

# THE NATIONAL SOCIAL DEVELOPMENT STRATEGY OF LEBANON

*2011*



Republic of Lebanon  
**Ministry of Social Affairs**

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# Preface

by the Minister of Social Affairs

For many years, Lebanon has suffered from lack of vision and coherence in its social approach. Long-term social planning is halted by political instability. Social priorities are reduced to a single one: the right to live, or the right to survive. Mid-term forecasting is inhibited by the notion of social services itself: it alleviates but does not heal the suffering of the vulnerable population. Moreover, the post-war reconstruction strategies have not addressed the issues of sustainable development. In the country of sacrosanct free initiative, market forces are supposed to regulate all social issues with minimal intervention of the state. By so doing, the social approach becomes an offspring of economic development, with a focus on investments, services and trade.

The social component in the different sectoral strategies is surely present, but it is diluted in a maelstrom of action plans. The national legislation should lay the ground for much needed social plans. However, such an endeavor is neutralized by the reluctance of ministers to transform the laws into application decrees, hence becoming implementation instruments. The respect of the rights of the disabled, for example, specified by the Law 220/2000, is tributary to the commitment of different line ministries. Only a minor part of this law is so far respected, since the government through its services and ministries has failed to engage the necessary related reforms and finances. Even when two ministries, Health and Social Affairs, deploy all their efforts to fulfill their obligations in this regard, some other ministries lack the focus on this issue, which they consider as subsidiary and costly. This two-speed track to address the disabled cause impedes the sectoral strategies from being effectively complementary to each other and sterilizes the efforts for the harmonization of the legislation.

To address the issue of vision, the Government has determined as an objective in its ministerial declaration of December 2009, the drafting of a Social Pact. The basis of the Pact is to distill in a single document the deeds of the Lebanese for a society seeking a better future. It transcends the idea of the contract where the government and the individuals match their rights and obligations. That Pact goes beyond the stabilization of social interactions. It has a transformative dimension. It seeks to transcend the individual to help him fulfill its full potentiality. It changes the role of the State so its mandate becomes integrative of all social actors, without abandoning its double function of regulation or care. It promotes the idea of “subsidiarity”, in a way that the Government will mostly intervene to regulate and monitor but not to implement.

The Civil Society, the Family and the Individual will be empowered to become the main actors and agents of transformation. It is only when those actors are not able to implement the needed social actions that the Government starts to play a “subsidiary” role of implementation. The Social Pact, after a national consultation process with hundreds of actors representing various civil society groups and Government ministries and services, is presented in a separate publication.

The other aspects at the heart of the incoherence in the social approach are tackled by the present publication entitled “the National Social Strategy Development of Lebanon”. In fact, the Paris III conference has called for the necessity of establishing such a strategy. Therefore, the domestic need for more coherence in the social approach is coupled with an international demand for visibility and order.

This strategy focuses on the social aspects of the different sectoral strategies without being a mere sum of them. In practice, it is the fruit of a collective effort made by the different ministries: Education, Health, Labor, Interior, Justice and Social Affairs. The Ministry of Social Affairs (MoSA) has provided the secretariat of the Social Inter-Ministerial Committee (IMC) with the specific task to steer, coordinate and integrate the different ministerial contributions. MoSA has henceforth reviewed and authorized the release of this draft National Social Development Strategy. It simultaneously transfers this document to the Council of Ministers for discussion and adoption. By then, this Strategy becomes the ownership of the Lebanese Government.

The leading role of the Inter-Ministerial Committee complemented the real driving force made by MoSA to keep the momentum of this reform going. This Ministry has to conceptually find a solution to a key challenge which the Lebanese government faces: the issue of Trust. How can the different ministries implement such a strategy at times of budget constraints? How can partnership be built between the Government and the private sector, the Civil Society or the Donors while the Administration suffers from chronic mismanagement, corruption, and lack of human resources?

Throughout 2010, MoSA has conveyed to its partners the message that the needed transformation is possible. I have decided to show both the Administration and the partners that any decision I take is going to be implemented at once and ineradicably. Such decisions ranged from banning smoking in the Central Administration of MoSA -the first decision of its kind at the level of the Lebanese Government;- Increasing the wages of some categories of our civil servants; increasing the budget of MoSA by 70% in one year; Putting institutional criteria for NGOs and Institutions contracted by MoSA; Re-launching of some major programs such as the National Poverty Targeting Program; Empowering and developing the Social Development Centers through increasing their numbers by 20%; Implementing an Action Plan for Street Children; Re-constituting the National Commission for the Disabled with a volunteer action designed to that effect and a long awaited decree for Access to the Public Buildings; Establishing a National Strategy for Prevention from Addiction;

Acting upon the decision to finalize the special criteria for elderly institutions in the framework of the National Permanent Committee for Elderly Affairs; Initiating the Program Women Empowerment in Local Governance and Gender mainstreaming in the Administration; Increasing the Housing credit by 50% for the low- and middle-income population; Launching the “Child Help Line” through the Project “Strengthening of Lebanese institutions and support to the most vulnerable groups at local level”; Establishing a documentation and observatory Center for Childhood together with the drafting of six child protection laws in the framework of the Higher Council for Childhood; Establishing and implementing the National Program for Cluster-bomb Victims; Adopting new criteria for Community Social Development projects according to best practices in governance; and, Refurbishing MoSA’s website to ensure better visibility, efficiency and transparency, Fighting illiteracy through the newly launched National Program for Elders’ Education; and, revising the National Commission for Volunteering with a plan and all-year round program; etc.

Those achievements make MoSA believe again in the essence of its mission which is to serve the most vulnerable groups. They should have a spillover effect on the National Social Development Strategy. I am certain they will. Our second “national social awakening” is on the make. Our duty is to keep it for a lasting and sustainable progress.



Dr. Selim El Sayegh



# Table of Contents

Preface by the Minister of Social Affairs Dr. Selim El Sayegh.....	iii
<i>List of Acronyms</i> .....	ix
<i>Executive Summary</i> .....	xi
<b>1. Introduction</b> .....	1
<b>2. Methodology of the National Social Development Strategy</b> .....	3
2.1. Rationale of the NSDS .....	3
2.2. Phases of the preparation of the NSDS.....	3
2.2.1. <i>Laying the Foundations</i> .....	4
2.2.2. <i>Consultations and Consensus-Building</i> .....	4
2.2.3. <i>Elaboration of the NSDS</i> .....	4
2.3. General structure of the NSDS .....	5
<b>3. Historical Background</b> .....	9
3.1. High poverty rates ensuing the first notions of a social policy .....	9
3.2. Economic collapse and state failure–fragmented social services .....	10
3.3. Focus on reconstruction as a gateway to social development .....	11
3.4. Focus on debt reduction with social policy as a residual category .....	12
3.5. The Social Pact .....	13
<b>4. The National Development Context</b> .....	15
4.1. The economic development context .....	15
4.1.1. <i>Growth rates</i> .....	15
4.1.2. <i>The Productive sectors</i> .....	16
4.1.3. <i>Debt and monetary policy</i> .....	17
4.1.4. <i>Fiscal policy</i> .....	18

