Report No: ISR6647

Implementation Status & Results Lebanon

LB - Municipal Infrastructure (P103875)

| Operation Name: LB - Municipal Infrastr | ructure (P103875) Project Stag | e: Implementation | Seq.No: 12 | Status: ARCHIVED | Archive Date: | 11-Jan-2012 |
|---|------------------------------------|-------------------|--------------------|------------------|---------------|-------------|
| | Country: Lebanon | Approval F | Y: 2007 | | | |
| Product Line: Special Financing | Region: MIDDLE EAST AND NORTH AFRI | CA Lending Ins | strument: Specific | Investment Loan | | |
| Implementing Agency(ies): | | | | | | |

Key Dates

| Board Approval Date | 03-Nov-2006 | Original Closing Date 31-Dec-2009 | Planned Mid Term Review Date | Last Archived ISR Date 11-Jan-2012 |
|---------------------|-------------|-----------------------------------|------------------------------|------------------------------------|
| Effectiveness Date | 29-Nov-2006 | Revised Closing Date 30-Apr-2012 | Actual Mid Term Review Date | |

Project Development Objectives

Project Development Objective (from Project Appraisal Document)

The objectives of the additional financing grant are to (i) restore basic services and rebuild priority public infrastructure in the affected municipalities and villages, (ii) support local economic recovery and development in the municipalities that have suffered the heaviest damage, and (iii) provide technical assistance to and build the capacity of municipalities to mitigate the impact of the hostilities on municipal finances (within the broader context of developing the municipal sector).

Has the Project Development Objective been changed since Board Approval of the Project?

Component(s)

| Component Name | Component Cost |
|--|----------------|
| Reconstruction of Public Infrastructure | 18.00 |
| Municipal Recovery and Development | 9.00 |
| Project Management and Capacity Building | 3.00 |

Overall Ratings

| | Previous Rating | Current Rating |
|--------------------------------------|-------------------------|-------------------------|
| Progress towards achievement of PDO | Moderately Satisfactory | Moderately Satisfactory |
| Overall Implementation Progress (IP) | Moderately Satisfactory | Moderately Satisfactory |
| Overall Risk Rating | Low | Low |

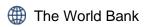
Implementation Status Overview

The Project is now complete. Physical reconstruction (Component 1) was the first priority and the first component to be completed, with a total of 213 contracts. The Local Development Projects (Component 2) and the Capacity Building Activities (Component 3) have encountered delays, notably in Southern Lebanon as regard the local development projects, which led to the extension of the project. These two components are now completed.

Procurement of the project has been very satisfactory. Procurement of all 16 local development projects has been successfully finalized (for a total amount of US\$9 million). The capacity building activities implemented under Component 3 are complete (Municipal Observatory and Municipal Finance Cell Studies).

Locations

| Country | First Administrative Division | Location | Planned | Actual |
|---------|-------------------------------|----------------------|---------|--------|
| Lebanon | Not Entered | Zefta | | |
| Lebanon | Not Entered | Zaoutar ech Charqiye | | |
| Lebanon | Not Entered | Zaoutar el Gharbiye | | |
| Lebanon | Not Entered | Yaroun | | |
| Lebanon | Not Entered | Yanouh | | |
| Lebanon | Not Entered | Ouadi Chahrour | | |
| Lebanon | Not Entered | Terbol | | |
| Lebanon | Not Entered | Toura | | |
| Lebanon | Not Entered | Touline | | |
| Lebanon | Not Entered | Tikrit | | |
| Lebanon | Not Entered | Tair Harfa | | |
| Lebanon | Not Entered | Caza de Tyr | | |
| Lebanon | Not Entered | Sejoud | | |
| Lebanon | Not Entered | Sohmor | | |
| Lebanon | Not Entered | Srifa | | |
| Lebanon | Not Entered | Choukine | | |
| Lebanon | Not Entered | Chtaura | | |
| Lebanon | Not Entered | Chihine | | |
| Lebanon | Not Entered | Chhim | | |
| Lebanon | Not Entered | Chamaa | | |
| Lebanon | Not Entered | Sarba | | |
| Lebanon | Not Entered | Safad el Battikh | | |
| | | | | |

