beneficiaries	Average Annual Cost per Beneficiary (US\$)	Total Annual Cost (US\$) (TBC)
1. Cash Transfer for Food Support	Extreme poor Lebanese HHs	100,000 HHs	1627	260.2 million
2. Cash Transfer for Students-at-Risk	Students aged 6-18 in HHs under component 1 enrolled in public schools	-	417	-
3. Social, Educational and Primary Health Care Services	Lebanese and Syrian Refugees	-	-	17 million
4. Enhanced Delivery of SSN	-	-	-	5 million
<b>Approx. Total Annual Budget</b>				282.2 million
<b>Approx. Total Project Budget (2 years)</b>				564.4 million

# SOCIAL POLICIES | SHORT TERM – OTHER MEASURES

The GoL seeks to ensure access to health services, as well as access to affordable housing

## Access to Health Services

- Ensure access to basic services at the Primary Health Care facilities including free medication for acute and chronic conditions
- Increase support to Primary Health Care facilities and Social Development Centers (SDCs) to ensure that they can better respond to increased demand from communities

## Access to Affordable Housing

- Following-up on the USD165MN loan agreement with the Arab Fund for Economic and Social Development for the financing of housing loans
- Also pursuing discussions around a new housing loan for low and middle-income individuals with the Public Corporation for Housing

# SOCIAL POLICIES | SOCIAL PROTECTION POLICY

In parallel, the development of a national social protection policy is underway, with the aim of laying the foundations for a comprehensive social protection system within a 2-3 yr. timeframe

## National Social Protection System

### DEVELOP NATIONAL SOCIAL PROTECTION (SP) POLICY

A national SP policy is currently being developed under the lead of the inter-ministerial committee on SP. A national dialogue on SP was held on Jan 2019, after which a SP sector analysis was conducted; the first draft of a national SP statement is now being developed.

### ENHANCE NSSF COVERAGE

Extend NSSF coverage, particularly health insurance, to categories of workers currently unprotected, incl. self-employed, part-time workers, those in the informal economy. Improve NSSF governance and administrative capacity and pursue its systems digitization. Preserve NSSF financial sustainability.

### IMPROVE & EXPAND HEALTH COVERAGE

Increase focus of existing health insurance schemes on primary care and prevention. Introduce more effective purchasing and cost-containment mechanisms. Modernize administration. Develop a feasible and sustainable plan for universal access to quality healthcare.

### REFORM THE END OF SERVICE INDEMNITY SCHEME

Law on the establishment of a pension system for private sector workers currently being developed by the relevant parliamentary committee. A roadmap for the implementation of the new system is also underway.

### DEVELOP LABOR MARKET ACTIVATION PROGRAMS

Develop a modern labor law and enforce compliance with it. Enhance labor protection instruments and develop labor market activation programs for the un/underemployed including: job matching, access to skills, labor market information, as well as improved labor market policies

### CREATE FISCAL SPACE

Develop more equitable, efficient and progressive tax structures. Promote use of the national budget as a tool to respond effectively and efficiently to the impacts of the economic crisis.

# SOCIAL POLICIES | LABOR POLICIES - IMMEDIATE TERM

In addition to social assistance mechanisms described earlier, the GoL is undertaking additional measures to reduce household costs and provide emergency social assistance

## Other Measures

### PROVIDE EMERGENCY SOCIAL INSURANCE

- Targeted temporary wage subsidy scheme to avoid dismissal of formal workers
- Establish a Dismissal Compensation Guarantee Fund/Unemployment Fund to support incomes of workers becoming unemployed

### REDUCE HOUSEHOLD COSTS

- Suspend payment of income taxes until year-end (bottom tax bands)
- Suspend debt repayment for affected households until year-end

# SOCIAL POLICIES | LABOR POLICIES – SHORT TERM

The Ministry of Labor shall also develop and activate adequate labor protection policies, and build the adequate capacity to enforce them

## DYNAMIC LABOR MARKET & UNEMPLOYMENT CONTROL

- Special Decree to make the Labor law flexible to allow for reduction in working hours (without the need to fire).
- Special Decree to reflect Labor Law working hours and pay changes on the NSSF.