4.1.5. <i>Labor productivity</i> .....	18
4.2. The social development context .....	19
4.2.1. <i>Poverty rates and income distribution</i> .....	19
4.2.2. <i>Social Spending</i> .....	20
4.3. The environmental management context and land-use planning .....	21
4.3.1. <i>Lebanon National Physical Master Plan</i> .....	22
4.4. Gender mainstreaming .....	23
<b>5. General and Specific Objectives of the National Social Development Strategy of Lebanon</b> .....	25
5.1. General Objective 1: Achieve Better Health .....	25
5.1.1. <i>Situation analysis</i> .....	25
5.1.2. <i>Specific Objectives and Priority Interventions</i> .....	30
5.2. General Objective 2: Strengthen Social Protection .....	32
5.2.1. <i>Situation analysis</i> .....	32
5.2.2. <i>The role of the Ministry of Social Affairs</i> .....	41
5.2.3. <i>Specific Objectives and Priority Interventions</i> .....	43
5.3. General Objective 3: Provide Quality Education .....	46
5.3.1. <i>Situation analysis</i> .....	46
5.3.2. <i>Strategic Policy Framework</i> .....	49
5.3.3. <i>Vocational and Technical Education (VTE)</i> .....	52
5.3.4. <i>The Lebanese university</i> .....	53
5.3.5. <i>Specific Objectives and Priority Interventions</i> .....	54
5.4. General Objective 4: Improve Opportunities for Equitable and Safe Employment .....	57
5.4.1. <i>Situation analysis</i> .....	57
5.4.2. <i>Specific Objectives and Priority interventions</i> .....	63
5.5. General Objective 5: Revitalize Communities and Develop the Social Capital .....	65
5.5.1. <i>Situation analysis</i> .....	65
5.5.2. <i>Specific Objectives and Priority Interventions</i> .....	73
<b>Annexes</b> .....	77
Annex 1. Theoretical Underpinnings of the NSDS .....	79
<i>Defining social policy</i> .....	79
Annex 2. Investments in infrastructure .....	83
<b>Bibliography</b> .....	87



# List of Acronyms

*CBOs*: Community Based Organizations  
*CDR*: Council for Development and Reconstruction  
*CPI*: Consumer Price Index  
*CRC*: Child Rights Convention  
*DGUP*: Directorate General of Urban Planning  
*ECRD*: Education Center for Research and Development  
*EPHF*: Essential Public Health Functions  
*ESDP*: Education Sector Development Plan  
*GDP*: Gross Domestic Product  
*GoL*: Government of Lebanon  
*HRC*: High Relief Committee  
*ILO*: International Labor Organization  
*IMC*: Inter-Ministerial Committee  
*LBP*: Lebanese Pound  
*LU*: Lebanese University  
*MEHE*: Ministry of Education and Higher Education  
*MENA*: Middle East and North Africa  
*MoIM*: Ministry of Interior and Municipalities  
*MoPH*: Ministry of Public Health  
*MoSA*: Ministry of Social Affairs  
*NEPR*: National Emergency and Reconstruction Program  
*NGOs*: Non-Governmental Organizations  
*NPMP*: National Physical Master Plan  
*NPTP*: National Poverty Targeting Program  
*NSDS*: National Social Development Strategy of Lebanon  
*NSSS*: National Social Security System  
*NSSF*: National Social Security Fund  
*OSD*: Office for Social Development  
*PHCS*: Public Health Care Centers  
*PHI*: Public Housing Institution  
*PWD*: Persons with Disability  
*SDCs*: Social Development Centers  
*UNDP*: United Nations Development Programme  
*VAT*: Value-Added Tax  
*VTE*: Vocational and Technical Education  
*WHO*: World Health Organization



# Executive Summary

*The basis of the National Social Development Strategy of Lebanon (NSDS) is anchored in the Paris III conference of January 2007, following the July war of 2006, which linked the support of the donor community to the obligations of the Lebanese Government for the implementation of a set of macro-economic, fiscal, social and institutional reforms; thus acknowledging the need for a clear cross-sectoral social strategy for Lebanon.*

*The NSDS is also based on the Social Pact, facilitated by the Ministry of Social Affairs in 2010. It calls for a common vision, which aims to establish a citizenship-based Civil State. As stated in the Pact, Lebanon commits to the principles of equality in rights and obligations and to the improvement of the socio-economic situation, which ensures the rights of its citizens through a comprehensive social approach, endorsed by all the Lebanese, to confirm social security on the basis of justice and equal opportunities.*

*This strategy represents the first attempt by the Lebanese Government to develop a comprehensive National Social Development Strategy, which views social issues not as a secondary parameter, but as a comprehensive national issue affecting the Lebanese population at large. The formulation of the NSDS consisted of three major phases: 1) laying the foundations, 2) consultations and consensus building, and 3) elaboration of the final strategy. Accordingly, the structure of the NSDS has progressively evolved through a dynamic process.*

*An Inter-Ministerial Committee (IMC) for social issues was established in January 2007, and was entrusted among other things, the elaboration of Lebanon's National Social Development Strategy. The IMC is headed by the Prime Minister; its members include the following line ministries: Social Affairs, Education and Higher Education, Public Health, Labor, Interior and Municipalities, Finance, Economy and Trade; in addition to the Council for Development and Reconstruction (CDR). A technical team composed of representatives of the IMC members was formed and mandated the provision of technical support to the IMC. The Ministry of Social Affairs acted as a technical and administrative secretariat to the IMC.*

*The formulation of the NSDS has required an in-depth assessment of Lebanon's history in social policy, which is characterized by four periods: (i) the mandate of President Fouad Chehab in the 1950's, where the IRFED mission resulted, in 1961, in the formulation of a five-year master plan which included recommendations concerning economic growth, social reform and development; (ii) the period of the 1975- 1990 War, where many of the social services provided by the government came to a halt and weakened the government's ability to provide the necessary public services beyond its relief mission; (iii) the end of the 1975-1990- War and the signing of the Taef agreement in the 90's, where public spending was mostly oriented towards rebuilding physical infrastructure and strengthening security forces and the judicial sector; and (iv) the period of the first Paris meeting in 2001 followed by the Paris II meeting in 2004, where a strategy for debt reduction, not including any discussions directly related to social concerns, was presented.*

*As part of the NSDS, an in-depth analysis of the national development context was also conducted; it covered the economic development context, the social development context, the environmental*

management and land-use planning context and gender mainstreaming. Based on the extensive assessment and wide consultations, five general objectives for the NSDS were agreed upon. The general objectives were clustered under the acronym **ASPIR** are as follows:

*General Objective 1: Achieve Better Health*

*General Objective 2: Strengthen Social Protection Mechanisms*

*General Objective 3: Provide Quality Education*

*General Objective 4: Improve opportunities for equitable and safe employment*

*General Objective 5: Revitalize communities and develop the social capital*

The following **Mission Statement** was then established: **The National Social Development Strategy leads the way to integrated development and an enhanced quality of life through better and more equitable provision of social services, and expansion of socio-economic opportunities.**

Based on the methodology of the NSDS, a set of specific objectives as part of each general objective was identified. A prioritization exercise was then conducted to agree on the priority interventions to be selected from the specific objectives. A list of priority interventions, which represent the views of all the partners of the social policy sphere led by the Lebanese Government, were accordingly approved as the priority interventions of the NSDS and should be further translated into detailed action plans over a period of five years. The priority interventions of the NSDS are the following:

## Achieve Better Health

### **WORK TOWARD ENSURING COVERAGE TO ALL**

Expand coverage to vulnerable individuals including children, private-sector retirees, the disabled, victims of domestic abuse, and informal wage earners and control the exclusion of patients and diseases by private insurance companies.

### **STRENGTHEN THE REGULATORY ROLE OF THE MOH**

Enable the MoPH to regulate the behavior of the various healthcare providers including hospitals, physicians, drug companies and pharmacists and strengthen collaboration within the public health network (hospitals and PHCs).

## Strengthen Social Protection

### **DEVELOP A PENSION SCHEME**

Establish an old age insurance program that guarantees pensioners an adequate and well deserved retirement income.

### **ADDRESS ISSUES RELATED TO INSTITUTIONALIZED CHILDREN**

Provide assistance to allow families to support their children within their homes and establish measures that leave institutionalization as the absolute last resort.

### **STRENGTHEN THE GOVERNANCE AND THE INSTITUTIONAL CAPACITY OF THE NSSF**

Bolster the financial and technical capacity of the NSSF to ensure its sustainability and guarantee the provision of high quality customer-friendly services to its members.

