

# **Economic and Social Reform Action Plan 2012-2015**

## **Seven Pillars for Implementing Economic and Social Reform in Lebanon**

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## 1. POLICY GUIDELINES AND PRIORITIES

1. Lebanon's resources consist of its human capital, unique geography and privileged location – assets that bestow upon Lebanon its comparative advantages at the regional and global levels. For Lebanon to achieve high and sustained economic rates of growth, and create high value added jobs on a scale sufficient to consolidate civil harmony and dent emigration, it must redirect its economy towards sectors and activities based on knowledge and innovation anchored onto its vast pool of talent and expertise. To do so, Lebanon must increase its productivity in the niches where it holds a comparative advantage and can strengthen its competitive position and become an important pole capable of expanding the size of its market, and therefore of its economy, beyond the narrow confines of its national borders, in exporting its “knowledge-based” services – in addition to its traditional goods and services where its position is well established – rather than its human resources as in the past.

2. Under the right policies, Lebanon's economy could run at a much higher gear. The government will support private initiative, the main driver of economic growth, in improving and strengthening the levers of public policy – through a comprehensive, mutually reinforcing set of legal, regulatory, institutional and fiscal reforms – to ease the structural impediments that over the past decades have constrained economic growth, suppressed employment creating potentials, added to the cost of doing business, and hindered the ability of the enterprise sector to compete in regional and global markets. Any step aimed at economic development in Lebanon must be part of a three-pronged approach to spur growth, and based upon: (i) encouraging the flows of capital into the economy, in providing an enabling environment for investments by Lebanese as well as non residents and ensuring the stability that facilitates financial transfers; (ii) spurring exports of Lebanese goods and services which could grow between 12% and 20% annually, so as to strengthen the balance of payments and contain the large trade deficit; and (iii) stimulating tourism activities, by adopting more effective mechanisms which depart from current improvised policies. These three axes of policy will provide the Lebanese economy with expanded foreign exchange resources and enhance the prospects for job creation.

The plan focuses on the role of the public sector in establishing the necessary framework to enhance private sector investments, which create high value added jobs in the “real economy” -- agriculture, industry, tourism, banking and trade. Therefore, the government strategy does not delve into the specifics of these areas where the private sector invests and takes risks. The government package of reforms, within this framework, will thus aim at:

(i) Ensuring congruence of fiscal policies with the objectives of economic growth and restoring fiscal sustainability over the medium term mainly in addressing the issue of the public debt through an effective debt reduction strategy and improved debt management; and streamlining the budgetary process.

(ii) Promoting policies and enacting legislation and regulations which improve the investment climate and support private-led growth.

(iii) Developing and rehabilitating the decaying infrastructure to allow Lebanese households and corporations adequate and affordable access to electricity, transportation, water supply and sanitation, and information technology and telecommunications. In addition, halting environmental degradation and creeping destruction of our natural sites (sea shores, mountain tops, river basins, gorges and valleys) and cultural heritage will be a target of government action.

(iv) Furthering human development through enhancing social cohesion and solidarity, and improving access to education, health care and, as needed, social protection, while improving the design and implementation of programs to ensure fair access to all social groups, provide quality education at all levels – the very basis of a knowledge economy; allow access for all segments of the population to affordable health care; and offer essential social services in partnership with the private sector. In particular, the government intends to introduce reforms to the retirement and social protection system of (elderly) private sector workers who lose their healthcare and social benefits upon retiring. This is a major problem for those who serve the interests of the private companies where they work, yet leave employment neither with pension entitlement nor health coverage. To provide for such benefits, there is a need to secure new sources of funding through diversified investment channels for the NSSF funds in order to get better returns, as the NSSF investment portfolio of more than 9,000 Billion LBP largely consists of Treasury Bills the purchasing power of which may be lost through inflation. Society's most vulnerable groups – the poor, elderly and disenfranchised – will be protected through a targeted and fiscally sustainable safety net program for which the government has already allocated funding.

(v) Promoting a growth inducing, job creating socio-economic development strategy across Lebanon's regions beyond the traditional centers – mainly greater Beirut – where most economic activities, wealth creation and employment opportunities are concentrated. There is also a need to establish industrial parks and cities for agricultural manufacturing, given the will to promote real development and reduce pressures away from the capital and its suburbs. Any such planned development should fall under the "National Physical Master plan for the Lebanese Territories" (NPMLT), which was approved by the Lebanese government in 2009.

(vi) Implementing a thorough institutional and administrative reform to upgrade the capability of the civil service and improve the governance of public sector institutions.

(vii) Introducing miscellaneous yet important reforms inter-alia to improve the nation's statistical capabilities, strengthen the price index committee, the prices council, and the Board of the NSSF, enact the food safety law, combat economic corruption, create a public asset management agency to enhance the control and improve the return over such assets, especially as regards the state large land holding portfolio. and build the framework for disaster risk reduction and management. The Social and Economic Council must be empowered in reviving the tripartite bodies representing employees, employers and the government.

The specific actions and projects covered in the medium-term plan under each of the seven pillars of reform are detailed in the matrix provided in annex. Where estimates are available, the matrix shows the financial and budgetary implications notably as far as infrastructure sector investments are concerned. Budget estimates for education reform are not provided nor are those for security and defense (outside the scope of this document).

## **2. REFORM PILLARS**

### **I. PUBLIC DEBT MANAGEMENT, FISCAL REFORM AND BUDGETARY PROCESS**

#### **■ Public Debt**

3. Debt service represents the highest budgetary outlay (after salaries and compensations of public sector employees), accounting for about 40% of tax receipts and 1/3rd of total revenues. The always ascending public debt has, for a decade and a half, become a permanent drain on state resources crowding out the investments needed to rehabilitate an obsolete infrastructure, and reducing the scope and quality of services provided to citizens. A fully qualified debt management department organizing efficiently and effectively the "front, middle and back offices" of debt management is being created at the ministry of finance

(MOF) to strengthen its capabilities in this crucial area. The institutional action will require joint efforts and coordination between the MOF and the central bank.

4. The MOF had developed a Debt Management Framework for 2010-2015. Taking into account the risk profile of the debt, this medium-term strategy has five main objectives, namely to: (i) reduce re-financing risk through maintaining a smooth repayment profile; (ii) reduce the rollover risk by lengthening the average maturity of the debt portfolio; (iii) reduce the risk related to debt service; (iv) maintain the share of foreign-exchange dominated debt below a given threshold; and (v) increase the level of concessional financing for investment projects. Moreover, with the enacting of the law on capital markets which have a strong impact on improving liquidity and price discovery in debt instruments, including government debt, the government is acting on the establishment and staffing of the capital market regulatory authority.

