



PROGRESS REPORT

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|----------------------------------|---|
| Reporting UN Organization | : United Nations Development Programme |
| Country | : Lebanon |
| Project No. | : LRF - 19 |
| Project Title | : Socio-Economic Rehabilitation Programme in the Framework of ART GOLD Lebanon. |
| LRF Signature date | : March 26, 2009 |
| Project Start date | : April 2009 |
| Project Timeframe | : 2009 - 2010 |
| Reporting Period | : Jan - Mar 2010 |

I. PURPOSE

Project Summary:

The ART GOLD Programme is a part of the ART global initiative that was specially designed by a group of UN Agencies under UNDP leadership (UNESCO, UNIFEM, WHO, UNITAR and UNOPS).

The ART GOLD Lebanon (AGL) was launched in March 2007 in the four neediest areas of the country, characterized by high poverty rates and raging socio-economic problems: North Lebanon, South Lebanon, Bekaa and Beirut Southern Suburbs (BSS). The programme is managed at country level by UNDP in partnership with its national counterpart the Council for Development and Reconstruction (CDR).

The ART GOLD is based on a cooperation framework between local, national and international partners interested in combining and coordinating their efforts to achieve the Millennium Development Goals (MDGs) and to contribute to local governance, decentralization and balanced socio-economic development in the medium and long term.

ART GOLD Main Donors

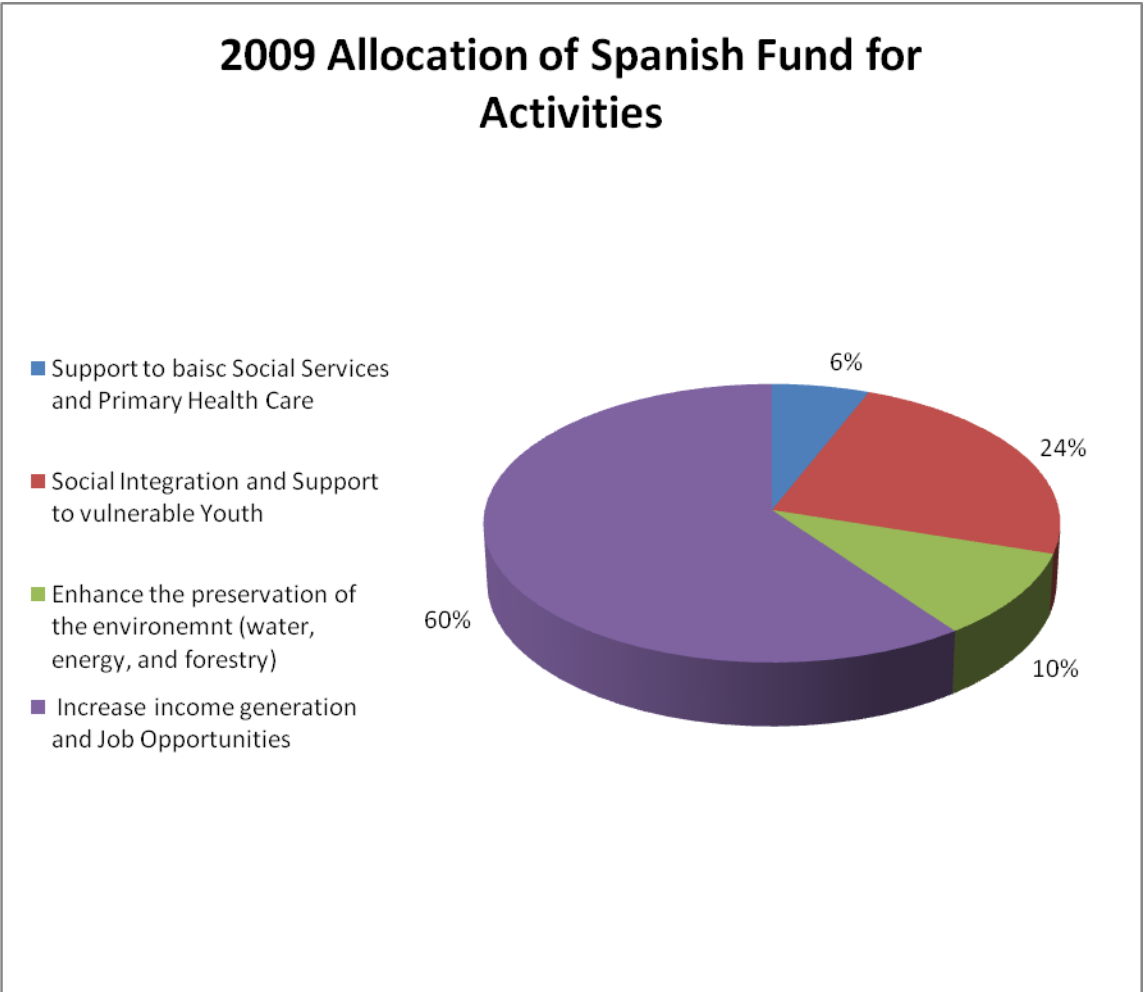
Besides Italy, whose funding first helped the establishment of ART GOLD Lebanon, other donors who have also announced significant financial contributions to AGL are Belgium, the Principality of Monaco and Spain.

