



AID DEVELOPMENTS

Belgium provides EUR 10 million export credit guarantee facility

In July 2009, the Office National du Ducroire (ONDD), Belgium's export credit agency, put in place an export credit guarantee facility for Lebanon of EUR 10 million. This facility is part of Belgium's pledge at the Paris III International Conference.

USA provides US\$ 30 million grants for relief and reconstruction of Nahr el Bared Camp

On 20 July 2009, UNRWA received from the US Government a grant of US\$ 25 million for the reconstruction of the Nahr El-Bared Camp (NBC) and another grant of US\$ 5 million which will provide assistance to the displaced by supplying food, healthcare, shelter, access to basic education and improved water and sanitation services, while the camp is being reconstructed. With this contribution, the US has provided more than \$186 million to UNRWA in 2009.

Saudi Arabia releases US\$ 50 million soft loan for highway construction

On 30 July 2009, Saudi Arabia announced the release of a soft loan US\$ 50 million for the completion of the Arab Highway. The loan is part of the US\$ 1 billion project financing support pledged by Saudi Arabia at the Paris III International Conference.



AID COORDINATION

Phased approach to reconstruction of the Nahr El-Bared Camp and Surrounding Areas continuing

The Government is pursuing a phased approach to land expropriation in tandem with the reconstruction of the NBC. Hence, land expropriation for Package-1 and Package-2 in the NBC and for the UNRWA compound and UNRWA schools outside the NBC are already completed. Also, the Government is gradually shifting the focus to the repair and reconstruction of damaged housing and infrastructure in the New Camp, with support from the Central Fund for the Displaced and the Council for Development and Reconstruction. Furthermore, the Government issued Briefing Note No.2 (dated July 2009), published by the Nahr El-Bared Recovery and Reconstruction Cell at the Presidency of the Council of Ministers (<http://www.pcm.gov.lb/Cultures/ar-LB/Menu/الأخبار+والإصدارات/briefingNotes/>). The Note provides valuable information on government and donor support for the reconstruction of the NBC and surrounding areas.

World Bank Country Assistance Strategy for Lebanon under preparation

The Country Assistance Strategy (CAS) is a document prepared by the World Bank for all its member countries in consultation with the country authorities and other development partners. CAS sets the developmental goals of the country to be included in the World Bank strategy, the level and composition of economic and sector work, and as well the financial and technical assistance the Bank seeks to provide the country in support of its developmental goals. The World Bank, in cooperation with the Lebanese Government, started initial consultations with the different stakeholders for the CAS for the period 2010-2013. More extensive dialogue on the main challenges and priorities for Lebanon will follow soon. The CAS is expected to be presented to the Board of the World Bank for approval by March 2010.

EC Support Programme for Infrastructure Sector Strategies and Alternative Financing (SISSAF)

The European Commission launched preparatory work for the formulation of an infrastructure support project for Lebanon. The project entitled "EC Support Programme for Infrastructure Sector Strategies and Alternative Financing (SISSAF)" will help prepare the ground for the introduction of innovative development aid financing modalities, such as the "Sector-Wide Approach" and "sector budget support", during the 2011-2013 programme period. The process will be government-led and will involve broad stakeholder consultations as well as strong inter-governmental and donor coordination. The sectors that could benefit from Sector Wide Approach (SWAp) - type of financing by the EC include water and wastewater, energy and land transport. The choice of sectors was determined based on their fiscal and social impacts as well as their importance to Lebanon's economic growth and competitiveness. A "Reference Group" for project definition and formulation was established by the Government and will ensure that all stakeholders concerned are effectively involved in the project design process.