## Provide Quality Education

### **WORK TOWARDS ACHIEVING FREE COMPULSORY BASIC EDUCATION FOR AGES 6-15**

Create intra-governmental coordination mechanisms that secure the educational and social conditions necessary for the extension of free education to all through the intermediate level.

### **ENHANCE INTERCONNECTION BETWEEN LABOR MARKET AND UNIVERSITY EDUCATION**

Institutionalize coordination between the Lebanese University and the labor market review the specialties offered and their yearly capacity in view of the changing labor demands and provide career guidance and employment skills.

## Improve Opportunities for Equitable and Safe Employment

### **ENCOURAGE AND ENFORCE FORMALIZATION OF ENTERPRISES AND WORKERS**

Institute intra-governmental coordination mechanisms and provide establishments with low cost and simple procedures to encourage them to register their businesses and gradually enforce the protection of all employees through requiring a labor contract even for temporary and seasonal work.

### **STRENGTHEN LABOR MARKET INSTITUTIONS**

Review the labor law toward increased alignment with ratified labor conventions, establish a Labor Management Information System and ensure its availability and accessibility to public use and empower the National Labor Office to play its full role as the steward of labor market information.

## Revitalize Communities and Develop the Social Capital

### **REINFORCE A LEBANESE IDENTITY SHARED BY ALL CITIZENS**

Ensure that all citizens feel equally empowered and protected by the state regarding both their duties and their civil rights, thereby reinforcing citizenship versus. confessionalism.

### **PROMOTE HOME OWNERSHIP BY MIDDLE AND LOWER-INCOME HOUSEHOLDS**

Institute a national housing policy that aims at increasing opportunities for middle and low-income households to own homes thereby securing an essential asset and increasing the saving rate essential to economic growth and prosperity.



# 1. Introduction

The National Social Development Strategy of Lebanon (NSDS) is formulated in fulfillment of a commitment made by the Government of Lebanon (GoL) within the framework of the Social Action Plan<sup>1</sup> which was submitted to the Paris III Donors' Conference. The Social Action Plan acknowledged the need for a comprehensive and long-term framework for promoting social development in Lebanon. The NSDS is also based on the principles delineated in the Social Pact<sup>2</sup> which was developed in 2010 by the Ministry of Social Affairs (MoSA) and which provides a common vision between the Lebanese citizens and their government in the aim of establishing a citizenship-based Civil State.

An Inter-Ministerial Committee (IMC) for social issues was established in January 2007, as per the recommendations of the Social Action Plan, and was entrusted several tasks related to enhancing the performance of the social sector and for coordinating the formulation of a National Social Development Strategy. The IMC is headed by the Prime Minister; its members include the following line ministries: Social Affairs, Education and Higher Education, Public Health, Labor, Interior and Municipalities, Finance, Economy and Trade; in addition to the Council for Development and Reconstruction (CDR). A technical team composed of representatives of the IMC members was formed and mandated the provision of technical support to the IMC. The Ministry of Social Affairs acted as a technical and administrative secretariat to the IMC.

Although there were previous attempts to formulate social strategies in Lebanon, this is the first comprehensive NSDS formulated with the support of all concerned ministries.

A participatory approach involving stakeholders from governmental, non-governmental and private sectors in Lebanon has been adopted for the formulation of the NSDS. The NSDS takes stock of all the previous efforts conducted in Lebanon in the field of social development including national and sectoral strategies, policy papers, governmental plans and academic studies. Moreover, a wide range of stakeholders and experts in the various fields of social development were consulted for the identification of key constraints and appropriate solutions to be considered during the development of the NSDS.

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<sup>1</sup> Government of Lebanon, 2007. *Social Action Plan: Toward Strengthening Social Safety Nets and Access to Basic Social Services*. Beirut.

<sup>2</sup> MoSA, September 2010. *The Social Pact of Lebanon*. The Social Pact is one of the objectives of the Ministerial Declaration of the Hariri Government of December 2009.





## 2. Methodology of the National Social Development Strategy

### 2.1. Rationale of the NSDS

Social policy is developed and implemented within a social, political and economic context that is specific to a particular country. Therefore, such issues as the type of the economy, the political and social contexts, the level of development of state structures, the financial capacity of the state, etc. need to be taken into account before drawing lessons from other experiences. Despite a few similarities between the different theoretical approaches to social policy, the definition of a social policy as provided by the UNRISD<sup>3</sup> was considered to be the most appropriate to the Lebanese context.

According to UNRISD, social policy is “the edification of a state-society nexus that is **developmental** (facilitates and promotes economic growth and structural transformation), **democratic** (derives its legitimacy through popular participation and electoral process) and **socially inclusive** (pursues social policies that provide equitable entitlements for all citizens to ensure that their capacities and functioning are adequate for a decent inclusion in societal affairs)”. This definition captures the political, economic and social dimensions which the NSDS aims to encompass.

Accordingly, the Strategy, as a reflection of the major social policy choices outlined by this definition, strives to include the following two dimensions:

- (i) Integration in the national economic policy. The strategy aims to be ‘developmental’ and firmly integrated in the economic policies. A social policy needs to be conceived as working in tandem with economic policies to ensure equitable and socially sustainable development.
- (ii) Social inclusion. The strategy aims at fostering social inclusion through promoting equity, ensuring a decent standard of living and providing equitable access to the most important assets in society.

### 2.2. Phases of the preparation of the NSDS

The formulation of the NSDS consisted of three major phases: 1) laying the foundations, 2) consultations and consensus building, and 3) elaboration of the final strategy. Accordingly, the structure of the NSDS has progressively evolved through a dynamic process.

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<sup>3</sup> Refer to Annex 1. Theoretical Underpinnings for a NSDS

### **2.2.1. Laying the Foundations**

Different types of documents were compiled as part of the initial literature review (refer to the list of documents in the Bibliography). These included national strategies, studies and reports covering various social topics, international strategies developed by countries like Malaysia, UAE, Oman, Ireland, South Korea, and academic papers outlining the latest developments in social policy-making.

Based on a review of the major social policy documents, a theoretical framework was developed leading to a mission statement for the NSDS. Once the main foundations of the strategy were agreed upon, a basic skeleton of its structure consisting of five general objectives and two transversal pillars was developed. A brief situational analysis outlining the major challenges which should be addressed at the level of each general objective was prepared. It should be noted that the desk review revealed a general conformity among the various sources regarding the major issues to be addressed within each general objective.

A set of specific objectives addressing the major issues outlined in the situational analysis was developed under each general objective. The relevance of the specific objectives in addressing the bases of each general objective was validated during the interviews and the consultation meetings with concerned stakeholders, which were conducted in the second phase of the preparation.

### **2.2.2. Consultations and Consensus-Building**

This phase consisted of interviews with stakeholders from various areas of expertise, focus groups with education experts, social center directors, and NGOs as well as a wide national consultation meeting with representatives from government, nongovernment and international bodies. These stakeholders were consulted as to: 1) their opinions regarding the ability of the proposed objective to cover the major issues within each pillar; 2) the formulation of these objectives; and 3) their views as to the priority interventions within each pillar.

### **2.2.3. Elaboration of the NSDS**

Once the specific objectives under each general objective were finalized and validated in the consensus-building phase, a process of selecting a number of priority interventions among the set of specific objectives was initiated. It was also agreed to adopt a timeframe of five years for the NSDS; it was therefore crucial to select a set of priority interventions which can be implemented within a duration of five years.

A prioritization process of the specific objectives based on two aspects: (i) Impact, and (ii) Feasibility, was tested but did not lead to consistent results. Accordingly, a synergy tool was designed in order to measure synergy among the specific objectives identified at the level of each pillar of the strategy. The synergy tool takes into account the relationship between the specific objectives regardless of the general objective

to which they correspond, and allows a comprehensive and integrated approach. However, the synergy tool should not be the only basis for selection of priorities as it fails to take into account several important criteria such as: size (number of individuals impacted), depth (magnitude of impact for an individual), financial feasibility (budget required for implementing interventions), the political consensus behind it and the progress already achieved toward its implementation.