2010 Spanish Contribution for ART GOLD

The Spanish Government is providing its support (effective in 2009) in sectors identified by the Local Working Groups in the four programme areas. During 2010, UNDP is operating from the contribution that was received in 2009 which was €1.5 M, representing 35% of the total funding and this amount

2009 / 2010 Spanish Fund Allocation for ART GOLD Lebanon

In 2009, 60% of the Spanish fund was allocated for “Increase Income generation and Job opportunities” activities, followed by “Youth development” (24%), “Enhance Water Management” (10%) and “Support to Primary Health care” (6%). During 2010, the ART GOLD Programme is finalizing the projects initiated during 2009 and planning other initiatives for intervention in the 2nd quarter of 2010.



In addition to this, the Spanish Government has contributed a sum of \$400,000 for the National and International components of ART GOLD. The National component assures the technical support and

monitoring to the areas and promotes coordination among them. At the national level it is ensured that the project's initiatives are implemented in accordance with Government policies. The International component ensures liaison with donor countries, promotes decentralized cooperation partnerships and exchange of best practices and international events (ILS LEDA, UNIVERSITAS etc...).

Project Objectives:

The ARTGOLD Lebanon's overall objective is to support the Lebanese national government and the local communities in elaborating and implementing Strategic Development Plans, within the programme's target areas while focusing on the most disadvantaged people, towards the achievement of the Millennium Development Goals (MDGs).

Most specifically, the programme aims to:

- Increase access to primary public health care services
- Increase sustainable income generation and job opportunities
- Enhance the preservation of the environment
- Increase youth participation in local development and enhance their social integration

Project Outcomes:

- Number of patients with access to primary health care centers increased (Bekaa, North Lebanon, BSS)
- Incomes increased for about 600 beneficiaries (South Lebanon, Bekaa, North Lebanon, BSS)
- Separation of solid waste facilitated (South Lebanon, Bekaa)
- Access to information technology for youth increased and youth offices established within municipalities. (North Lebanon, BSS)

Project Linkages to National Priorities and Reconstruction Goals:

The projects are in line with the Government's goals to support basic social services and primary health care, enhance social integration and support to the youth, enhance the preservation of the environment (waste, water, energy and forestry) and increase income generation and job opportunities.

Project Implementation Partners:

International Partners:

- Government of Italy
- Government of Spain
- Government of Belgium
- Principality of Monaco

DC partners: ART GOLD Lebanon has established partnerships with around 50 local European partners, to name a few: FAMSÍ (Federación Andaluza de Municipios para la Solidaridad Internacional, SPAIN), Diputación de Barcelona, Catalan Cooperative Agency for Development, Tuscany region, COCOPA (Coordinamento de Municipi de la province de Turino, Italy), Sint-Truiden Municipality (Belgium), and Les Amis du Liban from Monaco.