5. The government is further committed to develop an active and workable strategy for debt reduction beyond the ad-hoc approach so far adopted, towards a sustainable solution to the debt predicament. Government objective is to bring down steadily over the next 7 years debt to GDP ratio from about 140 % to well below 100% – the ratio agreed under the Euro convergence criteria (failure to abide by the ratio has been at the root of the debt crisis currently rocking some countries in the Euro zone). The strategy would rely on a combination of economic growth inducing policies which the government is currently assessing. In particular, curtailing the deficit of the power company, EdL (accounting for over 4% of GDP) would have a substantial deficit reduction effect and would therefore contain the growth of the public debt. Moreover, it is important that the potential inflows of revenues from the “Sovereign Fund for Oil and Gas Revenues” be used according to standards which are agreed upon, in order to assure the fulfillment of the growth and development goals, while guaranteeing at the same time the rights of current and future generations from this national wealth, and helping reduce public debt. Within this framework, priority shall be given to the use of these resources to reduce the public debt outstanding, in a way that would free tax revenues to be used to fund public investment and development programs. The government is currently giving consideration to use resources from this fund on a priority basis to pay down public debt until it had fallen below 60% of GDP.

#### ■ **Fiscal Reform**

6. Fiscal policy – beyond the mere dimension of revenue generation – will be reassessed with a focus on the efficiency and equity of the tax regime, as well as its effect on economic growth and employment generation. Fiscal adjustment measures will consider the impact of various tax policies and scenarios on the level and growth of investments, exports, and savings. Rehabilitating the infrastructure and funding new social programs require additional revenues. In revisiting the fiscal system, the challenge is to achieve the highest level of efficiency while maintaining equity. In Lebanon, fiscal adjustments have mostly been performed from a pure consideration of deficit reduction and budget balancing. The government believes that fiscal adjustments should be part of a comprehensive socio-economic project and a tool to achieve the objectives of the government economic strategy. Fiscal adjustment is also essential to put the debt on a downward trend. This adjustment will have to be shared equitably to be accepted and sustained, and every effort will be made to minimize its impact on the poorer segments of the population. The government has to balance the difficult choices of reducing public deficit by increasing taxes and/or lowering expenditures; or increasing public expenditure in a bid to stimulate the economy.

7. On the expenditure side, the government would seek to optimize capital expenditures through better planning, developing a leaner administrative structure with more competences, while rationalizing and targeting social expenditures and subsidies as well as eliminating contributions to ineffective and profligate organizations. It is important to review the public expenditure policies dedicated to consumption instead of capital spending which sustains economic growth and in turn creates new jobs.

8. Proposed expenditure measures should seek thus to: (i) contain the public sector wage bill and match wage increases with productivity gains together with automation and promotion of e-government; (ii) leverage public investments through public private partnerships; (iii) adopt the procurement law currently debated in parliament; and (iv) implement several projects that will reduce public expenditures, in particular in the power sector.

9. On the revenue side, tax reform also entails tradeoffs between direct taxation (income, deposit interest receipts, real estate transactions, capital gains) and indirect taxation (customs, excise, VAT). As for non tax revenues the choices can be between maintaining future yearly revenues generated by public enterprises (e.g. telecommunications) or immediate financial proceeds from privatization.

10. The government would thus seek to introduce changes in the tax system to make it more efficient and fairer while ensuring adequate revenues. Amongst the options that can be considered for revenue measures, are the following: (i) introducing a tax on (realized) capital gain on property, which may yield between US\$75 million for a 5% rate of tax waived after 5 years of holding, US\$230 million for a 15% rate of tax waived after 5 years of holding, and US\$575 million for a 25% rate of tax waived after 10 years of holding; (ii) alternatively adding an ad valorem tax on property sold whereby a 1% rate would yield about US\$80 million per year; (iii) increasing tax on bank deposit interest income from 5% where an additional 1% rate hike would yield about US\$45 million; (iv) increasing VAT rate from 10%, where an additional 1% rate hike would yield US\$220 million; (v) increasing gasoline excise whereby every additional LL1,000 would yield US\$80 million; and (vi) fines and revenues on settlement of seashore violations which may yield up to US\$200 million; (vii) improve the capacity to collect taxes, especially from tax evaders.

11. In relation to budget preparation, the Government has been working to improve the framework for public budgeting and the MOF has undertaken various budget and financial management reform initiatives to align budget preparation mechanisms with best practices. These initiatives are implemented in parallel with measures related to improving expenditure and cash management procedures and public procurement of goods and services. The objective is to improve the budget concept, methodology and process to: (i) make it comprehensive so that all public sector entities are included in terms of operating and capital expenditures irrespective of sources of funding; and (ii) ensure that expenditure priorities are decided on objective and stringent economic, financial and social criteria. The budget should be considered as a unique tool, and a one-time yearly opportunity, to translate the government economic vision into a medium-term program of specific and priority reforms. To this end a macro-fiscal unit is being established in the ministry of finance.

## II. PRIVATE SECTOR DEVELOPMENT

12. A main focus of government action is to strengthen and update the legislation and regulations that foster, encourage and support private investment, the main engine of growth and employment creation. Improving the investment climate and spurring direct private investment are key components of the government growth enhancing strategy. Lebanon still scores poorly amongst emerging economies in terms of fairness, transparency, and predictability of its business environment. Facilitating trade and enabling competition are essential to long term sustainable development, and to reducing the size of the informal economy and encouraging its integration into the formal one. Equally important is to foster growth and increase access to finance of small and medium scale enterprises which account for some 70% of economic output. Within this frame, the following actions and initiatives have been launched.

13. (i) The government, under the "Improving the Business Initiative", aims at facilitating the creation of new businesses, encourage local employment and spur competitiveness. It includes initiatives that have been

identified and prepared by various ministries and agencies, as well as initiatives discussed by public-private working groups based on Lebanon's data and scores in the World Bank Group's annual publication of the *Doing Business* report. The Government is committed to position Lebanon as a regional trading hub and increase the global competitiveness of Lebanese products by streamlining import and export procedures, redesigning customs and ports procedures and fees, and establishing a free trade zone. In addition, the Government is looking to establish bilateral agreements to facilitate Lebanon exports and to speed its accession to WTO. A plan is underway to launch a feasibility study in order to establish industrial parks, namely for the agro-food sector.

