

Implementation Status & Results
Lebanon
LB - Municipal Infrastructure (P103875)

Operation Name: LB - Municipal Infrastructure (P103875)	Project Stage: Implementation	Seq.No: 10	Status: ARCHIVED	Last Modified Date: 18-Jun-2011
Country: Lebanon	Approval FY: 2007			
Product Line: Special Financing	Region: MIDDLE EAST AND NORTH AFRICA	Lending Instrument: 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	23-Sep-2010
Effectiveness Date	29-Nov-2006	Revised Closing Date	30-Dec-2011	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?

Yes No

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	Satisfactory	Moderately Satisfactory
Overall Implementation Progress (IP)	Satisfactory	Moderately Satisfactory
Overall Risk Rating		Low

Implementation Status Overview

Overall, the project is on track. Despite difficult working conditions in 2007 and during the first half of 2008, the reconstruction or repair of damage municipal infrastructure (under Component 1) received the highest priority during the early years of project implementation in order to address the population's most pressing needs and is now substantially completed. Implementation is now concentrating on local development (Component 2) and capacity building activities (Component 3). Because the time and efforts required to carry

out the agreed scope of work were much greater than initially anticipated, the Bank approved a 18-month extension of the grant closing date in response to a request by the Government of Lebanon (GOL). A partial extension limited to Components 2 and 3 of the FMIP Grant was granted to complete the final deliverables by project's closing date (December 30, 2011). The momentum observed during the mission should ensure that the development objective of the Grant be fully achieved.

Both the revised implementation plan and the project management performance are satisfactory. The procurement of the physical work is complete. The procurement processes for Components 2 and 3 are now well advanced and reaching final completion. The disbursement is increasing substantially as the contractors are in the execution phase of the 16 local development projects funded under Component 2 (for a total amount of US\$9 million). The capacity building activities under Component 3 are now functional (Municipal Observatory) or have entered the dissemination phase (Municipal Finance Cell Studies).

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	<input type="checkbox"/>	Text	Value	Reconst. of munic. buildgs: 0 Roads repaired: 0 Retained walls rehabilitated:0 Street lightning poles: 0 Storm water drains rep.: 0	Rec. 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	15-Apr-2011	31-Dec-2011
			Comments			
Restore basic services and rebuild priority public infrastructure - Equity monitoring	<input type="checkbox"/>	Text	Value	Ratio of build 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 areas served by the Project to build up municipal area 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	15-Apr-2011	31-Dec-2011
			Comments	Reflects the density of municipal infrastructure (% municipal infra/total infra)	Reflects the intensity of damage (% repaired infra/ munic. infra) Emergency works are almost compete.	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.

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Support Local Economic Development: LED projects launched in the conflict areas	<input type="checkbox"/>	Text	Value	Nb of cazas (districts) targeted: 0 Increased capital investment by the selected municipalities: 25%	Nb of cazas: 11 Increased capital inv.: 25.4%	Nb. of cazas: 10 Increased cap. inv.: 35%
			Date	15-Mar-2008	15-Apr-2011	31-Dec-2011
			Comments	This component was initiated after the emergency reconstruction work and data were only available in 2008.	The ratio shows increased share of the municipal budget allocated to investments.	
Mitigate impact of hostilities on municipal finance	<input type="checkbox"/>	Text	Value	Completion of 3 case Studies: 0 Ratio: 70%	3 studies Ratio: 49.5%	3 studies Ratio: 40%
			Date	15-Mar-2006	15-Apr-2011	31-Dec-2011
			Comments	Studies designed to reduce dependency on Central Gvt subsidy (from the Independent Municipal Fund). 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.	

Intermediate Results Indicators

Indicator Name	Core	Unit of Measure		Baseline	Current	End Target
Municipal revenues/Government transfers. A decreasing ratio will show improved financial sustainability.	<input type="checkbox"/>	Text	Value	Capacity Building: Setting up and operating a Municipal Observatory	The Municipal Observatory is established. It is functional but needs to be upgraded in terms of staffing arrangements.	Produce at least 5 municipal management performance reports (covering a 5-year period) of the leading municipalities in Lebanon.
			Date	29-Nov-2006	15-Apr-2011	30-Jun-2011
			Comments		The Municipal Observatory is operating at the Directorate General level.	

Data on Financial Performance (as of 24-May-2011)

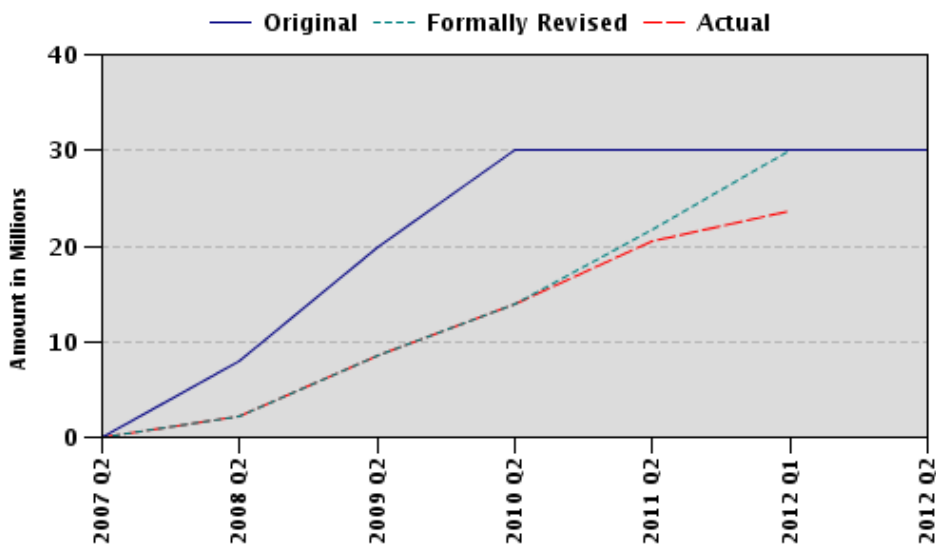
Financial Agreement(s) Key Dates

Project	Loan No.	Status	Approval Date	Signing Date	Effectiveness Date	Closing Date
P103875	TF-57333	Closed		13-Dec-2006	13-Dec-2006	13-Dec-2007
P103875	TF-57505	Effective	03-Nov-2006	03-Nov-2006	29-Nov-2006	30-Dec-2011

Disbursements (in Millions)

Project	Loan No.	Status	Currency	Original	Revised	Cancelled	Disbursed	Undisbursed	% Disbursed
P103875	TF-57333	Closed	USD	0.10	0.09	0.01	0.09	0.00	100.00
P103875	TF-57505	Effective	USD	30.00	30.00	0.00	23.67	6.33	79.00

Disbursement Graph



Key Decisions Regarding Implementation

As the extension of the Grant closing date will favorably impact the delivery of the development objectives, and as the reallocation among categories does not modify the current overall allocation or the project design, the Bank has responded favorably to the GOL request to extend the Grant closing date to December 30, 2011.

Restructuring History

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

Related Projects

There are no related projects.