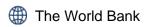


| Country | First Administrative Division | Location | Planned | Actual |
|---------|-------------------------------|-----------------------|---------|--------|
| Lebanon | Not Entered | Roumine | | |
| Lebanon | Not Entered | Rmaysh | | |
| Lebanon | Not Entered | Rachaf | | |
| Lebanon | Not Entered | Raite | | |
| Lebanon | Not Entered | Ramiye | | |
| Lebanon | Not Entered | Qoubbet Chamra | | |
| Lebanon | Not Entered | Qana | | |
| Lebanon | Not Entered | Qalaouiye | | |
| Lebanon | Not Entered | Qabrikha | | |
| Lebanon | Not Entered | Mlikh | | |
| Lebanon | Not Entered | Mazraat Sarada | | |
| Lebanon | Not Entered | Mazraat ez Zalloutiye | | |
| Lebanon | Not Entered | Maifadoun | | |
| Lebanon | Not Entered | Machghara | | |
| Lebanon | Not Entered | Marouahine | | |
| Lebanon | Not Entered | Maroun er Ras | | |
| Lebanon | Not Entered | Maaroub | | |
| Lebanon | Not Entered | Markaba | | |
| Lebanon | Not Entered | Caza de Marjayou | | |
| Lebanon | Not Entered | Marjayoun | | |
| Lebanon | Not Entered | Maqne | | |
| Lebanon | Not Entered | Majdel Zoun | | |
| Lebanon | Not Entered | Libbaya | | |
| Lebanon | Not Entered | Kounine | | |
| Lebanon | Not Entered | Kfar Zabad | | |

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| Lebanon | Not Entered | Kfar Sir | |
|---------|-------------|-----------------------|--|
| Lebanon | Not Entered | Kfar Kila | |
| Lebanon | Not Entered | Kfar Dounine | |
| Lebanon | Not Entered | Kafra | |
| Lebanon | Not Entered | Jouaiya | |
| Lebanon | Not Entered | Jennata | |
| Lebanon | Not Entered | Jibchit | |
| Lebanon | Not Entered | Jbal el Botm | |
| Lebanon | Not Entered | Jbaa | |
| Lebanon | Not Entered | Caza de Jezzine | |
| Lebanon | Not Entered | Jenta | |
| Lebanon | Not Entered | Ebel es Saqi | |
| Lebanon | Not Entered | Houmine el Faouqa | |
| Lebanon | Not Entered | Houla | |
| Lebanon | Not Entered | Haouch er Rafqa | |
| Lebanon | Not Entered | Caza de Hasbaiya | |
| Lebanon | Not Entered | Hasbaiya | |
| Lebanon | Not Entered | Harouf | |
| Lebanon | Not Entered | Hariis | |
| Lebanon | Not Entered | Hanaouay | |
| Lebanon | Not Entered | Hanine | |
| Lebanon | Not Entered | Halloussiyet et Tahta | |
| Lebanon | Not Entered | Halba | |
| Lebanon | Not Entered | Habbouch | |
| Lebanon | Not Entered | Ghandouriye | |

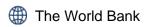
| Lebanon | Not Entered | Derdghaya | |
|---------|-------------|---------------------|--|
| Lebanon | Not Entered | Debel | |
| Lebanon | Not Entered | Dibbine | |
| Lebanon | Not Entered | Debaal | |
| Lebanon | Not Entered | Deir Qanoun en Nahr | |
| Lebanon | Not Entered | Deir Qanoun | |
| Lebanon | Not Entered | Deir Ntar | |
| Lebanon | Not Entered | Deir Mimass | |
| Lebanon | Not Entered | Deir Kifa | |
| Lebanon | Not Entered | Deir Aamar | |
| Lebanon | Not Entered | Deir Aames | |
| Lebanon | Not Entered | Borj Rahhal | |
| Lebanon | Not Entered | Borj Qalaouiye | |
| Lebanon | Not Entered | Boudai | |
| Lebanon | Not Entered | Britel | |
| Lebanon | Not Entered | Baraachit | |
| Lebanon | Not Entered | Blida | |
| Lebanon | Not Entered | Caza de Bent Jbail | |
| Lebanon | Not Entered | Bednayel | |
| Lebanon | Not Entered | Bebnine | |
| Lebanon | Not Entered | Bhannine | |
| Lebanon | Not Entered | Beit Lif | |
| Lebanon | Not Entered | Batoulay | |
| Lebanon | Not Entered | Baaqline | |
| Lebanon | Not Entered | Beni Haiyane | |