14. (ii) The government has drafted and will pass a law on "secured lending" and would establish a unified registry for security rights in movable property. The objective of the initiative is to increase access to credit to the private sector by strengthening lenders' rights in movable assets. This will expand the categories of collateral lenders will accept, thus promoting increased lending to SMEs. This will be achieved through: (i) legislative reform (draft law already under discussion which can be submitted to parliament within a month); (ii) creation of a functioning movable asset registry to enable lenders to effectively file a notice related to their proprietary rights; and (iii) awareness raising and capacity building activities to increase knowledge among public and private stakeholders about the benefits of well-functioning secured financing systems.

15. (iii) The government will upgrade the business legal framework, which as in other countries, needs to be regularly updated to adapt to changing business practices and global trends. Numerous and burdensome business laws and codes apply to business transactions: (i) basic commercial laws included in the commercial code, such as commercial contracts, company law and registration, collateral, insolvency and bankruptcy; (ii) more recent market economy law, such as capital market regulations, competition law, intellectual property rights and consumer protection; (iii) laws governing key factors such as competition law, labor law, land law, tax law, tort law; (iv) economic public laws such as procurement, concession, BOT, PPP, energy law, and telecommunications law; and (v) laws that promote inclusion in the digital economy such as e-transactions and e-signature.

16. (iv) The amendment of the prevailing business legal framework presents complex technical challenges, in finding the right balance between encouraging entrepreneurship and risk taking, while protecting customers, creditors and individual shareholders. The reform initiative is focusing on cross-cutting issues of the business environment. As such, it aims at facilitating the creation of businesses under the SARL form, protecting minority investors in SAL through a clarified corporate governance framework, and facilitating access to finance by reinforcing creditors and suppliers protection through upgraded collateral law, collateral registry, and a more efficient liquidation process. The Code of Commerce is being modernized and a final draft of amendments would be available in 2012.

### III. INFRASTRUCTURE REHABILITATION

17. Recurrent public deficits over the years have eroded government capacity to fund the necessary infrastructure programs to meet the needs of a growing population and sustain economic growth. (This is in addition to the weak absorptive capacity of public sector entities and inability to implement major projects in an effective and timely manner). Tax receipts barely cover debt service and incompressible salary and security expenditures. Other non-tax revenues (e.g. telecommunications) cover minimal capital outlays, maintenance, subsidies (EdL) and ad-hoc relief efforts. No fiscal capacity exists to fund the massive infrastructure investments long overdue in the power (some US\$5 billion), water and sanitation (US\$10 billion), telecommunications (US\$1 billion) and transportation (US\$2 billion) sectors. Sectors which attract private capital – such as power, gas, and telecommunications – must be open for private funding which should be sought and promoted whenever feasible. In this context, it is imperative that the draft law on public private

partnership (PPP) that has been under discussion for several years be quickly passed. Scarce available public resources should be directed in priority towards: (i) maintaining the nation's stock of public assets and equipment now quickly depreciating as a result of poor maintenance; and (ii) social and other areas where the level of financial returns on investment would make private funding unlikely.

## ■ **Energy**

### (i) **Power Sector**

18. Reforming the power sector is a critical and indispensable measure to provide adequate service to the Lebanese people, and reduce the cost of business to domestic producers, as electricity is a major input in the domestic cost structure. Lowering budgetary support to EdL would help contain the deficit, and therefore the debt, and pave the way to achieving fiscal sustainability.

19. EdL has been negatively affected by major governance problems resulting in significant technical and non-technical losses equivalent to 40 percent of power generated. Reducing these losses and strengthening the regulatory capacity to encourage private sector involvement will be achieved through the following actions:

- The Electricity initiative, consisting of 12 deliverables, will address the sector dramatic situation towards a new reliable, sustainable and efficient delivery of electricity. However, a transitional period of 3 to 4 years is required to achieve the goals. The initiative includes deliverables/projects in production, transmission and distribution along with the corporatization of EDL and a review of the legal framework (Law 462/2002) – actions that the government is actively pursuing.
- The proposed deliverables are in line with the policy paper for the electricity sector endorsed by the Council of Ministers in June 2010. The law recently approved in Parliament mainly includes increasing the generation capacity by 700 MW (450 MW Combined Cycle Gas Turbine (CCGT) and 250 MW Reciprocating Engines).
- The increase of the 700 MW would go in parallel with securing natural gas to the CCGT via the Arab pipeline and/or building an LNG terminal.
- Rehabilitation of Zouk and Jieh power plants is planned and will take place immediately after securing power rental from power ships and/or import.
- Completion of the 220KV loop in Mansourieh which is critical to closing and stabilizing the 220 KV grid as well as removing bottlenecks and reducing transmission losses.
- It is also essential, and actions in this regard are being implemented, to involve the private sector in the distribution sector by investing in constructing, operating and maintaining the distribution activities, including metering, billing and collection.

### (ii) **Offshore Oil and Gas Exploration**

20. Offshore oil and gas exploration is a priority for Lebanon as this vital sector has a positive impact on the national economy if commercial petroleum, whether oil or gas, is discovered and developed, as revenues from petroleum sales will enhance treasury revenues and reduce the budget deficits. The hydrocarbon industry, in addition, will lead to the development of local human capacity and will contribute to job creation for many skilled Lebanese, in addition to spurring foreign direct investment and developing local infrastructure.

21. Although the presence of offshore petroleum resources is not yet proven, the pre-requisites for petroleum generation and accumulation are confirmed by seismic surveys and geological conditions in the Levantine basin, and are further supported by discoveries in neighboring countries. More than 12000 km and 4000 square km were acquired and some of the data was acquired lately by using the latest technologies in the industry.



22. Offshore exploitation of petroleum resources is of strategic importance for Lebanon as it has no substantial natural resources and is thus heavily reliant on external energy sources and imports all petroleum products for transportation, electricity generation, heating, industry and other sectors. Commercial discoveries offshore Lebanon will reduce imports and strengthen the concept of security of supply.

23. As for the legal framework, a petroleum policy was adopted by the Council of Ministers. The offshore petroleum resources law was ratified by parliament and the petroleum activities regulations are under discussions in the council of ministers. The draft model contract, joint operating agreement and accounting agreement are under preparation by the petroleum team from different ministries. Moreover, in preparation for the first licensing round, the strategic environmental assessment was launched.