## LABOR MARKET STABILIZATION

- Special regulation for dismissals during crisis
- Special regulation on payment of wages for idle or partially idle workers, part-time workers and tele-workers
- Special regulation on payment of cash benefits during extended sick-leave or medical quarantine

## LABOR MARKET PROTECTION

- Increasing the cost of foreign labor work permits so as to protect the local labor market

## LABOR DISPUTES PREVENTION

- Fast-tracking of the employment status verification process for undeclared workers in formal enterprises (~200,000 workers).
- Help center/hotline for advisory services to workers & employers on matters of labor regulation, income protection and social protection.
- Revision of existing labor dispute mechanisms, institutions and measures so as to reinforce consensus-based dialogue and negotiation processes.

## MINISTRY OF LABOR MODERNIZATION

- Organization restructuring and digitization of MoL, including the establishment of a Data Analytics department.
- Reactivation of the National Employment Office as a support agency for the National employment strategy .



*Remarks by the Prime Minister*

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# ENVIRONMENT | IMMEDIATE TERM

The government aims, in the immediate, to activate the governance of the environmental sector, attend to its solid waste crisis, manage the quarries sector, and depollute the Litani

## SOLID & CHEMICAL WASTE

- Further enforce the application of the **Sorting at Source** decree
- **Upgrade waste management** facilities and construct sanitary landfills *USD ~700MN*; rehabilitate open dumpsites *USD ~75MN*
- Establish a **National Solid Waste Agency**
- Invest in **Hazardous Waste** Management Facilities
- Invest in environmental compliance of the **industrial and health care sectors** *USD ~50MN*



## GOVERNANCE

- Appoint environmental prosecutors & investigative judges; recruit and activate the **environmental police**
- **Carry out strategic environmental assessments** for all national policies & **mainstream** environmental principles and climate change in economic, financial and fiscal policies
- Prepare **National Sustainable Development Strategy**



## QUARRIES

- Finalize and adopt **masterplan** for integrated management of quarries; provide financial support for LAF technical study *USD 0.6MN*
- **Rehabilitate** public owned quarries and enforce rehabilitation private owned quarries by quarry owners



## INTEGRATED WATERSHED MGMT

- Combat **pollution of the Litani River and Qaroun watershed**; mobilize financing to implement depollution measures *USD~400MN*
- Develop depollution and **management plans** for other important watersheds *USD ~1.5MN*



# ENVIRONMENT | MEDIUM TERM

On the medium term, the government shall ensure implementation of Land Management and Biodiversity plans to reverse degradation and protect resources; it shall also proceed on its climate change commitments

## LAND MANAGEMENT

- Finalize the Masterplan for the Protection of Mountain Landscapes, Coasts, Agricultural Lands, and Green Spaces; mobilize resources for implementation



## AIR QUALITY

- Draft & adopt application decrees & decisions for Air Quality Law
- Mobilize resources for the implementation of the Air Quality Management Strategy



## BIODIVERSITY

- Mobilize resources to Implement the Action Plan for the protection of Lebanon’s sensitive natural resources and expand on nature reserves



## CLIMATE CHANGE

- Draft implementation decrees of the Paris Agreement
- Complete and endorse a low-emission development agenda; draft funding mechanism for it
- Establish the Green Investment Facility



# ANNEX

# FINANCIAL REFORMS

The CoM has approved a 5-year Financial Recovery Plan, which revolves around 6 interconnected building blocks aimed at urgently addressing Lebanon's macro-economic imbalances

## EXTERNAL SUPPORT

- External funding needs over the 5 years: USD28BN
- Bondholder relief via restructuring: USD15-18BN
- External financial support needs: c. USD10BN

## FISCAL CONSOLIDATION

- Expenditure consolidation effort: 4.5% of GDP by 2024
- Revenue consolidation effort: 3.7% of GDP by 2024
- Target: primary surplus (incl. CEDRE) in 2024

## PUBLIC DEBT RESTRUCTURING

- FC debt: nominal reduction
- LC debt: nominal reduction
- Multi/bilat debt: remain current
- Target: 80-85% debt-to-GDP ratio in 2027

## OVERHAUL OF THE FINANCIAL SECTOR

- **BdL** net losses: ~LBP121TN  
Audit and governance overhaul
- **Banking sector** net losses: ~LBP154TN  
Full bail-in of shareholders, recapitalization, possible partial bail-in of depositors (protect at least 98% of depositors), sector consolidation

## STRUCTURAL REFORM AGENDA

- Comprehensive anti-corruption plan
- Reform of the judicial system
- Growth plan: 2020-2025: new economic model focusing on key productive sectors, exports and value creation
- Approval of CEDRE laws backlog