National Partners:

Council for Development and Reconstruction, line ministries and municipalities

II. RESOURCES

As of March 31st, 2010

| | |
|-------------------------------------|--------------------|
| Total budget approved | \$2,391,450.00 |
| Disbursements | \$1,365,279.17 |
| Available Balance | \$1,026,170.83 |
| Commitments for next quarter | USD 400,000 |

| Account | Amount Disbursed by project | | | | | |
|-------------------------------------|-----------------------------|------------------------|--------------------------|--------------------------|--------------------------|---------------------------|
| | 00053003 - ARTGOLD Lebanon | 00056944 - ARTGOLD BSS | 00056945 - ARTGOLD South | 00056946 - ARTGOLD Bekaa | 00056947 - ARTGOLD North | 00073242 - Guarantee fund |
| Local Consultants | - | - | - | 5,200.00 | - | - |
| Contractual Services - Individual | 17,727.45 | 6,086.21 | 31,995.13 | 47,063.08 | - | - |
| Travel | 7,739.49 | 14,410.00 | 5,517.40 | 1,225.09 | - | - |
| Contractual Services- Companies | - | 172,897.00 | 8,044.00 | 21,250.00 | - | - |
| Equipment and Furniture | - | 5,571.00 | - | 1,895.00 | 48,587.05 | - |
| Materials & Goods | - | - | - | 48,557.00 | - | - |
| Communication & Audio Visual Equip | - | - | 1,464.64 | 1,692.36 | - | - |
| Supplies | - | 51.00 | 275.49 | - | - | - |
| Grants | - | - | 116,352.00 | 53,050.00 | 72,562.46 | 520,000.00 |
| Information Technology Equip | - | 22,058.30 | 1,385.00 | 159.50 | 9,669.77 | - |
| Rental & Maintenance- Premises | - | - | - | 7,994.43 | - | - |
| Rental & Maintenance of Other Equip | - | - | 1,632.72 | 1,027.85 | 325.00 | - |
| Professional Services | 1,748.00 | 1,748.00 | 1,748.00 | 1,748.00 | 1,748.00 | - |

| | | | | | | |
|--|------------------|-------------------|-------------------|-------------------|-------------------|-------------------|
| Audio Visual&Print Prod Costs | - | 6,650.00 | - | 530.20 | - | - |
| Miscellaneous Expenses | - | 957.00 | 1,301.36 | 4,317.86 | - | - |
| Agency Management Support (7%) | 1,905.05 | 16,130.00 | 11,880.10 | 13,699.73 | 9,302.46 | 36,400.00 |
| Total Expenditure per project | 29,119.99 | 246,558.51 | 181,595.84 | 209,410.10 | 142,194.74 | 556,400.00 |

III. RESULTS

AGL coordinates closely with line ministries and ensures all projects comply with the national policies on health, water, agriculture and youth.

Project Outputs and Indicators:

Strategies framework documents developed:

- ART GOLD's strategies framework document developed following an integrated and bottom up approach. The document outlines the strategic objectives, outcomes and outputs for each of ART GOLD areas of intervention.
- Operations Manual developed outlining the practical procedures for the implementation of the ART GOLD Lebanon project

Working Group (WG) Processes strengthened:

- Local working groups aggregated into 22 regional and 18 thematic working groups.
- Capacities of WGs developed and strengthened in project proposals, identification of needs and decision process sharing.
- Technical assistance provided, resources mobilized and knowledge transferred to WGs in particular fields through the various missions conducted to and from Lebanon.
- Municipalities and Local Stakeholders sensitized on participatory planning.
- Municipal local ownership of projects facilitated.
- Municipalities are the ones responsible for the actual implementation, sustainability and follow up of projects.
- Articulation and cooperation between municipalities increased at regional level.

ART GOLD ensured that the 2009 LRF contribution is focused on Local Economic Development activities.

Local Economic Development Office (LEDO) Established:

- LEDO start up strategy re-defined
- The LEDO statute developed and discussed with 4 working groups and municipalities.
- Technical assistance provided to 100 farmers for the creation of cooperatives and to 15 the cooperatives on organization and management
- Training on LEDOs organized for 4 LED experts and 4 business development officers.
- The Bank managing the Guarantee Fund has been selected. The GF as an instrument to facilitate access to credit for micro, small and medium enterprises.