Accordingly, the synergy tool was reviewed based on the reviewed literature, the opinions given by the interviewed stakeholders and the identification of certain interventions as priorities by the current government as reflected in its official program. Another aspect which was taken into account was the adoption of specific interventions from every general objective of the strategy in order to adopt a comprehensiveness of the approach.

### 2.3. General structure of the NSDS

Based on the adopted rationale and the different phases adopted for the elaboration of the NSDS, the following mission statement (Box 1) was developed for the NSDS.

**Box 1: Mission Statement**

**The National Social Development Strategy leads the way to integrated development and an enhanced quality of life through better and more equitable provision of social services, and expansion of socio-economic opportunities.**

The strategy adopts two pillars that are transversally used throughout the different interventions: (1) the **Universal Approach**, referring to initiatives that encompass the society at large and aim toward a broad national social development and (2) the **Targeted Approach**, referring to initiatives that are tailored and limited to specific groups for the purpose of ‘including’ those groups into the Lebanese society.

The **universal approach** is developmental and centers on:

- Creating an enabling environment for people-centered development
- Empowering all people for self-reliance
- Promoting broad-based and equitable growth

The **targeted approach** focuses on social inclusion through improving the access of selected groups to basic social rights:

- Improving access to basic infrastructure and quality social services
- Ensuring equitable access to productive assets and employment opportunities
- Expanding social protection mechanisms

Although the strategy adopts a mixture of the two approaches, universalism should be thought of as the guiding principle acting as an instrument for enhancing the effectiveness of universal social programs.

In addition to the two transversal pillars, the structure of the strategy is organized around five general objectives which represent inter-sectoral areas and form a comprehensive and synergistic approach toward the development and empowerment of the Lebanese society. These general objectives can be clustered under the acronym **ASPIR** as follows:

General Objective 1: Achieve Better Health

General Objective 2: Strengthen Social Protection Mechanisms

General Objective 3: Provide Quality Education

General Objective 4: Improve opportunities for equitable and safe employment

General Objective 5: Revitalize communities and develop the social capital

Figure 1 below provides a schematic overview of the structure of the NSDS. The NSDS is structured around the general objectives and related priority interventions indicated in Table 1.

*Figure 1: Structure of the National Social Development Strategy*

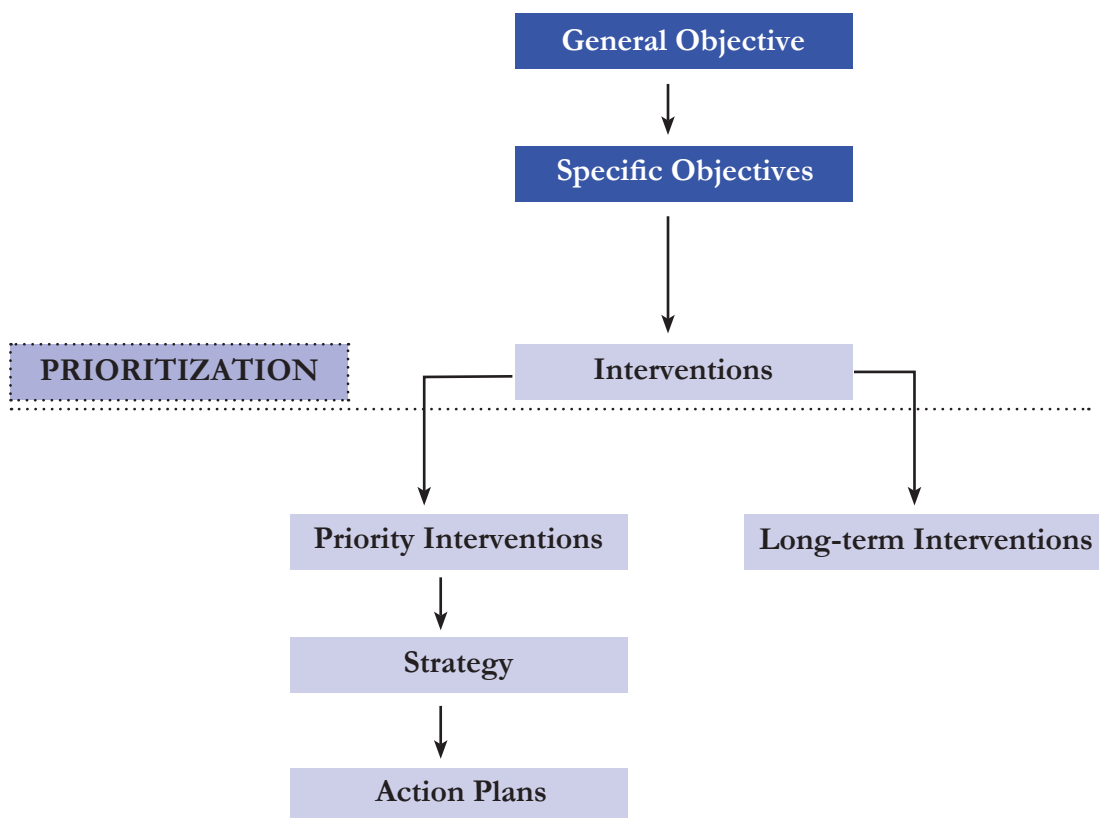


Table 1: NSDS objectives and priority interventions

NSDS General Objectives	Priority interventions selected among specific objectives
Achieve Better Health	<ul style="list-style-type: none"> <li>– Work toward ensuring coverage to all</li> <li>– Strengthen the regulatory role of MoPH</li> </ul>
Strengthen Social Protection	<ul style="list-style-type: none"> <li>– Develop a pension scheme</li> <li>– Address issues related to institutionalized children</li> <li>– Strengthen the governance and the institutional capacity of NSSF</li> </ul>
Provide Quality Education	<ul style="list-style-type: none"> <li>– Work toward achieving free compulsory basic education for ages 6-15</li> <li>– Institutionalize coordination between the Lebanese University and the labor market</li> </ul>
Improve Opportunities for Equitable and Safe Employment	<ul style="list-style-type: none"> <li>– Encourage and enforce formalization of enterprises and workers</li> <li>– Strengthen labor market institutions</li> </ul>
Revitalize Communities and Encourage Development of Social Capital	<ul style="list-style-type: none"> <li>– Reinforce a Lebanese identity shared by all citizens</li> <li>– Promote home ownership by middle and lower-income households</li> </ul>



## 3. Historical Background

The history of social policy in Lebanon is characterized by four periods starting with the mandate of President Fouad Chehab in the 1950's. Since then, social policy has taken many forms but has never taken center stage in government priorities nor has it been articulated into a well-defined and time-bound social vision and strategy. Furthermore, whenever it has been addressed, the institutions overseeing social policy have been fragmented and narrowly focused on vulnerable groups rather than on a basic 'social edifice.' This strategy represents the first attempt by the Lebanese Government to develop a comprehensive National Social Development Strategy that views social issues, not as a secondary parameter, but as a comprehensive national issue which affects the Lebanese population at large.