| Lebanon | Not Entered | Baldah | |
|---------|-------------|-------------------|--|
| Lebanon | Not Entered | Blat | |
| Lebanon | Not Entered | Bafliye | |
| Lebanon | Not Entered | Baabda | |
| Lebanon | Not Entered | Ez Zrariye | |
| Lebanon | Not Entered | Aitaroun | |
| Lebanon | Not Entered | Aaitanit | |
| Lebanon | Not Entered | Ain Zhalta | |
| Lebanon | Not Entered | Ain Qana | |
| Lebanon | Not Entered | Ain Ebel | |
| Lebanon | Not Entered | Ain Baal | |
| Lebanon | Not Entered | Et Tiri | |
| Lebanon | Not Entered | Et Taibe | |
| Lebanon | Not Entered | Soultane Yaaqoub | |
| Lebanon | Not Entered | Es Soultaniye | |
| Lebanon | Not Entered | Es Saksakiye | |
| Lebanon | Not Entered | Arnoun | |
| Lebanon | Not Entered | Aarab Salim | |
| Lebanon | Not Entered | Insar | |
| Lebanon | Not Entered | En Naqoura | |
| Lebanon | Not Entered | En Nabi Chit | |
| Lebanon | Not Entered | Nabatiye et Tahta | |
| Lebanon | Not Entered | Aandqet | |
| Lebanon | Not Entered | El Qsaibe | |
| Lebanon | Not Entered | El Qlaiaa | |

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| Lebanon | Not Entered | Qaouzah | |
|---------|-------------|------------------------|--|
| Lebanon | Not Entered | Qantara | |
| Lebanon | Not Entered | El Mhammara | |
| Lebanon | Not Entered | El Minie | |
| Lebanon | Not Entered | El Mansouri | |
| Lebanon | Not Entered | El Kharayeb | |
| Lebanon | Not Entered | El Fardis | |
| Lebanon | Not Entered | El Boustane | |
| Lebanon | Not Entered | Caza de la Beqaa-Ouest | |
| Lebanon | Not Entered | El Bazouriye | |
| Lebanon | Not Entered | El Biyad | |
| Lebanon | Not Entered | Caza de Aakkar | |
| Lebanon | Not Entered | Aadchit | |
| Lebanon | Not Entered | Ed Douair | |
| Lebanon | Not Entered | Aabbassiye | |
| Lebanon | Not Entered | Aabba | |
| Lebanon | Not Entered | Borj el Mlouk | |
| Lebanon | Not Entered | Beit Yahoun | |
| Lebanon | Not Entered | Rabb et Talatine | |
| Lebanon | Not Entered | Meiss ej Jabal | |
| Lebanon | Not Entered | Marjayoun | |
| Lebanon | Not Entered | Caza de Saida | |
| Lebanon | Not Entered | Kaitouly | |
| Lebanon | Not Entered | Yater | |
| Lebanon | Not Entered | Tebnine | |