#### ■ **Transportation**

24. The transport sector in Lebanon suffers from underinvestment and regulatory gaps, amongst which:

- Weak sector governance (multiple stakeholders and lack of coordination).
- Lack of endorsed integrated policies and plans.
- Weak regulatory environment (ineffective regulation, lack of capabilities and heavy bureaucracy).
- Poor infrastructure (insufficient and poorly maintained infrastructure and lack of management of road maintenance).
- Low coverage and quality of services, heavy congestion, air pollution, and increase in traffic accidents.

25. The government strategy for the transport sector, which has been discussed in the council of ministers, and has now moved in the detailed design phase, aims at ensuring:

- Effective and affordable public transport.
- Diversified means of transport.
- High-quality transport infrastructure and services.
- Traffic safety.
- Reduced financial burden on government and citizens.

#### ■ **Water and Sanitation**

26. The objectives of the government reforms in the water and wastewater sector are to improve the coverage and continuity of water supply across Lebanon by increasing storage capacity, reducing network losses and expanding irrigation coverage, alongside increased levels of wastewater collection and treatment. The deliverables shall involve also the implementation of the Litani River Project, as well as the phase I of the Greater Beirut Water Supply Scheme, namely the Awali conveyor project. It is also important to establish specialized systems to study and monitor the status of development of groundwater in all regions in Lebanon, and to modernize databases and other data in this regard.

27. A national water sector strategy has been prepared by the Ministry of Energy and Water, which was approved by the Council of Ministers on 9/3/2012. The strategy outlines an ambitious capital investment program of some US\$10 billion equivalent (with inter-alia 18 dams and 23 artificial lakes). It would be therefore critical that all investment components within the strategy, given its major budgetary implications, be subject to a thorough feasibility study to establish their economic priority and return. In addition to improving the management of water in Lebanon (production, transport, distribution of water for drinking and aggregation, collection and wastewater management), the strategy includes addressing the weak interagency coordination facing the sector, and monitoring the implementation of Law # 221 (Organizing the Water Sector), such as

restructuring and organizing the Ministry of Energy and Water, as well as resolving the technical, financial and commercial inefficiencies of the regional water authorities, especially developing a system to monitor the performance of water authorities and restructure fees for drinking and irrigation water, and implementing the fees for wastewater. Moreover, it addresses the current gaps in the legal framework that impede private sector participation and the establishment of water users associations. The national strategy for the water sector also includes initiatives related to awareness and streamlining usage of water, in addition to environmental subjects such as quality of water and protecting sources, climate change and its impact on water resources.

28. Investment prioritization is essential to achieving increased continuity of water supply and proper expansion of water treatment and storage facilities. Moreover, the effective implementation of Law 221, including the filling of vacant positions in the water establishments' organization structure is a necessary condition for improving sector performance by providing the water establishments with the autonomy needed to perform the functions bestowed upon them by the law. Finally, efficient water utility management is critical to improve the sector and the government is committed to pursue the institutional reforms needed including partnership with private operators and tariff policies based on demand volumetric rate both in water, wastewater and irrigation.

#### ■ **Environment**

29. Protecting the environment is not only protecting the citizens' health, but is also preserving the nation's capital and its unique geographic wealth. Lebanon faces many environmental and pollution problems (air, water, solid waste, green spaces) and the government is intent on tackling the problems in line with clearly defined priorities, and is working to set the organizational framework and laws to reduce the negative environmental impacts on the Lebanese society.

30. The first problems to address are solid waste management, quarries, and reforestation. While the first two problems can be tackled in the short term, the latter one needs to be seeded today in order to show results well into the future.

31. Solid waste is expected to grow in volume by more than 60 % by 2030, while dumping sites are badly managed, and those of cities such as Saida and Bourj Hammoud have reached their saturation capacity. Solid waste in rural areas is still disposed off in dumps causing high risk to water resources affecting both health and tourism activities. Sanitary landfills need to be managed in a radically different way which the government is exploring. Moreover, due to the sensitivity of managing wastes, the government is studying possibilities of adopting new and modern ways to solve this problem.

32. Quarries are a major challenge to the environment, as many quarries are unlicensed and most of them violate legal dispositions in extraction and rehabilitation. Law enforcement is a major issue that the government will address.

#### ■ **Telecommunications**

33. Findings from studies by various organizations indicate that Lebanon lags behind other states in its region in the development of its ICT sector. Such shortfalls in development make it improbable that Lebanon would fulfill its aspirations; without policy change the international competitiveness of Lebanon, and its attractiveness to certain investors, may be diminished.

34. Further and most crucially, the government recognizes that the evolution of the digital economy, at a global level, is proceeding at such a rapid pace that unless various fundamental matters are urgently addressed within Lebanon, the ICT development gap that presently exists between Lebanon and its peer states will escalate. This could mean that what may presently represent disadvantages will evolve to become embedded structural barriers to economic and social progress.

35. In light of the above, the government will specifically undertake the following:

- Speed up the belated structural reforms to the sector, as time is critical.
- Rely on the private sector, national and international, for the investment needed, and not on government budget.
- Review the level of taxation on telecommunications service-supply.
- Allow the supply of state of the art infrastructure and innovative services to consumers through competition at all levels of the network.
- Create the telecommunications market (through the application of Law 431) subject to the effective regulation and governance of the TRA; such regulation and governance should at all times ensure that competition is fair and innovation is not hampered.

36. Within such a framework, Law 431 needs immediate enforcement to insure proper transition from a government run sector to a fully competitive one. In particular the two mobile operators have to be privatized with a substantial part of shares to be floated on the Beirut Stock Exchange for acquisition by Lebanese investors. It is worth noting that Lebanon is the only country in the world that still owns its mobile operations.

37. The government will move the debate forward and build the consensus still lacking about these fundamental issues to allow the private sector into the telecommunications market or to keep all networks within the ownership and operations of the government. Government policy shall move away from the piece-meal approach to fixing the problem that has been followed hitherto. The economic team at the PCM has drafted a high level statement of Government Policy (2011), and a National ICT Strategy (2005) encompassing the whole ICT sector; the government will now build consensus for the implementation of both policy and strategy with the stakeholders.

38. The government would soon decide on several imminent telecommunication related issues and deadlines, namely:

- End of ISPs & DSPs yearly licenses (December 2011)
- End of Mobile Management Contracts (January 2012)
- End of TRA Board 3 year term (February 2011) - MOT to nominate (COM to approve) TRA board
- TRA operating without mandate (State Council - Majless el Shoura)
- OGERO operating without contract since Aug 2011
- Council of Ministers to nominate board of Liban Telecom.

