



AID DEVELOPMENTS

The United States disbursed \$50 million grant in budget support

On 28 May 2009, USAID - on behalf of the United States - disbursed \$50 million by redeeming an equivalent amount of Lebanon debt to the World Bank. The grant is part of the \$250 million budget support the United States pledged in Paris III. This brings the total budget support disbursed by the United States to \$175 million.

Germany and Council for Development and Reconstruction signed three agreements

On 27 May 2009, Germany and the Council for Development and Reconstruction signed three agreements for a total amount of €15.2 million. The first agreement, to be implemented by GTZ, consists of a €5.2 million grant, of which €1.2 million for preparation of studies on the protection of the Jeita source and €4 million for the replenishment of the Environment Fund. The second agreement concerns a loan of €6 million for the construction of a waste water system to protect the Jeita spring, to be implemented by KfW. The third agreement consists of a grant of €4 million for the rehabilitation of water and sanitation systems in the Nahr El Bared and adjacent areas, to be implemented by KfW. The loan agreement was approved by the Council of Ministers on 13 May 2009.

The European Union funds three projects to promote women's rights and gender equality

On 5 May 2009, the European Commission reported that it launched three projects totaling about €2 million to promote women's rights and gender equality. The grants aim at improving the capacity of civil society organizations active in promoting women's rights.

Saudi Arabia donated \$25 million for Nahr El Bared Camp

On 5 May 2009, Saudi Arabia contributed \$25 million for the reconstruction of Nahr El-Bared camp in North Lebanon. The reconstruction of Nahr El-Bared camp will be implemented by United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA). The funds will be used for the reconstruction of housing units for 500 families.

Parliament ratified \$32 million loan agreement with the Arab Monetary Fund

On 23 April 2009, Parliament ratified the loan agreement on \$32 million budget support signed between the Ministry of Finance and the Arab Monetary Fund on 26 December 2007. The loan is part of the Paris III pledge of the Arab Monetary Fund. The Ministry of Finance is following up with the Arab Monetary Fund on disbursement.

Islamic Development Bank and the Council for Development and Development signed a loan agreement for \$15.5 million

On 14 April 2009, Islamic Development Bank and CDR signed a loan agreement for \$15.5 million for upgrading of Mkaless intersection in Beirut. This loan is part of the \$245 million framework agreement signed on 4 April 2008. The project is expected to take two years after Parliament ratification. On 13 May 2009, the Council of Ministers transferred the loan agreement to Parliament for ratification.



AID COORDINATION

Ministry of Finance released the Paris III Ninth Progress Report

In the last week of May, the Ministry of Finance in collaboration with the Presidency of the Council of Ministers, released the International Conference for Support to Lebanon – Ninth Progress Report. The report details progress achieved in the first quarter of 2009 in reform implementation and resource mobilization. The report builds on the Eighth Progress Report that gave an overview of 2008 results. The Ninth Progress Report is available on www.finance.gov.lb

A mission of the Saudi Fund for Development visited Lebanon

On May 13-15 2009, a mission of the Saudi Fund for Development visited Lebanon to start discussions on the programming of its project support to Lebanon. Saudi Arabia pledged \$1,000 million in project support at the Paris III Conference. The Saudi Fund for Development indicated interest in the power and other infrastructure sectors.

A mission from the French Treasury and the Agence Française de Développement visited Lebanon

On May 20–22, 2009, a mission of the French Treasury and the Agence Française de Développement visited Lebanon to assess the progress of the reform program. At Paris III, the French Government pledged €375 million budget support loan, to be disbursed in three tranches. The first tranche of €150 million was disbursed in February 2008. The two remaining tranches are linked to reforms in the telecom and power sectors.

An IMF mission was in Lebanon to assess performance under EPCA

An International Monetary Fund (IMF) mission visited Lebanon May 13-21, 2009 to monitor the performance under the Emergency Post-Conflict Assistance (EPCA) in the first quarter of 2009 and to review the outlook for 2009. The IMF will release its concluding statement in the coming weeks.