### 3.1. High poverty rates ensuing the first notions of a social policy

Prior to the 1950s, social development policies were lacking in Lebanon. At the time, the country was to a large extent rural with most of its citizens living in rural areas. Following this period however, the Lebanese economy gradually evolved into a service-oriented economy in response to the need of an intermediary role within the context of drastic regional geopolitical changes: the advent of the oil era, the occupation of Palestine, the separation of Lebanese and Syrian customs authorities, the rise of political interferences in many Arab countries, etc. This transformation which spurred a period of economic prosperity also carried with it high economic and social costs with intensified regional disparities and increased migration from rural areas.<sup>4</sup>

With the coming of President Fouad Chehab into power in 1958, the first outlines of a Lebanese social policy began to take shape in conjunction with and based on the recommendations of the IRFED mission<sup>5</sup>. The outcomes of IRFED had revealed vast disparities in income distribution and standards of living where the poor formed around 50% of the population and the richest 4% held a share of 32% of the national income<sup>6</sup>. The poverty mapping that was conducted indicated the existence of poverty

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<sup>4</sup> Information International & ESFD & CDR, 2005. Lebanon's Strategy for Social Development. Beirut.

<sup>5</sup> Mission IRFED-Liban, 1961-1962. Besoins et possibilités de développement: étude préliminaire. Beirut. The IRFED mission led by Father Louis-Joseph Lebreton was the first study to focus on social and developmental issues in the country. The mission conducted surveys in major cities and villages assessing their socioeconomic situations. The end result was the formulation in 1961 of a five-year master plan which included recommendations concerning economic growth and social reform and development.

<sup>6</sup> Ministry of Social Affairs and UNDP. Living Conditions in Lebanon prior to 1975. Mapping of Living Conditions in Lebanon, [Online] Available at: [UNDP www.undp.org.lb/programme/pro-poor/poverty/povertyinlebanon/molc/setting/A/1975.htm](http://www.undp.org.lb/programme/pro-poor/poverty/povertyinlebanon/molc/setting/A/1975.htm) [Accessed 14 May 2009]

pockets in North Lebanon, the Bekaa region and some parts of the South. Urban poverty resulting from rural migration was observed in Beirut and Tripoli.<sup>7</sup>

As a result of the IRFED findings, significant efforts were put into developing social services. The public education system was strengthened in terms of both quality and quantity and the Lebanese University was established. A number of public hospitals were set up and the National Social Security System (NSSS) was established. Basic infrastructure was also addressed through the reinforcement of public transport systems, linking most regions to the electricity and to some extent the water grid, and expanding the road network.<sup>8</sup>

On the institutional level, one of the most prominent reforms with regards to the social development was the establishment of an Office for Social Development (OSD) in 1959. Despite the fact that this Office was established on a narrow understanding of social welfare, it faced opposition from the civil groups and NGOs, most of which were affiliated to religious groups. Many considered the office as a threat to their field of work. Therefore, one of the major missions of the Office was to promote the notion of cooperation, collaboration and partnership with the civil organizations<sup>9</sup>.

It is to be noted that reforms in the social sector at the time did not come only as a consequence of the IRFED mission, a growing trade union and civil society movement which trickled to student bodies and farmers took part in promoting a more socially oriented reform rather than a sectarian one. Unions played a major role in bringing about social change and reforms including amendments to the labor law, the creation of the NSSF and the strengthening of general and higher public education.

### 3.2. Economic collapse and state failure – fragmented social services

With the beginning of the 1975 war, many of the social services provided by the government came to a halt. The High Relief Committee (HRC) was established in 1976 and was the official entity receiving donations from other countries and international organizations on behalf of the Lebanese government. The HRC was responsible for providing emergency relief services to the population. The ODS was thus transformed into the operational arm of the HRC in order to support it in the provision of relief services<sup>10</sup>.

Moreover, the Council of the South had been established in 1970 to assist in the reconstruction of the villages in the South that were affected by the continuous Israeli

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<sup>7</sup> Mission IRFED-Liban, 1961-1962. Besoins et possibilités de développement: étude préliminaire. Beirut.

<sup>8</sup> Hamdan, K., 2008. حول أزمة "المواطنة الاجتماعية" ونظام الطوائف في لبنان. Background paper presented at a round table discussion on the National Human Development report: Toward a citizen state. Beirut.

<sup>9</sup> *Ibid.*

<sup>10</sup> *Ibid.*



attacks<sup>11</sup>. This was followed by the creation in 1977 of the Council for Development and Reconstruction (CDR) and the Central Fund for the Displaced in 1993. This multiplicity of institutions involved in the planning and the delivery of social services increased the need for a comprehensive social policy across the Lebanese territory.

The economic repercussions of the war included a slow to negative economic growth, currency devaluation alongside hyperinflation, internal forced migration and high unemployment rates; all of which weakened the government's ability to provide the necessary public services beyond its relief mission. As a result, civil society organizations, the private sector and militias magnified their active role in providing part of the social services which the government had ceased to provide.

### 3.3. Focus on reconstruction as a gateway to social development

With the end of the civil war and the signing of the Taef agreement, public spending was mostly oriented toward rebuilding physical infrastructure, and strengthening security forces and the judicial sector. In 1993, the Social Development Office was replaced by the Ministry of Social Affairs (MoSA) as the governmental agency dedicated to designing and implementing projects and programs related to social issues. A number of social reform plans were established such as adjusting the minimum wage, rehabilitating public schools and hospitals, etc.; however, only minor social interventions were possible to achieve. The main assumption for development policy was that economic growth would ultimately resolve social issues through a trickle-down effect, whereby wealth would be redistributed throughout society more equally and disparities between the rich and the poor would progressively decrease, thus improving living conditions for all.

In order to curb hyperinflation, the government initiated a set of stabilization policies, starting 1993, which gradually led to a decrease in inflation, restored confidence in the economy and encouraged private capital flows. In addition, this period witnessed the emergence of several reconstruction plans with the purpose of repositioning Lebanon as a trade and services hub in the Arab region, including the National Emergency and Reconstruction program (NEPR) in 1993<sup>12</sup> and the 1995-2007 Horizon 2000 Plan.

These stabilization efforts, coupled with high public expenditure financed through debt, set the floor for the emergence and aggravation of deficits and debt problems. The share of social spending out of total reconstruction spending remained relatively limited based on an implicit anticipation that economic growth would likely have the

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<sup>11</sup> ESFD, 2008. The ESFD Mid-Term Development Plan, Beirut: ESFD.

<sup>12</sup> Ministry of Finance, 2002. *Lebanon: Paris II Meeting – Beyond Reconstruction and Recovery. Toward Sustainable Growth. A request for international support*. Beirut.

same effects as some medium-term social interventions<sup>13</sup>. Yet following 1997, and up to 2006, growth rates decreased to nearly half of what they were in the 1993-1997 period and were accompanied by an exacerbation of the public debt problem<sup>14</sup>.

### 3.4. Focus on debt reduction with social policy as a residual category

A strategy for debt reduction was presented at the first Paris meeting in 2001 followed by the Paris II meeting in 2004. In these meetings, which did not include any discussions directly related to social concerns<sup>15</sup>, one of the main approaches that were proposed to reduce debt was the privatization of profitable sectors. It was recognized however that privatization inevitably has negative consequences for middle and lower income households; hence the need for the creation of social safety nets to mitigate these negative effects<sup>16</sup>.

Meanwhile, debt continued to grow reaching nearly 160% of GDP<sup>17</sup> at the end of 2008 and the increasing debt service burden reduced the government's margin of discretion in terms of budgetary funds available for social development programs. The unstable economic situation in the country was also reflected in the deterioration of the socio-economic conditions for a large part of the population, especially those living outside the central areas in Beirut and Mount Lebanon.

The Paris III conference was convened in January 2007, following the July war of 2006 which further reduced the Lebanese government's ability to provide social services due to the urgent needs of relief and reconstruction it faced. The international support from the Paris III meetings of around USD 7.6 billion, scheduled over a five-year period, was linked with certain reform obligations to be met by the Lebanese Government. These obligations were related to the implementation of a set of macro-economic, fiscal, social, and institutional reforms aimed at enhancing the investment climate, controlling public expenditures, developing social safety nets, providing direct assistance to poor and vulnerable groups through creating efficient targeting mechanisms, elaborating a comprehensive social strategy, and increasing the overall efficiency of public interventions. Thus, the government implicitly acknowledged the need for a clear cross-sectoral social strategy for Lebanon to promote the living conditions of the Lebanese population as a whole and lift the poor and vulnerable groups out of poverty.