## FOREIGN EXCHANGE REGIME ADJUSTMENT

- **Formal devaluation** in the foreseeable future and unification of exchange rates
- Going forward, the FX rate will be set in a way to **prevent renewed real appreciation and preserve competitiveness** (e.g. managed float or crawling peg)

# INFRASTRUCTURE & UTILITIES

In tandem, the GoL is actively addressing sectoral reforms across Electricity, Telecom, Water, Oil & Gas, and Aviation, in line with its CEDRE commitments

## ELECTRICITY

- Power Generation: MOU for G2G negotiations to be signed by June 2020. Ongoing discussion with Siemens and General Electric
- FSRUs: Negotiations with Qatar Petroleum /ENI have started. Expected delays due to recent crisis.
- Regulatory Authority: Law 462/2002 Amendments currently being discussed
- EDL Board of Directors: nominations shall be raised to the CoM by end of May 2020



## TELECOMMUNICATIONS

- New Telecom Sector policy: draft revision of law 431 to be raised to CoM by Nov 2020; nomination of Telecom Regulatory Authority to follow
- Process started for direct government management of mobile networks



## OIL & GAS

- Block 4 exploration phase ongoing; results by June
- MoEW to proceed with second Oil & Gas licensing round
- Sovereign wealth fund law currently under discussion in parliament
- Law on Enhancing Transparency in the Petroleum Sector issued in 2018



## WATER

- National Water Sector Strategy: developed by MoEW; to be raised to the CoM by May
- Water Code: relevant implementation decrees currently under development
- Bisri dam project resumed



## CIVIL AVIATION

- Nomination of regulatory bodies for Civil Aviation



# INFRASTRUCTURE & UTILITIES | CIP PROJECTS

The government is reprioritizing CIP projects in line with recent developments and future needs

## Ministry of Energy and Water

### Electricity



18 projects = \$5.592 BN



**6 Projects = \$2.155 BN**

### Water & Irrigation



124 Projects = \$4.845 BN



**76 Projects = \$1.559 BN**

### Waste Water



82 Projects = \$2.682 BN



**25 Projects = \$1.074 BN**

## Ministry of Public Works

### Transport

24 projects = \$7,381 BN



**4 Projects = \$1,615 BN**



## Ministry of Telecom

### Telecom

10 projects = \$0.7 BN

**No Change in Projects**



## Ministries of Culture & Industry

### Culture and Industry

26 projects = \$0.339 BN

**No Change in Projects**



## Ministry of Environment

### Solid Waste

1 project = \$1.4 BN



**Optimization in Process**



# GOVERNANCE | ANTI-CORRUPTION & JUDICIAL REFORMS

The government is also working on activating the anti-corruption regulatory framework and setting forth required judicial reforms in the immediate term

## ANTI-CORRUPTION REGULATORY FRAMEWORK

<b>Access to Information Law</b>	<b>Illicit Enrichment Law</b>
<b>Whistleblower Protection Law</b>	<b>Recovery of Stolen Public Funds</b>
<b>Anti-Corruption Strategy</b>	<b>Banking Secrecy Law</b>
<b>Law on the Establishment of a National Anti-Corruption Agency</b>	<b>Public Procurement</b>

## JUDICIAL REFORM

<b>Law on the Independence of the Judiciary</b>
<b>Digitization of the Judicial System</b>
<b>Alternative Punitive Sanctions</b>
<b>Prison Management Guidelines</b>

# GOVERNANCE | DIGITIZATION & PUBLIC SECTOR MODERNIZATION

1

Other governance enhancing measures include digital transformation and the modernization and restructuring of public administration

## DIGITAL TRANSFORMATION STRATEGY

*Digital Transformation Strategy and its corresponding executive program.*

## ELECTRONIC CIVIL RECORD EXTRACT

*Finalizing the creation of the electronic civil record extract service, as well as the foundations of the unified electronic national ID.*

## Modernization & Restructuring of the Public Administration

*In 2017, law 46 on public sector modernization passed by Parliament. Inter-ministerial committee then established in 2017 to support implementation.*

### Freezing public sector employment

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### Unified Public Sector Social Benefits System

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### Revising the gov't subsidy policies

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### Rationalizing Fuel Expenditures

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### Public Sector Performance Management

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### Restructuring/Dissolving Public Entities

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# PRODUCTIVE SECTORS | SHORT TERM - PHARMACEUTICALS

2

The Ministries of Industry and Public Health have developed an action plan to support the pharmaceutical industry