#### **IV. HUMAN DEVELOPMENT**

39. Major facets of the nation's social policies are being revised and modernized by the government, in particular in what relates to the pension system and health insurance. The reform of the end of service indemnity for employees of the private sector must be finalized so that the existing system of lump sum payment at service end be replaced by a lifelong pension scheme. At the same time, parametric adjustments would need to be introduced to the public sector pension scheme to ensure its long-term sustainability.

Moreover, reform will ensure that all Lebanese citizens enjoy a basic coverage health care. Preference is for a universal coverage that may need to be phased in over a period of time.

40. The government will introduce more equitable social protection schemes to ensure that the most vulnerable segments of society – the poor, elderly and disenfranchised – are protected through well designed and targeted programs of assistance. Continuing across the board subsidies of commodities, the price of which Lebanon cannot control (e.g. oil derivatives) is neither equitable, as it helps more the affluent than the poor, nor sustainable as it adds to the stock of debt and increases its service which is a future tax on society, poor and rich alike. A national poverty targeting program for social safety nets is under preparation. It will build an accurate data base on poor and vulnerable population and of households' income and welfare, by which the vulnerable families shall be identified to benefit from a basket of social benefits which includes social and educational services and subsidy of the electricity bill. The database built about the poorest and vulnerable families allows the government to target its social safety net programs to the needy. A Treasury advance in an amount of US\$28 million was allocated by the Cabinet to this effect.

41. The social components of the government's development program seek to address a number of key deficiencies in social citizenship rights, namely health and education and the right to a decent standard of living, as well as gender equality and youth empowerment. Accordingly, proposals range from universal rights for all citizens to targeted programs for specific population groups. The integration of gender and youth issues into social planning strengthens eligibility and justice in the distribution of services among all citizens, especially the most vulnerable groups. Strengthening youth capacities and directing them towards entering the labor market is among the basic goals of the government. Also, the government plan aims to strengthen the provision of primary health care services, as a basic contact point between the citizens and the healthcare system, which guarantees the right of citizens to access healthcare services, especially in remote areas, and which in turn shall enhance the concepts of prevention and protection. As such, access to decent healthcare and quality education is being asserted as a basic right through a health coverage proposal and the expansion of early childhood programs, as well as professional training and quality assurance of higher education institutions, along with assuring the importance of integrating people with special needs in all these stages. The right to a basic standard of living is emphasized through the national poverty targeting program, pension reform, and sustainable development initiatives. This shall be developed by setting a harmonized system for social services at the level of the family and at the level of the local society. While the program is designed to address poverty by supporting the share of society that is considered as the poorest. From here, the pension reform program is crucial as a large share of salaried workers remain without post retirement coverage, while developmental social initiatives are designed to reduce regional differences and promote better living standards to local societies, by involving all local communities.

42. The projects considered by the government are in line with the safety nets programs and the main pillars identified as priority areas for Lebanon in its National Social Development Strategy. However, to ensure the cumulative impact of these measures, these projects will be reviewed in line with a longer term vision for Lebanon's socio-economic priorities. This would include the promotion of an Integrated Social Protection Program, anchored in broad based economic policies for inclusive growth and expanding employment opportunities.

43. As for the education sector, the main axes of reform are based on a vision that the provision of education in Lebanon should: (i) promote social integration, be inclusive and ensure equal access in terms of enrolment, opportunity of studying, and chances of success; and (ii) be of good quality and conducive to building a knowledge society and spur economic development and growth. The reform is driven by the principle that education should play a leading role in helping bring up thoughtful and productive citizens capable of learning independently, which is the basis for continuous life-long education, citizens with strong

feeling of national belonging to strengthen social cohesion in a society of justice, freedom, democracy and peace. The Ministry of Education is working on implementing its vision and mission as part of an educational development action plan in the areas of general, pre-university, and higher education, as well as vocational and technical education. This mission is conducted in the framework of the national strategy for education and plans already approved, complemented by programs, projects and activities which fall within the various areas of the plan. The main components of the education reform thus seek to: (i) improve the quality of teaching at the primary and secondary levels now that the curricula have been largely modernized, while ensuring that curricula are updated as required to keep in line with or ahead of society's progress and development given the on-going scientific and technological evolution in the knowledge economy era – and which calls for professionalizing the teaching and training functions, developing the management of the education sector, modernizing the ministry's organization structure, and strengthening partnerships with the private sector, local authorities and civil society; (ii) launch a program to expand early childhood education; (iii) align vocational, technical and higher education with the demands and opportunities of the job market, inter-alia in promoting and strengthening vocational training programs, and enhancing the quality of the teaching of Arabic and foreign languages; (iv) ensure the quality and standards of education through effective control and monitoring mechanisms along transparent and well defined benchmarks, including through the establishment of independent national authorities for quality insurance in general, vocational and technical, and higher education; and (v) establish a national body for the evaluation of the education system across all its components.

## V. REGIONAL AND MUNICIPAL DEVELOPMENT

44. Today, close to half of Lebanon's population lives in Beirut and Mount Lebanon, while that same region accounts for the bulk of the nation's economic activity. If the economic prosperity of the regions primarily depends upon the dynamism of the region's main city, it is equally important to conduct specific local development projects for the regions (herein defined as being located outside the Beirut greater area) which account for the other half of the population.

45. However, the rural/regional areas have not yet found a solution allowing them to ensure a sustainable economic and social development. The government will need to foster and promote local development, particularly in less endowed and institutionally weak municipalities. In this context, properly staffed municipal finance institutions, in many countries, have been effective tools and mechanisms to empower municipalities and local governments; this in addition to helping to build capacities and empower municipalities or municipal associations to set medium-term developmental policies. The government is studying the possibility of establishing a municipal development fund, which can play an important role in securing long term funding for infrastructure projects (such as wastewater and solid waste management) and other developmental projects in municipalities. This goes in hand with the government policy of giving larger autonomy and authority to local authorities in the frame of the proposed "administrative decentralization" law that is currently being drafted.

46. The government intends to proceed with the implementation of the action plan of the Regional Development Strategy prepared by the Presidency of the Council of Ministers in 2009. Implementation means would be devised to maintain the social structure of the Lebanese villages and to do so, sufficient resources, including from the private sector, should be ensured.