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<sup>13</sup> Hamdan, K., 1997. *Le Conflit Libanais: Communautés Religieuses, Classes Sociales, et Identités Nationales*.

<sup>14</sup> Presidency of the Council of Ministers - Economic Accounts Mission. *Economic Accounts of Lebanon*. Beirut.

<sup>15</sup> It is to be noted in this context that the government adopted Millennium Development Goals in the year 2000 and acknowledged the need for a sustainable development policy.

<sup>16</sup> The World Bank, 2007. *Reform Implementation Development Policy Loan*.

<sup>17</sup> Ministry of Finance, 2009. *Debts and Debt Markets*, QIII 2009, Beirut: Ministry of Finance.

### 3.5. The Social Pact

In 2010, the Ministry of Social Affairs carried out a national consulting process aiming at the development of a Social Pact based on a common vision which aims to establish a citizenship-based Civil State. This process involved representatives of IMC members, political parties, nongovernmental organizations, private sector, local administrations, social and economic experts and the Social Development Centers (SDCs) of MoSA. As stated in the Pact, this State commits to the principles of equality in rights and obligations and to the improvement of the socio-economic situation, to ensure the rights of its citizen, through a comprehensive social approach, endorsed by all the Lebanese, to confirm social security on the basis of justice and equal opportunities. The Pact relies on the principles of the Lebanese Constitution and commits to the Universal Declaration of Human Rights as well as to various regional and international conventions with Lebanon being represented as a founding and active member in the League of Arab states and the United Nations Organizations. The Pact also bases on several prevalent factors in the Lebanese situation, which emphasize the need for prioritizing social policies with a more comprehensive approach. The absence of practical measures leading to structural transformations in issues of public nature; the presence of a large social and economic disparity between Lebanese citizens; the need for a socially and economically sound approach toward sustainable development and good management of natural resources; the need to make use of bilateral and multilateral international agreements, treaties and protocols, especially those aiming at improving the socio-economic environment; and the restriction of women's participation to unorganized and traditional fields, have all formed a ground for the development of this Pact.

The Social Pact invites all Lebanese – including the Lebanese government and its public administrations, the local administrations, citizens and family, NGOs, labor unions, private sector, mass media, Lebanese men and women in foreign countries – to commit to working together to crystallize and implement the foundations of a social pact, which brings them together despite their diversity, and strengthens their agreement on humanitarian and national principles and on key social policies to support and accelerate socio-economic development based on partnership in responsibilities and duties. Lebanese pledge to base their approach to social issues on total respect of human rights, ensuring equal rights for all social groups, and to achieve social justice. Special attention is given to the most vulnerable groups – poor, elderly, women, youth, children and persons with disabilities – when addressing any social strategy or work plan or any development activity that may arise in this regard.

The Social Pact stresses on seven pillars of socioeconomic rights:

1. Strengthening social development and improving social conditions as key principles in the formulation and implementation of socio economic and financial policies in the various sectors related to citizen life, including the quality, effectiveness and output of the service

2. Ensuring the right of every individual and family to quality health care services through hard work toward planning for health care services, achieving equality in health care access, activating the quality of public health care institutions, improving health indicators and reducing disparities between regions.
3. Building and expanding social safety nets to protect the most vulnerable groups through adopting the development principle not restricted to the various Lebanese regions but covering the development of every individual, including the support of the rights of persons with disabilities to benefit from these nets.
4. Adopting an educational national policy based on the abolition of discrimination barriers, promoting education for all, improving the quality of public education, providing integration opportunities and promoting citizenship, democracy and human rights culture.
5. Providing opportunities for decent, productive and safe work in accordance with the technical and educational skills of the individual and the community, away from discrimination based on confession or physical disability, such that job opportunity target for the most vulnerable groups as women, youth and labor with low skills.
6. Adopting social and economic policies in harmony with sustainable development and good management of natural resources, setting regulations for environment protection that commensurate with economic and environment policies as well as setting procedures and practical strategies for the preservation and the rational use of these resources while improving living conditions especially for the most vulnerable groups and low income individuals.
7. Applying instructive and integrated plans for land use in collaboration with the various administrations and adopting development strategies at the *kada* and municipalities levels in order to benefit from the added value of the various Lebanese regions.

The content of the Social Pact is translated through the adoption of the National Social Development Strategy of Lebanon and the development of executive procedures, including the various sectors, with a commitment to reviewing, following up and updating the implementation of this strategy every five years, while ensuring the effective participation of the citizen.

## 4. The National Development Context

### 4.1. The economic development context

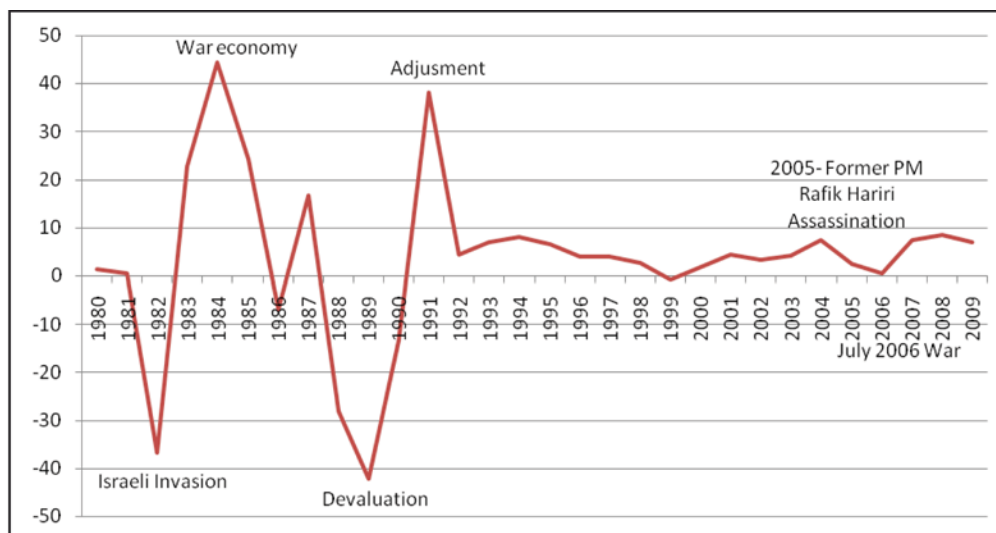
Social development is closely connected to political stability and economic growth. After the end of the 1975-1990 war, Lebanon has witnessed many internal and external political shocks including the contradictory ways of applying the Taef agreement, the recurrent Israeli attacks (1993, 1996, 2006) against south Lebanon, the assassination of former Prime Minister Hariri in 2005 as well as the other assassinations that followed, creating an implicit environment of civil strife in the country. In addition to this, the confessional and sectarian political system in Lebanon has also slowed down the social and economic development of the country. Furthermore, the sectarian division of the government has promoted and encouraged the proliferation of clientele's networks. The political instability – along with the main macroeconomic policies that prevailed after 1993 contributed to the failure in achieving the targeted growth rates in the last two decades, despite huge discrepancies between different periods.