Donors Mobilized:

Italy, Spain, Belgium and Principality of Monaco and almost different Decentralized Cooperation partners.

DC partnerships strengthened

- A DC strategy paper for Spain developed to help identify DC partners and coordinate their actions in line with the territorial priorities for greater impact.
- A set of criteria developed to facilitate the DC management. These include: Knowledge on the ART GOLD Methodology, Coherence with the Strategic Objectives and Outcomes of the AGL Program, Following the standard form and templates, When possible, promote the DC coalitions, Promoting economies of scale and synergies, and Ensure communication and visibility)
- Network with DC partners promoted through the participation in workshops, meetings, networking for the establishment or strengthening of local partnerships (for example preparation of ENPI proposals) and through the DC missions conducted to and from Lebanon and to Spain.

Communication and visibility materials produced

- First Newsletter issued covering the period from Dec. 2008 – June 2009 covering briefs on AGL events, intervention in the Health sector, and upcoming activities. 1000 Arabic copies and 500 English copies were published, and disseminated among donor country representatives, potential donor countries, line ministries, CDR, local and International NGOs working in Lebanon; Lebanese Local authorities in AGL targeted areas; UN Chiefs; AGL working groups, media institutions and media reporters at local and central level.
- Identity LOGO developed
- Web site under construction: home page developed and finalized; inside pages are being developed along with the final text. Expected to be online in late March.
- Other promotional materials which relates to the publicity of the programme developed: pens, CDs, blocknotes, notepads, stickers, leather folders, events banners, etc.
- 9 project inaugurations have taken place until the end of 2009:
 - “Health Awareness Project Graduation Ceremony in Tripoli, North Lebanon”,
 - “Inauguration of an audiovisual room in Tripoli, North Lebanon”,
 - “Inauguration of a youth Sports Club in Al Dinniyeh, North Lebanon”,
 - “Inauguration of the municipal playground in Kfarchalan, Al Dinniyeh, North Lebanon”,
 - “Inauguration of 15 Kiosks in Baalbeck city, Bekaa”,
 - “Inauguration of the Social and Cultural center and the public library in Rashaya, Bekaa”,
 - “Inauguration of the commercial and touristic kiosks in Baalbeck, Bekaa”,
 - “Inauguration of Two Water Maintenance centers in Binet Jbeil and Nabatieh, South Lebanon”,
 - “Inauguration of the Primary Health care in Al Qaser, Bekaa”
 - Inauguration of six projects in Akkar Caza including the two IT centers in Qobayyat and Akkar Al Atika, Opening of the two public parks in Fneidek and HALba, the youth and cultural center in Halba and a laboratory for soil and water testing and analysis in Abdeh.

A short newsletter covering the above mentioned events was developed and distributed to donors.

End of year calendar/notepads were developed as a season's greeting: 1000 copies were published, and disseminated among donors, potential donors, line ministries, CDR, local and International NGOs working in Lebanon; Lebanese Local authorities in AGL targeted areas; UN Chiefs; AGL working groups, media institutions and media reporters at local and central level.

Progress in Project Implementation:

A total amount of U.S. \$302,603 has been spent during the first quarter of 2010 using the Spanish funds. 71% of this amount covers activities corresponding to thirteen projects continued from last year, while the remaining amount (29%) relates to the cost of management support. However, as far as project implementation is concerned, the majority of the Spanish-funded projects (i.e. 80%) were fully completed by the end of March 2010.

To date, the progress includes the following:

The Primary Health Care sector

- Three Primary Health care centers (PHCCs) with international standards adapted to the Lebanese context in Haret Hreik, Ghobeiry and Borj al Barajneh in Beirut Southern
- Quality and quantity of the services improved at the PHCCs in Bekaa, North Lebanon and Beirut Southern Suburbs.

The Local Economic Development Component

- 32,000 farmers have access to the soil and water testing facility in Abdeh, North Lebanon.