47. It is important for rural areas not to be entirely dependent, for employment, trade and services on large agglomerations, and that could be achieved by encouraging environmental tourism, promoting new technologies for energy to protect the environment, assisting to promote small and medium size investments, including by securing soft loans and long term loans. A quick efficient strategy is to develop special economic zones in different areas. This strategy also suggests the importance of protecting the natural setting and

cultural heritage of rural areas. “Tripoli Special Economic Zone” is a good start for the Government to proceed with its implementation. Tripoli will attract resources that will benefit all of Northern Lebanon, a region with most poor areas, especially in the northern eastern border. Other economic oases will be conceived in other areas. Furthermore, it is necessary to address the problem of housing in Lebanon, through an effective housing policy, as statistics show that Lebanon needs to add some 24 thousand residential units annually. The Government could contribute directly to help establish new residential compounds in the suburbs of Beirut where lies the major residential problem, as real estate prices have considerably increased. To this effect government land properties in various areas might be used to solve the residential challenge. The government could also provide facilities to real estate developers to help address this issue. In this regard, bank loans for residential purposes have doubled in the last two years, with repayments on residential loans hitherto amounting to around 9,000 Billion LBP for around 58 thousand borrowers. Solving the acute housing problem should go in parallel with the reform of residential rentals, the draft law which is currently being studied at the parliamentary committee for administration and justice.

## VI. INSTITUTIONAL AND ADMINISTRATIVE REFORM

48. Rebuilding and empowering across the public sector all executive and regulatory institutions in charge of implementing government policies, and overseeing and enforcing the revised legal and regulatory framework is an important facet of the government action plan. In this context, strengthening and upgrading the civil service apparatus – now misaligned, excessively large yet inefficient, with weak and marginalized regulatory, supervisory and control institutions – both in impact and efficacy, is a necessary condition underlying the success of any institutional reform. A “Strategy for the Reform and Development of Public Administration” focusing on the core government sector has been developed and discussed by specialists groups and soon, at the national political level. The next stage will be to broaden the reform across all public sector institutions beyond the core government ones. In this framework, it is possible to streamline the size of the administrative body through natural attrition while increasing wages and salaries to match enhanced credentials and establish the proper environment to strengthen the productivity of the public sector.

49. Actionable projects to be implemented under the Administrative Reform pillar of the government program fall under e-government. In this respect:

- OMSAR will launch, within one to two years, its Government Portal which is a top-down approach to e-government allowing citizens to initiate over 100 government transactions on-line through the portal. Citizens will fill in their applications on-line and attach the scanned documents. They will be called in to retrieve their completed transaction. In essence, the first phase of this project will operate in the same way that Liban Post operates except that it will be electronically.
- At the same time, several ministries are ready or will be ready within 6 months to provide e-services to citizens directly. These services will include:
  - e-payment: Paying for customs and taxes directly on-line through the e-payment gateway provided by the Ministry of Finance. The solution consists of bank transfers from participating banks. Eventually, all government payments could be accepted by the e-government e-payment gateway.
  - Real-time Business Register: The Commercial Register has been automated in 2002 and was web enabled. The Commercial Register can go online within 3 months.
  - Land Registration: The Ministry of Finance has automated the land registry (cadastre) between 1996 and 2006. The Cadastre can go online within 6 months

- The automation of personal records is a pre-requisite for e-government. All government transactions require the authentication of citizens, and this can only be done by the Ministry of Interior. The Government will have to disburse USD7 Million (approximately) to automate the National ID card, personal records, and the authentication of persons.
- Finally, the full automation of the Presidency of the Council of Ministers will allow policy makers access to a wealth of data to support the decision making process.

## **VII. MISCELLANEOUS ENABLERS**

50. These enablers include pre-requisites to the reform such as the implementation of the Statistical Master Plan with the objective to ensure that reliable and relevant data about the Lebanese economy are collected and reflected in the National Accounts.

51. Other initiatives include inter-alia the: activation of the Economic and Social Council as a platform for national debate on relevant issues; institutionalization of the fight against economic corruption; building the framework for disaster risk reduction and management; the strengthening of, and support to, research and development (R&D) in sectors such as agriculture, industry and technology where Lebanon may develop market niches given existing and potential comparative advantages; and the passing of the food safety law.

**REFORM AREA:  
I- DEBT MANAGEMENT AND FISCAL REFORM**

Initiative	Deliverable	Delivery S/M/L	2011 Ministerial Declaration	2009 Citizens Priority	Institutional Action Required	Executing Agency	Budget Outlay
<b>Fiscal Reform</b>	Develop fiscal reform plan to enhance efficiency and equity of the taxation system leading to a comprehensive draft law	S	54,55	N	Law	MoF PCM	
<b>Debt Management</b>	Establish a debt management office at MoF and develop a medium-term strategy for debt reduction	S	52, 55	N	Apply Law	MoF	
<b>Budget Process</b>	Develop a framework for public budgeting in line with best practices	Done	50,51	N	Budget	MoF	
<b>Public Assets</b>	Establish a public asset management agency including the building of a database on all public properties and assets owned by the GOL and enterprises in order to improve returns and manage assets, and build a balance sheet for the state	M	53	N	Law	MoF PCM	Required USD 150M



REFORM AREA:

II - PRIVATE SECTOR DEVELOPMENT

Initiative	Deliverable	Delivery S/M/L	2011 Ministerial Declaration	2009 Citizens Priority	Institutional Action Required	Executing Agency	Budget Outlay
<b>Trade Facilitation</b>	Establish bilateral agreements with promising trading partners and speed accession to WTO  Position Lebanon as a regional trading hub and increase the global competitiveness of Lebanese products by streamlining import and export procedures, redesigning customs and port procedures and fees and establishing a free trade zone	M	11, 44,62,73	2	Amend Laws  Law / Amend Laws	MoET  MoET	
<b>Encourage Foreign Direct Investment</b>	Revitalize IDAL to be an active investment promotion agency	S	49	14	Amend Law / Implementation Decrees	IDAL	
<b>Improve Business Environment</b>	Draft and pass law on Secured Lending and establish a unified registry for security rights in movable property (as part of the Doing Business initiative)  Propose amendments to 10 existing laws with aims to facilitate the business environment: Code of Commerce, Investment Law, Constitutional Code, Customs and Tax laws, Code of Judicial Organization, Draft new law on mediation and secured lending, Competition law, e-transaction Law, NSSF and Labor Law  Implement a pilot project to publish the commercial register online and realtime  Establish mechanism to contribute equity funding to seed and early growth innovative companies	S  S  S	56		Law  Laws	BDL, MOJ  MoET, IMCs, Parliament's Law Reform Committee	Required USD 30M
<b>Public Private Partnership</b>	Pass law on public private partnership (PPP)	S	49, 72 57	10,14	Law Law	BDL & Kafalat HCP	