#### 4.1.1. Growth rates

The overall average annual growth rate registered during the 1975-1990 post-war period has effectively been around half the rate that was expected by the different Reconstruction Programs during the first half of the nineties (Figure 2). While the target rate of these programs was around 8% (at constant prices) annually, the actual rate for the period of 1993-2008 has been limited to only around 4% to 4.5%<sup>18</sup>. This overall trend was accompanied with significant variations from one period to the other: around 6% between 1993 and 1996, 2.5% on average between 1997 and 2003, followed – after a pick in 2004 of 7.5% – by two years of almost no growth in 2005 and 2006 (0.8%), after which the growth rates picked up again with more than 8% on average between 2007 and 2009. It should be noted that the post-war average annual growth rate lies far below not only the target rate of the Reconstruction Programs, but also below the average 6% growth rate that prevailed during the pre-1975-1990 war period, especially the sixties and the first half of the seventies. Furthermore one may also argue that the gap between the pre and post-war average growth rates is, to a great extent, attributed to the huge losses in capital and in revenues as a consequence of the war, in addition to the structural economic changes that occurred in the Arab and Gulf countries, and which were coupled with a long term decreasing trend in external demand on Lebanese economy.

<sup>18</sup> For the period 1993-1996: *IMF World Economic Outlook*, October 2009; and for the period 1997-2008 and forecast 2009: Presidency of the Council of Ministers, *Economic Accounts*.

Figure 2: Real GDP Growth Rate (1980-2009)

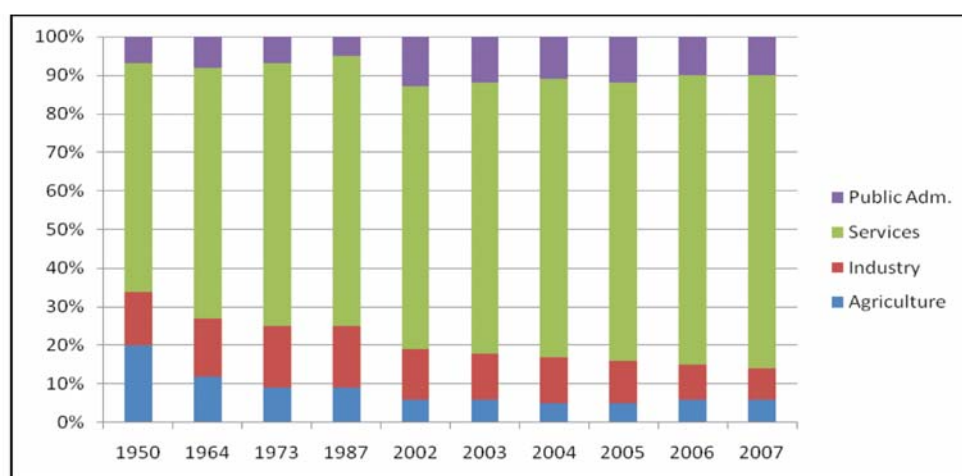


Source: IMF, *World Economic Outlook*. October 2009.

#### 4.1.2. The Productive sectors

“The flow of capitals over the past 20 years was not invested in the productive economy, but in the luxurious real estate sector and the banking and tourism sectors”<sup>19</sup>. Historically, the structure of the Lebanese economic output has registered a long term decreasing trend in the relative share of industry and agriculture, with an upward trend in services (Figure 3). This fact is not necessarily negative in itself, except when it comes to the specific internal content of each of these sectors and their economic performance, in terms of cost-effectiveness, total factor productivity, price/quality ratio, transparency, ethical conduct and openness to competition and international trade.

Figure 3: Structure of Output by Economic Activity (in % GDP) 1950-2007



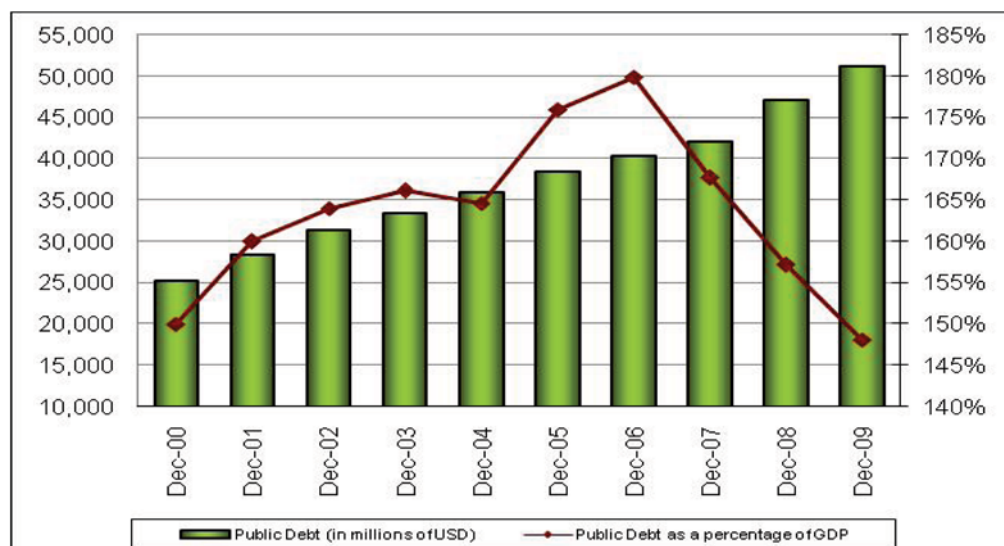
Source: Nasnas, R., (2007) “Emerging Lebanon: Toward an economic and social vision”, *Annahar*, Beirut.

<sup>19</sup> Ilcinka, A., 2010. “Georges Corm: Lebanon is not Monaco or Dubai. There are four million mouths to feed”. *iloubnan.info*.

### 4.1.3. Debt and monetary policy

The issue of public debt has been of particularly high concern since the mid-nineties. The prevailing political and economic conditions, coupled with the absence of growth-enhancing structural reforms that address the public sector administration and interventions, exacerbate the state of public debt and increase the threat of its un-sustainability. Furthermore, the financing needs of the government have increased sharply as a result of the Israeli aggression in 2006 at a time where it was already facing huge short term debt obligations. By December 2009 the Lebanese debt had surpassed USD 51000 billion, i.e. nearly 150% of the GDP<sup>20</sup>, one of the highest ratios in the world (Figure 4).

Figure 4: Public Debt as a Percentage of GDP



Source: Ministry of Finance, Debt and Debt Markets, QIII 2009; Budget proposal 2010

This high amount of debt remains especially costly for the Lebanese people for two reasons:

1. The interest rates paid by the Lebanese government on its debts remain relatively high even when one takes into account the country risk. Although these interest rates have recently witnessed a decline, this decline was inferior to that which affected global interest rates. Moreover, the significant increase in GDP growth rates (around 8% annually between 2007 and 2010) should have resulted in even lower interest rates; however, the interest rates remained high in order to cover the high debt service charges, thus taking up a significant portion of the budget. Debt service represented 12.9% of GDP in 2009, increasing from 12.2% in 2008<sup>21</sup>. In fact, around 37% of the cumulative

<sup>20</sup> Ministry of Finance, 2009. *Debts and Debt Markets*, QIII 2009, Beirut: Ministry of Finance.

<sup>21</sup> EFG-Hermes cited in the Daily Star, 2010, "Lebanon's 2010 fiscal deficit to worsen on higher spending". February 11, 2010. Access March 30, 2010.

spending of the government between 1993 and 2009 has gone to interest on the debt, and another 30% on public employee wages, while only 11% has gone into investment<sup>22</sup>. This necessarily limits the size of public investment in infrastructure and social services such as health and education.

2. Public debt tends to crowd out private borrowing for productive investment and to accelerate the flow of domestic and foreign capital into the high-profit government treasury bills rather than toward productive employment-generating activities. Although this phenomenon has recently softened – due to the sharp increase in bank deposits and the wariness of banks from investing in international markets, it nonetheless continues to aggravate the distortions in the structure of the GDP, and internal and external price structures.

#### 4.1.4. Fiscal policy

On the whole, in 2009, tax revenues represented a mere 17% of the Lebanese GDP most of which came from the Value-Added tax (VAT) representing 32% of total tax revenues<sup>23</sup>. This implies that there is a greater burden (relative to resource) on the middle class and the poor than on the rich – and there is an inverse relationship between the tax rate and the taxpayer's ability to pay as measured by assets, consumption or income.