| Lebanon | Not Entered | Hadatha | |
|---------|-------------|----------------------|--|
| Lebanon | Not Entered | Jmayjmeh | |
| Lebanon | Not Entered | Sribbine | |
| Lebanon | Not Entered | Ayta Al Jabal | |
| Lebanon | Not Entered | Khirbit Silim | |
| Lebanon | Not Entered | Kfar Chouba | |
| Lebanon | Not Entered | Aadchit El Qsair | |
| Lebanon | Not Entered | Majdel Silim | |
| Lebanon | Not Entered | Souane | |
| Lebanon | Not Entered | Qaaqaait Ej Jisr | |
| Lebanon | Not Entered | Kfar Tebnit | |
| Lebanon | Not Entered | Kaoutariyet Al Siyad | |
| Lebanon | Not Entered | Ghassaniyeh | |
| Lebanon | Not Entered | Maamriye | |
| Lebanon | Not Entered | Ansariyeh | |
| Lebanon | Not Entered | Ghaziyeh | |
| Lebanon | Not Entered | Arkey | |
| Lebanon | Not Entered | Rmadiyeh | |
| Lebanon | Not Entered | Salaa | |
| Lebanon | Not Entered | Chahour | |
| Lebanon | Not Entered | Bourghliyeh | |
| Lebanon | Not Entered | Jebbain | |
| Lebanon | Not Entered | Mahrouneh | |
| Lebanon | Not Entered | Aaitit | |
| Lebanon | Not Entered | El Kleile | |



LebanonNot EnteredSiddiqineLebanonNot EnteredZabqineLebanonNot EnteredBorj Al ChmaliLebanonNot EnteredTair FilsayLebanonNot EnteredKoussaya

Results

| Project Development Objective Indicators | | | | | | | | | |
|---|------|-----------------|----------|---|--|---|--|--|--|
| Indicator Name | Core | Unit of Measure | | Baseline | Current | End Target | | | |
| Restore basic services and rebuild priority public infrastructure - Physical Works | | Text | Value | Reconst. of munic. buildgs: 0 Roads repaired: 0 Retained walls rehabilitated:0 Street lightning poles: 0 Storm water drains rep.: 0 | Re. Munic. Buildings: 17 Roads repaired: 175 km Street lightning poles: 4684 Storm drains rep.: 10.7 km | Re. Munic. Buildings: 18 Roads repaired: 183 km Street lightning poles: 4684 Storm drains rep.: 13 km | | | |
| | | | Date | 15-Mar-2006 | 24-Apr-2012 | 30-Apr-2012 | | | |
| | | | Comments | | The work is completed. The marginal difference with the end target is due to the fact that some of the works were conducted by other stakeholders. | | | | |
| Restore basic services and rebuild priority public infrastructure - Equity monitoring | | Text | Value | Ratio of built up area over total area in the project areas Mount Lebanon: 20% North Lebanon: 23% Bekaa: 7.6% South Lebanon: 11.5% Nabatieh: 12.9% Average: 15.1% | Ratio of built up area over total area in the project areas Mount Lebanon: 17.4% North Lebanon: 12.2% Bekaa: 12.9% South Lebanon: 40.6% Nabatieh: 70% Average: 30.6% | Ratio of average municipal areas served by the Project: < 2% Mount Lebanon: 1.9% North Lebanon: 3.8% Bekaa; 0.24% South Lebanon: 1.02% Nabatieh: 1.62% Average: 1.73% | | | |
| | | | Date | 29-Nov-2006 | 24-Apr-2012 | 30-Apr-2012 | | | |
| | | | Comments | Reflects the density of municipal infrastructure (% municipal infra/total infra) | Reflects the intensity of damage (% repaired infra/munic. infra) Emergency works are complete. | Reflects share of fin. assistance (% repaired munic. infra/ total infra). The equity indicators show that the grant assistance was in line with the density of | | | |

assets with the exception of North Lebanon where add. funds were provided to overcome the Nahr El Bared conflict. Support Local Economic Development: LED Value Nb of cazas (districts) Nb. of cazas: 11 Nb. of cazas: 10 Text projects launched in the conflict areas targeted: 0 Increased cap. inv.: 35% Increased cap. inv.: 35% Increased capital investment by the selected municipalities: 25% 24-Apr-2012 Date 15-Mar-2008 30-Apr-2012 Comments This component was initiated The ratio shows increased The number of cazas was after the emergency share of the municipal budget raised to 11 following the reconstruction work and data allocated to investments. review in 2008 from the PCU and the Prime Minister's were only available in 2008. Office rankings showing that 11 cazas were equally ranked in terms of affected municipalities. Mitigate impact of hostilities on municipal Text Value Completion of 3 case Studies: 3 studies 3 studies finance Date 15-Mar-2006 24-Apr-2012 30-Apr-2012 Studies designed to reduce Comments Completed. Completed. dependency on Central Gvt subsidy (from the Independent Municipal Fund). The results of the Study are supported by the declining ratio of municipal revenues/ Government transfers shown in the intermediate results indicator.