The youth sector:

- Youth development strategy and action plans developed and implemented in the three municipalities of Chiah, Hadath and Furn Chebbak in Beirut southern Suburbs;
Three offices for youth development established at these municipalities.
- Services provided at two Cultural Centres (in Halba and Azaki) and three IT centres in Akkar, Minnieh Dinnieh and Tripoli in North Lebanon;
IT, communication, managerial and marketing skills of 2,000 youth developed at those centres.
- Recreational facilities and services for children established over an area of 2,800 square meters in North Lebanon.

The Environment Sector

- Improve capacity building of farmers in pesticides management in Bekaa
- Initiatives conducted for improving water management in Bekaa
- 7,000 trees (for honey bees) are planted to increase honey production in West Bekaa and Rachaya
- Two water maintenance centres in Tyre and Marjeyoun established;
Timely repairs provided to pipes networks upon requests made by the population of 300,000 persons.

Local Development Offices

- Four Local Economic Development Offices established and equipped in the four areas.
- Local Economic development Experts and Business Development Officers recruited.

- Training for staff on Local Economic development Conducted.

The Guarantee Fund

- Established at a total of 1. 5 Million USD for 2009.
- First National Bank was selected through a competitive bidding process to facilitate the process of issuing loans to beneficiaries. This project is carried out in collaboration with CDR/the Economic and Social Fund for Development (ESFD). The LED offices will be able to provide loans through the bank encompassing a wide scope of beneficiaries estimated at 1000 entrepreneurs.
- Technical assistance provided to 550 farmers
- Three cooperatives established (dairy, beekeeping and agriculture).
- Technical assistance provided to 15 SMEs and Cooperatives on organization and management, outreaching 100 beneficiaries.

2009 Honey value chain project

- AGL is facilitating the establishment of the National Consortium of Lebanese beekeepers. The National Consortium will help small farmers to better organize their efforts in working collectively with the Government. This falls within a series of activities the AGL is implementing in support of the honey value chain in Lebanon.
- Several trainings were conducted for Lebanese Beekeepers by an Italian Beekeeping expert – the most recent was in March 2010 - on disease control among other topics.
- A delegation of Lebanese beekeepers attended the Mediterranean Forum of Beekeepers in October 2009. The Forum aimed at exchanging experiences among Mediterranean beekeepers.
- A screening was conducted on honey quality to prepare the beekeepers for the market.

For info pertaining on the progress/status of each project, please refer to annex (1).

Implementation Constraints and Lessons Learned:

Constraints:

- Different timing between project implementation and receipt of funds from the different donors.
- Political instability and security conditions make long-term planning difficult.
- Significant gaps in data and statistics due to the lack of coordination among ministries.
- Delays in implementation incurred due to the upcoming municipal elections.
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Lessons Learned are identified under each of the programme's three main components: 1) participatory approach and working groups, 2) Decentralized Cooperation and 3) Local economic Development

1) Participatory Approach and Working groups:

- Moving from numerous local working group (WG) towards regional working group (RWG)
- Local ownership more obvious whenever a bottom-up approach is used

2) Decentralized partnerships:

- The DC Partnerships are sometimes more fruitful if the partners experience similar challenges and contexts

- Working groups' efficient and effective cooperation with decentralised cooperation partners has contributed to sustainable local development
- DC is a learning opportunity for a country such as Lebanon with a strong centralized administration, moving towards administrative decentralization

3) Local Economic Development:

- Innovative solutions: LEDOs instead of LEDAs

IV. FUTURE WORK PLAN

In the next few months, ART GOLD aims among other things at finalizing the implementation of the remaining six projects funded by the Spanish Government, and progress towards the achievement of the following outputs:

- A network of 15 women cooperatives developed in South Lebanon;
- IT centre established in Mrrah Sreij, Tripoli
- SMEs and disadvantaged groups have access to credits for business development.