## Health & Drug Policy

- Establishment of a **tender board** for joint procurement of medicinal products.
- Setting of drug **price ceilings**
- Unification of coverage and pricing conditions pertaining to the adoption of medicines, esp. local medicines, amongst all guarantors, and the issuance of unified pricelists (**the Drug Standard National Pricelist**).
- Upgrading MoPH **drug registration guidelines**.
- Issuance of a periodic **list of locally manufactured drugs**
- Regular update of the medicines required by both the private and public sectors. Based on this list, insurers to cover **prices of locally manufactured medicines** exclusively.
- Compulsory prioritization of locally manufactured products in **tenders and public procurement**.



## Investment & Export Support

- Promotion and support of **investments** in the pharmaceutical industry, esp. investments in the production of medicines for incurable diseases
- Protecting and supporting national industry by reducing **production costs** (tariffs, taxes, etc.), and adequate subsidies
- Establishment of a **marketing board** to promote local medicines locally and globally.
- Establishing a **Central Laboratory**, or activating the laboratories in the Industrial Research Institute (IRI), so as to enable them to carry out testing and monitoring for medicines.



## Facilities, Liquidity & Insurers

- Supporting international classification of local drug manufacturers by activating the "Lebanese Accreditation Council" **COLIBAC**.
- **Central Bank Support:**
  - Fast Track operations
  - IR incentives and Hard currency Cover-up
- Approving locally manufactured medicine exclusively upon its registration with the MoPH.
- **Coverage up to 90%** for Lebanese medicine.
- Enforcing insurers' adoption of MoPH **coverage criteria**



# SOCIAL PROTECTION | SHORT TERM - ESSN

In order to minimize exclusion errors and data inconsistency, a full verification of the current NPTP database is planned and new HH shall be onboarded, including from regions currently underrepresented in the database

## Targeting and Verification

- ▶ **Full-sweep verification of NPTP database** - about 43,000 HH to be included
- ▶ **New beneficiaries added** to the program - about 57000 HH (or more) - by targeted solicitation of applications through the **IMPACT** platform
- ▶ **Outreach and Communication campaign** including mass media, NGOs, SDCs, etc., as well as messages sent to households from other programs' databases that might have poor people in them (disability program, others)

## Payment Modality

- Unrestricted Payment Modality (No restricted local shops contracted)
- Banks ATMs or POS/MTOs agents (TBC)
- Uploaded monthly

# SOCIAL PROTECTION | SHORT TERM - ESSN

As part of the program, the government aims at building a National Social Registry

## National Social Registry (NSR)

A National Social Registry serves as a gateway for **potential inclusion of intended populations into social programs**, and helps coordinate multiple SP programs and facilitate synergy across programs.

The NSR **links multiple databases** of program beneficiaries:

- The **NPTP database** (43,000 HHs)
- The **IMPACT Platform** (MoSA and MOIM)

Over time, **other programs** can be included in the registry and systems developed to ensure unique identification, non-duplication of beneficiaries.

The NSR will also establish linkages to key databases that **can help integrate formal records** of employment and income, asset ownership, residence and dwelling details and other information necessary for determining program eligibility using Hybrid Means-Testing in the future.

# SOCIAL PROTECTION | SHORT TERM - ESSN

Additional vulnerable categories, including the elderly and persons with disabilities will also be covered by the program

## Additional Vulnerable Categories: Elderly & Persons with Disability

- In addition to covering 100,000 households with the lowest 22 % PMT scores (the extreme poor), the program will also cover the **bottom 30% households that have members with disabilities or are elderly** (i.e. above the age of 74)

# SOCIAL PROTECTION | SHORT TERM - ESSN

The program shall be rolled out over 2 phases, the first includes 43,000 HHs from the current NPTP database, with disbursements starting in July 2020, the second includes a new intake of 57,000 HHs, with disbursement in December

## Proposed Phasing of ESSN Scale-up: Within & Outside Existing NPTP Database

Activity	July 1, 2020 start	December 1, 2020 start
<i>Phase 1 Intake: ~ 43,000 extreme poor HHs from existing NPTP database</i>		
Identification of 43,000 potential beneficiaries from NPTP database using existing PMT scores	✓	
Verification of 43,000 existing HHs	✓	
Payment to eligible HHs from within existing NPTP database	✓	
<i>Phase 2 Intake: ~ 57,000 extreme poor HHs from new applicants</i>		
New applications from Impact Platform	✓	
Initial Processing of Applications	✓	
Verification of new applications (57,000 HHs)	✓	✓
Identification of eligible new beneficiaries using Hybrid Methodology		✓
Payment to eligible HHs from new applications		✓