**REFORM**

**III - INFRASTRUCTURE REHABILITATION**

Initiative	Deliverable	Delivery S/M/L	2011 Ministerial Declaration	2009 Citizens Priority	Institutional Action Required	Executing Agency	Budget Outlay
<b>Energy</b>	Issue law 462 providing for: (i) establishing Energy Regulatory Authority; (ii) PPP; (iii) corporatization of EDL; (iv) revised (increasing block/social) tariff structure	S	58	4	Law 462 amended	MoEW	
	Add through the "power rental project" around 260 MW in the immediate term as a stop-gap solution to provide stand-by capacity needed for 2-3 years to rehabilitate and/or replace old power plants	Dec-12	58	4.1	COM	MoEW	
	Rapid increase by 700 MW of installed capacity through (i) use of 450 MW combined cycle gas turbine, and (ii) 250 MW reciprocating cycle engines	M	58	4.1		MoEW	
	Rehabilitate, maintain, replace or upgrade existing plants (Zouk and Jiyeh) to increase their overall capacity by about 245 MW (Partial finance required from Kuwaiti fund)	M	58	4.1	Law	MoEW	Required USD 4.5B
	Establish LNG Terminal through a floating storage regasification unit (FSRU)	L	58	4.1		MoEW	
	Complete the 220KV loop at Mansourieh	S	58	4.2		MoEW	
	Complete the Electricity National Control Center	S	58	4.2		MoEW	
	Build regional substations and reinforce existing system according to the detailed EDL plan.	L	58	4.2		MoEW	
	Subcontract distribution network facilities, Automatic Meter Reading (AMR) and billing system.	Done	58	4.3		MoEW/ MOEW/ Higher Council for Privatization	
	Launch construction of Green Power Plants ( 2500 MW)	L	58	4.1	Law		
	Implement the National Energy Efficiency Action Plan (NEEAP)	S			adopted by COM	MoEW	

Initiative	Deliverable	Delivery S/M/L	2011	2009	Institutional Action Required	Executing Agency	Budget Outlay
			Ministerial Declaration	Citizens Priority			
<b>Oil &amp; Gas</b>	Approval of the Petroleum Activities Regulations (PAR)	Done	60		COM	MoEW	
	Drafting of the Exploration and Production Agreement (EPA) and adoption of a Joint Operating Agreement (JOA)	Done	60,61		COM	MoEW	
	Promotion and licensing round preparations and execution	S	60,61			MoEW	
	Acquisition of new seismic data offshore Lebanon	Done	60		COM	PA	
	Conducting the Strategic Environmental Assessment (SEA)	Done	60		COM	MoEW	
	Fiscal review and taxation	S			Amendment of existing Laws	Parliament	
<b>Transportation</b>	Submit and adopt the land transport strategy	Done	74,76	5	COM	MoPWT	
	Issue and enforce a joint decision to organize the practice of public transport profession	S	76	5	COM	MoPWT	
	Launch a feasibility study to develop public transport for passengers including the rehabilitation and reutilization of the railway network	S		5	Minister Decree	MoPWT	
	Restructure the higher council for transport	S	78				
	Address the issue of the railway authority	M	76,78		COM	MoPWT	
	Restructure the road transport administration	M	76		COM	MoPWT	
	Organize the parking for cars	M	76	5	Law	MoPWT	Required USD 2B*
	Establish bus lines and stations and allocate budget to public transport for passengers	S	77		Law	MoPWT Municipalities	
	Expand various sea ports	M	76		Law	MoPWT	
	Clear the railroad path between Beirut and Jounieh and Beirut-Damour	L	76		IMC	MoPWT	
	Initiate the railway transport line between Tripoli and the Syrian border	S	76		COM	CDR	
		L	79,80		COM	CDR	

Initiative	Deliverable	Delivery S/M/L	2011	2009	Institutional Action Required	Executing Agency	Budget Outlay
			Ministerial Declarator	Citizens Priority			
<b>Water and Sanitation</b>	Implementation of the National Water Sector Strategy (NWSS) consisting of: I- Optimizing Water Resources Management (water, wastewater and irrigation), II: Institutional and Organizational restructuring of WEs, III: Strengthening Financial and Commercial activities of WEs (Tariff restructuring, support for PSP), IV: Legal and Regulatory (Finalization of the Water Code, other), V: Environmental (climate change and its implication on the water sector, improving water quality and protection, strategic environmental assessment) , Component VI: Water Conservation and Awareness	S	77	7.1	Restructure MoEW organization according to Law 221, Activate Performance Evaluation Committee, Other	MoEW	Required USD 10B
	Revise budgetary process to ensure priority funding for maintenance and rehabilitation of water networks to reduce leakages and losses	S	77	7.2		MoEW , CDR, Water Ests.	
	Start construction on Awali conveyer project (Greater Beirut Water Supply Scheme) which has been funded (WB USD 200M / total cost of USD 370M)	S	59			Beirut & ML Water Ests. CDR	
	Complete Litani River project which has been funded (Arab&Kuwait fund USD 180M / total cost USD 330M)	L	59	7.4		MoEW, CDR, Litani River Authority	

Initiative	Deliverable	Delivery S/M/L	2011		2009		Institutional Action Required	Executing Agency	Budget Outlay
			Ministerial Declaration	Citizens Priority	Ministerial Declaration	Citizens Priority			
<b>Environment</b>	Amend law on reforestation, forests fires management and maintenance of green covers	S	59	6.2	IMC to be revived, implement	MoE, MoA	Required TBD		
	Review and update a master plan to develop and monitor Integrated Solid Waste Treatment Mechanisms and Resolve issue of illegal dumps	S	59	6.5	COM Decreases	CDR, MoE			
	Propose a plan to promote Natural Reserves	S	89,90, 94, 95	6.3		MoE, MoC			
	Regulate Quarries, monitor compliance and rehabilitate old sites	S	92, 93	6.4	Stop all illegal quarries	MoE, CDR			
	Implement the National Master Plan for Solid Waste Treatment	L							
<b>Telecom</b>	Formulate a high level policy statement for the ICT sector and approve it in COM	S	63,64	10	COM Decree	MOT			
	Define the roadmap for the privatisation of the telecom sector leading to issuing of a package of COM decrees/decisions to apply Law 431 and start the incorporation of Liban Telecom / Name a new board for the TRA	S	63	10	COM Decreases	MOT			
	Take necessary measures (audit, asset valuation, organization structure, etc.) to mainstream mobile operators and service providers within policy plan	M	63	10		MOT	Required USD 1B*		
	HR restructuring of MOT and Ogero	M	64	10	COM Decree	MOT	Paid for USD 100M		
	Complete infrastructure projects (fiber, GSM)	S	65,66	10		MOT			