Annex: 1
Projects Status
Last Updated March: 2010

| | Mohafaza | Village | Project Description | Sector | Starting Date | Expected Ending Date | Budget Breakdown | Progress to Date |
|---|-----------------------------|---|---|-------------------|---------------|----------------------|----------------------|---|
| | | | | | | | Funding Source | |
| ART GOLD – South Lebanon, Status of 2009/2010 Projects | | | | | | | | |
| Tyre Caza | | | | | | | | |
| 1 | South Lebanon and Nabatiyeh | Tyre and Union of Jabal Amel Municipalities | Improvement in drinking water distribution infrastructures and the water resource management system in the districts of Tyre and Jabal Amel | Env't/Watr Mng't | Aug-09 | Dec-09 | Spain | <i>Completed</i> |
| All Cazas | | | | | | | | |
| 2 | South Lebanon and Nabatiyeh | | Women cooperative network | LED | Aug-09 | Jun-10 | Spain | <i>Progress to date: 45% Assesment, Selection, Shortlisting food safety experts & selection of products</i> |
| ART GOLD – Bekaa, Status of 2009 Projects | | | | | | | | |
| Baalbeck Caza | | | | | | | | |
| 3 | Bekaa | Baalbeck | Construction of Kiosks – Municipality of Baalbeck | Tourism | Aug-09 | Oct-09 | Belgium | <i>Completed</i> |
| | | | | | | | Spain | |
| | | | | | | | Baalbeck Mun. | |
| 4 | Bekaa | Nahle | Nahle irrigation canal | Env't/water Mng't | Oct-09 | Jan-10 | Spain | <i>Completed</i> |

| Mohafaza | Village | Project Description | Sector | Starting Date | Expected Ending Date | Budget Breakdown | Progress to Date | |
|--|---------|---------------------|--|-------------------|----------------------|------------------|------------------|------------|
| | | | | | | Funding Source | | |
| Hermel Caza | | | | | | | | |
| 5 | Bekaa | Alqaser | Establishment of a PHC (equipment) | Health | Aug-09 | Sep-09 | Spain | Completed |
| Rachaya Caza | | | | | | | | |
| 6 | Bekaa | Khawkaba | Reforestation & Fire Prevention (nursery) | Env't/ Watr Mng't | Sep-09 | Oct-09 | Spain | Completed |
| | | | | | | | Kawkaba Mun. | |
| 7 | Bekaa | | Provision of 10000 pollen trees -eucalyptus & Acacia- to beekeepers in W.Bekaa & Rashaya | LED | Mid Nov. 2009 | | Spain | Completed. |
| ART GOLD – North Lebanon, Status of 2009 projects | | | | | | | | |
| Al-Minnieh Al Dinnieh Caza | | | | | | | | |
| 8 | North | Azqi | Rehabilitation of cultural centre | Social | Nov. 09 | Dec. 09 | Belgium | Completed |
| | | | | | | | Spain | |
| 9 | North | Bakhoun | Rehabilitation of primary health care centre | Health | Nov. 09 | Feb 10 | Belgium | Completed |
| | | | | | | | Spain | |
| 10 | North | Deir Nbouh | Establish youth IT center | Youth | Nov. 09 | Dec.09 | Belgium | Completed |
| | | | | | | | Spain | |
| 11 | North | Kfarchalan | Build a municipal playground | Youth | Dec-08 | Sep-09 | Italy | Completed |
| | | | | | | | Spain | |

| Mohafaza | Village | Project Description | Sector | Starting Date | Expected Ending Date | Budget Breakdown | | Progress to Date |
|-------------------|---------|---------------------|--|------------------|----------------------|------------------|---------|------------------|
| | | | | | | Funding Source | | |
| Akkar Caza | | | | | | | | |
| 12 | North | Abboudieh | Rehabilitation of Primary health Care center | Health | Nov. 09 | Feb.10 | Belgium | Completed |
| | | | | | | | Spain | |
| 13 | North | Akkar | Establishment of a laboratory for soil & water testing & analysis at the LARI- Aabdeh station located in Akkar | Agriculture /LED | Nov. 09 | Dec.10 | Belgium | Completed |
| | | | | | | | Spain | |
| 14 | North | Akkar Atika | Establish Youth IT Center 1 | Youth | Nov. 09 | Dec. 10 | Belgium | Completed |
| | | | | | | | Spain | |
| 15 | North | Fneidek | Establish a public park for children | Social | Oct-09 | Dec-09 | Italy | Completed |
| | | | | | | | Spain | |
| 16 | North | Halba | Establish a public park for children | Social | Oct-09 | Dec-09 | Italy | Completed |
| | | | | | | | Spain | |
| 17 | North | Halba | Rehabilitation of cultural center | Social | Nov. 09 | Dec. 09 | Belgium | Completed |
| | | | | | | | Spain | |
| 18 | North | Qobayat | Establish Youth IT center 2 | Youth | Nov. 09 | Dec. 09 | Belgium | Completed |
| | | | | | | | Spain | |