# SOCIAL PROTECTION | SHORT TERM - ESSN

The ESSN is a platform open for donors and partners, with multiple ways and sources of financing

## Financing Options

▶ Global Concessional Financing Facility (GCFF) - mix loans and grants to reach IDA credit terms

▶ Grants channeled via Lebanon-Syria Crisis Trust Fund - managed by the World Bank

▶ Direct Grants to Implementing Agencies (Tentative: WFP, UNICEF or other)

## IBRD Loan terms

- 4.5 years Grace Period
- 35 years Final Maturity
- US 6 m Libor + 1.4% Floating Rate (equivalent to 2.9% fixed rate)

# ENVIRONMENT | IMMEDIATE TERM

The government aims, in the immediate, to activate the governance of the environmental sector and attend to the solid waste crisis and decrease pollution loads. The 2018 Cost of Environmental Degradation is estimated at **US\$ 2.35 billion**.

## GOVERNANCE

- In line with Law 251/2014: appointment of **environmental prosecutors and investigative judges**; enforcement of environmental laws; activation of the environmental police including through building adequate human resource capabilities.
- **Mainstreaming** of environmental principles and climate change in economic, financial, fiscal and banking policies
- Development of **National Sustainable Development Strategy** to mainstream environmental protection & the SDGs



## SOLID & CHEMICAL WASTE

- Issuance and enforcement of decisions and guidelines in line with the **Integrated Solid Waste Management Law (80/2018)** and the national roadmap for integrated solid waste management.
- Upgrade infrastructure to stop open dumping and burning and improve recovery (sorting and treatment facilities, sanitary landfills, and rehabilitation of priority dumpsites), while strengthening the application of the Sorting at Source decree (5605/2019) and enhancing measures related to reduction, reuse and recycle
- Establishment of a **National Solid Waste Agency**.
- Complete the application decisions to the Hazardous Waste decree (5606/2019) and operationalize it
- Facilitate private sector investment in the **Hazardous Waste** infrastructure in line with the decree
- Promote environmental compliance of the industrial and health care sectors



# ENVIRONMENT | IMMEDIATE TERM

The government also plans to finalize its masterplan for the management of quarries and pursue the Litani depollution efforts

## QUARRIES

- Finalization and adoption of the **masterplan** for integrated management of quarries to ensure sustainable supply of construction material, adequate rehabilitation measures for quarries, and recovery of taxes.
- Issuance of required decisions and guidelines to improve the **management of cement industries** while factoring environment and social costs.

- **Rehabilitation** of quarries



## INTEGRATED WATERSHED MNGT

- Pursue implementation of the **roadmap for combating pollution of the Litani River and the Qaroun watershed** and mobilize financing to implement depollution measures.
- Develop depollution and **management plans** for other important watersheds.



# ENVIRONMENT | MEDIUM TERM

Implementation of Land Management and Biodiversity plans key for the government to reverse degradation and protect resources

## LAND MANAGEMENT

- **Masterplan for the Protection of Mountain Landscapes, Coasts, Agricultural Lands and Green Spaces:** Enforce sustainable urban planning, land-use planning and land management approaches at the local level; build capacity
- Building resilience of **coastal zones** and improving protection of sensitive marine environments.



## BIODIVERSITY

- **National Biodiversity Action Plan:** pursue the implementation of the Action Plan to protect Lebanon’s sensitive natural resources and expand on nature reserves and protected areas; build capacity.
- Increase the number of nature reserves and transform them into rural socio-economic engines



# ENVIRONMENT | MEDIUM TERM

The GoL shall also aim to achieve its climate change and air quality targets on the medium term

## CLIMATE CHANGE

- Unlock int'l finance for development and climate change projects based on the Paris Agreement
- Complete and endorse a **low-emission development agenda**, and integrate it within the broader Lebanon National Sustainable Development Strategy, which builds on GoL commitments to the SDGs.
- Update Lebanon's 2015 **climate targets**
- Establish **Green Investment Facility**



## AIR QUALITY

- Draft and adopt the application decrees and decisions to the **Air Quality Law** Operationalize air quality **monitoring systems** in line with legislation
- Pursue the application of the **Air Quality Management Strategy**