\* Not based on feasibility study

**REFORM AREA:**

**IV - HUMAN DEVELOPMENT**

Initiative	Deliverable	Delivery SIM/L	2011 Ministerial Declaration	2009 Citizens Priority	Institutional Action Required	Executing Agency	Budget Outlay
<b>Health Sector Reform</b>	Approve universal health coverage plan for all citizens	S	25,26,86	N	Law	MOPH MoL NSSF	Required USD 1B
	Review contractual agreement model to improve public hospitals service delivery through evaluating the service delivery of the private sector and how this could be framed by the accreditation system of MOPH	M	27,28	N	Review contractual agreements with private hospitals	MOPH	
	Propose measures to bring financial equilibrium in the Sickness and Maternity branch of the NSSF	L	87,88	Y	IMC	MoL, NSSF	
<b>Poverty Alleviation</b>	Allocate budget to assist eligible beneficiaries identified under the National Poverty Targeting Program and set up graduation plan that builds up their human capital, skills and opportunities to enter the labor market.	Done	24	Y	IMC	PCM, MOSA	Required USD 28M
<b>Pension Reform</b>	Pass the draft law on retirement and pension and social protection for private sector employees and strengthen the governance financial management of the NSSF.	L	88	Y	Law	MoL	
<b>Education</b>	Launch program to expand early childhood education with special emphasis on inclusion of children with special needs	S	25	N		MEHE	Required TBD
	Issue law on professional development and qualifications of teachers and enact measures to support National Board for Quality Assurance in education (basic, higher, and vocational) including a mechanism for monitoring and evaluation	M	36,39	N	Law	MEHE	
	Develop and adopt a new technical and vocational education strategy	L	36,37,39	N		MEHE	
	Develop a national qualifications framework (NQF) for professional certification	L	36,37	N	Law	MEHE MoL MOET	
	Appoint a new board and strengthen budget of the Lebanese University	M	38	N		MEHE	

Initiative	Deliverable	Delivery S/M/L	2011		2009		Institutional Action Required	Executing Agency	Budget Outlay
			Ministerial Declaration	Citizens Priority	Ministerial Declaration	Citizens Priority			
<b>Women</b>	Start implementation of the National Strategy for Women's Affairs with initiative to implement gender mainstreaming	S		N		N	COM Decree	CLW	
<b>Youth</b>	Start implementation of the National Youth Strategy and pass the law to help employment of youth (first job initiative)	S	46	N		N	Law	MOYS MoL	

#### REFORM AREA:

#### V - Regional and Municipal Development

Initiative	Deliverable	Delivery S/M/L	2011		2009		Institutional Action Required	Executing Agency	Budget Outlay
			Ministerial Declaration	Citizens Priority	Ministerial Declaration	Citizens Priority			
<b>Regional Development</b>	Establish industrial parks and agricultural manufacturing cities for niche agricultural products	L	62,70,72,73,	N		N	Law	TBD	Required USD 300M
	Develop feasibility plan and draft legislation to establish economic oases in 4 Lebanese regions. Specifically, implement the Tripoli Special Economic Zone (TSEZ)	L	70	N		N	Law	TBD	
<b>Municipal Development</b>	Update municipal law and adapt it in light of the proposed decentralization law	L	22	N		N	Law	TBD	
	Outline a municipal finance strategy to support development and project finance at the local level, and review role of the "Independent Municipal Fund" (institutional and financial structure, staffing, tools...) to optimize the use of municipal revenues and funding mechanisms	S	22	N		N	IMC Law	MoIM, MoF, BdL, CDR, PCM	Required USD 100M
<b>Housing</b>	Propose sustainable solutions for the housing problem and enact a fair residential rental law	L		N		N	Law	مؤسسة عامة للاسكان	

**REFORM AREA:  
VI - INSTITUTIONAL & ADMINISTRATIVE REFORM**

Initiative	Deliverable	Delivery S/M/L	2011 Ministerial Declaration	2009 Citizens Priority	Institutional Action Required	Executing Agency	Budget Outlay
<b>e-government</b>	Launch e-government program, with aim to improve governance, transparency, and efficiency of government	M	33	3	COM Decreases	OMSAR	Paid by donors
	Launch project to automate the National Database of Personal Records	M	33	3	COM Decreases	MOIM	Required USD 30M
	Launch the automation of the PCM	S	33	3		PCM	Required USD 10M
<b>Civil Service Reform</b>	Publish On-line the Commercial Register, Land Register (cadastre), and e-payment gateway	S	33	3		MOJ, MoF	Paid by donors
	Develop a medium to long-term plan to restructure and enhance effectiveness of public institutions	L	21,29,30,34	N		Civil Service Council	
<b>Corruption</b>	Assure Lebanon Compliance with UN Convention Against Corruption by passing and enforcing existing laws	S	31			OMSAR PCM Technical committee	



**REFORM AREA:**

**VII - Miscellaneous**

Initiative	Deliverable	Delivery S/M/L	2011 Ministerial Declaration	2009 Citizens Priority	Institutional Action Required	Executing Agency	Budget Outlay
<b>Enabling Factors for Reform</b>	Implement the Statistical Master Plan	S		N	Law	CAS	Required
	Activate Economic and Social Council	S		N		PCM	
	Activate the role of the price index committee, the council for prices, and the board of the NSSF	S		N		MOET, MoL, NSSF	
<b>Disaster Risk Mgt</b>	Complete Disaster Risk Reduction Plan and establish its management unit	M		N	Law	PCM	
<b>Food Safety</b>	Pass the Food Safety Law	S		N	IMC + Parliamentary Committee	PCM, MoAg, MoInd, MoTourism	
<b>Religious Tourism</b>	Develop a Cultural Religious Tourism database, map, and action promotion plan for private investors and donors.	S	43	N		PCM	

**LEGEND**

Delivery is the indicative time delay for results to materialize	S	Short term - first year
	M	Medium term - within three years
	L	Long term - beyond third year
Ministerial Declaration		Number from the table prepared by the new PCM
Citizens Priority		Number from Booz's citizens priorities document
Action Required	IMC	Inter-ministerial Committee
	Law	New law
	COM	Council of Ministers Decree
	PC	Parliamentary Committee
Executing Agency		Name of the stakeholder that own this project
Budget Outlay		Whether this action requires substantial money from the national budget.
		Initiatives funded by grants do not require budget outlay.