Intermediate Results Indicators



| Indicator Name | Core | Unit of Measure | | Baseline | Current | End Target |
|---|------|-----------------|----------|---|--|---|
| Municipal revenues/Government transfers. A | | Text | Value | Ratio: 70% | Ratio: 49.5% | Ratio: 40% |
| decreasing ratio will show improved financial | | | Date | 15-Mar-2006 | 24-Apr-2012 | 30-Apr-2012 |
| sustainability. | | | Comments | A declining ratio of Gvt transfers/munic. revenues shows improved fin. sustainability. The ratio is based on a representative sample of municipalities. | The ratio, which monitors the collection of own resources by the municipalities after the conflict, shows gradual improvement. | Gradual improvement is to be noted but, as of April 2012, the data is not available for 2011. The data to be provided in the secondhalf of 2012 should permit to confirm the positive trend in terms of financial sustainability. |
| Capacity Building: Setting up and operating a Municipal Observatory | | Text | Value | Capacity Building: Setting up and operating a Municipal Observatory | The Municipal Observatory is established. It is sustainable but needs to be upgraded in terms of staffing arrangements. Pilot studies have been prepared, covering 12 Union of Municipalities (the target was exceeded). | Produce at least 5 municipal management performance reports (covering a 5-year period) of the leading municipalities in Lebanon. |
| | | | Date | 29-Nov-2006 | 24-Apr-2012 | 30-Apr-2012 |
| | | | Comments | | The Municipal Observatory is operating at the Directorate General level and is officially embedded in the Ministry of Interior and Municipalities since the Decree of October 15, 2011. | The Municipal Observatory is operating and is collecting targeted data and developing the municipal performance indicators. |

Data on Financial Performance (as of 30-Apr-2012)

| Financial Agreement(s) Key Dates | | | | | | | | | | |
|----------------------------------|---------|--------|---------------|--------------|--------------------|-----------------------|----------------------|--|--|--|
| Project Lo | oan No. | Status | Approval Date | Signing Date | Effectiveness Date | Original Closing Date | Revised Closing Date | | | |
| P103875 T | F-57333 | Closed | | 13-Dec-2006 | 13-Dec-2006 | 13-Dec-2007 | 13-Dec-2007 | | | |
| P103875 T | F-57505 | Closed | 03-Nov-2006 | 03-Nov-2006 | 29-Nov-2006 | 31-Dec-2009 | 30-Apr-2012 | | | |

Disbursements (in Millions)

| Proje | ect | Loan No. | Status | Currency | Original | Revised | Cancelled | Disbursed | Undisbursed | % Disbursed |
|-------|------|----------|--------|----------|----------|---------|-----------|-----------|-------------|-------------|
| P10 | 3875 | TF-57333 | Closed | USD | 0.10 | 0.09 | 0.01 | 0.09 | 0.00 | 100.00 |
| P10 | 3875 | TF-57505 | Closed | USD | 30.00 | 30.00 | 0.00 | 29.51 | 0.49 | 98.00 |

Disbursement Graph



Key Decisions Regarding Implementation

The Grant Closing Date was first extended to December 30, 2011 in May, 2011 in order to favorably impact the delivery of the development objectives. Given the delays experienced on the local development projects in Southern Lebanon, the Government of Lebanon requested a final four-month extension of the Grant Closing Date limited to the local development projects component. This request was granted. The project loan will be closed on April 30, 2012, with all components completed.

Restructuring History

Level two Approved on 16-Dec-2009, Level two Approved on 14-Mar-2011, Level two Approved on 24-May-2011, Level two Approved on 22-Dec-2011

Related Projects

There are no related projects.