| Mohafaza | Village | Project Description | Sector | Starting Date | Expected Ending Date | Budget Breakdown | | Progress to Date |
|---------------------|---------|---------------------|---|---------------|----------------------|------------------|-------------------|---|
| | | | | | | Funding Source | | |
| Tripoli Caza | | | | | | | | |
| 19 | North | Tebbeneh | Rehabilitation of Primary health Care center | Health | Nov 09 | Feb 10 | Belgium | <i>Completed</i> |
| | | | | | | | Spain | |
| 20 | North | Tripoli | Support the Youth vocational Training project | Youth | Nov. 09 | Dec. 09 | Italy | <i>Progress to date: 50%</i> |
| | | | | | | | Italian DC | |
| | | | | | | | Spain | |
| 21 | North | Tripoli | Establish Youth IT center | Youth | Nov. 09 | Dec. 09 | Belgium | <i>Completed</i> |
| | | | | | | | Spain | |
| 22 | North | Mrrah Sreij | Establish Youth IT center | Youth | To be defined | | Belgium | <i>Delays incurred due to the upcoming municipal elections.</i> |
| | | | | | | | Spain | |

ART GOLD- Beirut Southern Suburbs, Status of 2009 projects

| Baabda Caza | | | | | | | | |
|--------------------|-----------|-----------|--|--------|--------|--------|--------------|----------------------------------|
| 23 | Mount Leb | Al Chiah, | Social intervention addressed to youth | Social | Jan-09 | Dec-09 | Spain | <i>Progress to Date (%): 90%</i> |
| 24 | Mount Leb | Hadath | Social intervention addressed to youth | Social | Jan-09 | Dec-09 | Spain | <i>Progress to Date (%):90%</i> |

| | Mohafaza | Village | Project Description | Sector | Starting Date | Expected Ending Date | Budget Breakdown | Progress to Date |
|------|-----------|--|---|--------|---------------|----------------------|---|---------------------------|
| | | | | | | | Funding Source | |
| 25 | Mount Leb | Furn El Chebbak | Social intervention addressed to youth | Social | Jan-09 | Dec-09 | Spain | Progress to Date (%): 90% |
| 25.1 | | | Provision of equipment for the social programme in Al-Chiah - Al-Hadath - Furn Al Chebbak | | 2009 | | Spain | Completed |
| 25.2 | Mount Leb | Al-Chiah - Al-Hadath - Furn Al Chebbak | Capacity Building within the 3 projects "Social development addressed to youth" | | 2009 | | Tuscany Region -ARCI network Spain | Completed |
| 26 | Mount Leb | Al Mreyjeh | Scholastic maps of Risk and Ressources | Social | Feb-08 | Oct-08 | Spain | Completed |
| 26.1 | Mount Leb | Al Mreyjeh | Capacity Building within the project "Scholastic maps of Risk and Ressources" | Social | Feb-09 | Oct-09 | Spain | Completed |
| 27 | Mount Leb | Haret Hreik | Pilot Programme for strengthening the Public Health Care Centers (PHCC) in Beirut Southern Suburbs | Health | Jul-08 | Dec-09 | Spain | Completed |
| 28 | Mount Leb | Haret Hreik Ghobeiri Burj Al Barajneh | Capacity Building within the "Pilot Programme for strengthening the Public Health Care Centers (PHCC)" | | | | Spain Arezzo Municipality-Tuscany region | Completed |
| 29 | Mount Leb | Haret Hreik Ghobeiri Burj Al Barajneh | Provision of equipment within the "Pilot Programme for strengthening the Public Health Care Centers (PHCC)" | Health | | | Spain | Completed |