#### 4.1.5. Labor productivity

The Lebanese economy suffers from low labor productivity (Figure 5). At constant prices of 1972-1974, the index of labor productivity in the 50s was 50 but decreased to 46 in 1997. What is more striking is that in the 10 following years, labor productivity only grew to 53<sup>24</sup>; i.e. half the productivity of the early 70s and only slightly higher than in 1997.

The weak labor productivity may be related to a number of factors such as the status of the public institutions, regional distribution of economic activities, fiscal and monetary policies and market structures. It is notable for instance that although the share of university degree holders among Lebanese employees has increased 6 fold since 1970, the labor productivity index is currently half what it was at the time as previously noted.

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<sup>22</sup> Gaspard T., 2007. Prosperity for Lebanon: an Action Plan, in Nassnas, R., 2007. *Emerging Lebanon: Toward an Economic and Social Vision*, Beirut: Annahar. These numbers were updated by Toufic Gaspard.

<sup>23</sup> Ministry of Finance (MOF), 2010 *Budget proposal*, Beirut: Directorate General of Finance (DGF).

<sup>24</sup> While the labor productivity up to 1997 was taken from Toufic Gaspard, CRI calculated the labor productivity for 2007 based on production levels provided by the National Accounts and the labor force based on "L'emigration des jeunes Libanais et leur Projets d'Avenir" by Choghig Kasparian .



Figure 5: Labor Productivity at Constant Prices of 72-74 (1950-2007)



Although unemployment has been relatively stable reaching 8.9% by 2007 the phenomenon is significantly more pronounced among the youth whose unemployment level is over 20%.<sup>25</sup> Moreover, “the only sectors where employment levels expanded between 1997 and 2007 were the services and transport and telecom sectors – 80% and 20% of net new jobs”<sup>26</sup>.

## 4.2. The social development context

### 4.2.1. Poverty rates and income distribution

Recent growth rates in the economy have not been accompanied by a decrease in poverty or an increase in wages or standard of living for many. In 2004-2005, 8% of the Lebanese population were living in extreme poverty (less than USD 2.4 per person per day), and 28.5% living under the upper poverty line (USD 4 per person per day)<sup>27</sup>. The deterioration in living conditions is not affecting only those living under the poverty line (and more specifically under the lower poverty line), but is also threatening large social groups that are located around the upper poverty line and who are highly sensitive to internal and external shocks.

As shown in Figure 6 below, the food component of the Consumer Price Index (CPI) is the major contributor to the increase in the CPI. This implies that the middle and low classes of the society are being affected the most by the increase in prices since the major portion of their expenditures is most often spent on food. It may also be

<sup>25</sup> The World Bank. “Good Jobs needed: The Role of Macro, Investment, Education, Labor and Social Protection Policies”.

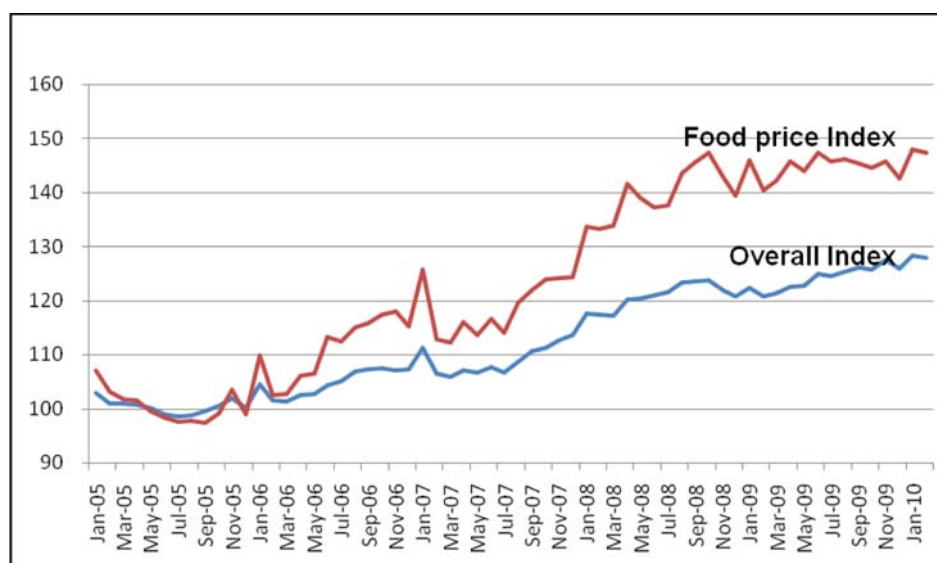
<sup>26</sup> *Ibid.*

<sup>27</sup> According to MoSA and UNDP’s “Poverty, Growth and Income Distribution in Lebanon” (2008) “The upper poverty line is defined as the value of the basket of goods and services actually consumed by households whose food and energy intake is equal to the minimum requirement of 2200 calories per person per day. At the official exchange rate this poverty line translates into about 4USD per capita per day”.

argued however that headcount poverty showed an increase after 2005 because of the differential path of growth of the food price index and the overall CPI. The poor are much more sensitive to food price increases than other groups due to the elasticity of food components.

While the Lebanese economy has recently been on a path of growth, social policies failed to a great extent in bridging the gap between economic growth and social development and in alleviating the different forms of poverty, vulnerability and social exclusion. Economic growth and monetary gains have not trickled down to the less fortunate. The liberal economic system found in Lebanon has created significant income distribution disparities within the country. Regional disparities in Lebanon are significant. Whereas poverty rates are insignificant in the capital, Beirut, they are very high in Akkar. In general the North governorate has been lagging behind the rest of the country and thus its poverty rate has become high.<sup>28</sup> “As such, in the absence of deliberate policies to shape the pattern of growth, there [is] no guarantee that growth would trickle down in amounts sufficient to begin to address poverty, let alone equity.”<sup>29</sup> Regional disparities however are not only reflected in skewed distribution of income and wealth but also in socio-economic issues and activities that continue to be concentrated in Beirut and its surrounding areas of Mount Lebanon.<sup>30</sup>

Figure 6: Variations in the Consumer Price Index and Food Price Index (2005-2010)



#### 4.2.2. Social Spending

The elaboration of a national social development strategy cannot be completed without a thorough analysis of the social spending that is taking place in the country including

<sup>28</sup> Ministry of Social Affairs and United Nations Development Programme, 2008. *Poverty, Growth and Income Distribution in Lebanon*, Beirut: MoSA and UNDP.

<sup>29</sup> Mkandawire, T., 2001. *Op.cit.*

<sup>30</sup> Gaspard, T., 2007. *Op.cit.*

its volume, definition and trend. However, the analysis of social expenditures shows different results of social spending according to the different sources, namely:

- The “Social Action Plan: Toward Strengthening Social Safety Nets and Access to Basic Social Services” (2007)
- The “Social Sector Expenditure Annex” (2004-2009) from the budget report proposal
- The tables of Functional Classification of Expenditures in budget proposal reports (under the heading of Community and Social Services).

Major discrepancies are found in the definitions adopted in the different government plans (Table 2) and accordingly in the results of these plans, which requires a unified definition for social spending for realistic, transparent and accountable results in the analysis of social spending. However, and regardless of the definition adopted, the common feature among different sources of social spending is its decreasing trend as a share of total expenditures and as a share of GDP, since 2005 until present.

*Table 2: Levels of social spending according to the different national sources.*

	2004	2009
<b>Social Action Plan</b>		
Total social expenditure including pension as a share of total expenditures (excluding debt service)	48%	30%
Total social expenditure excluding pension as a share of total expenditures (excluding debt service)	27%	17%
<b>Social Sector Expenditure Annex</b>		
Total social expenditure (including expenses of government as an employer) as a share of total expenditures (excluding debt service)	49%	38%
Total social expenditure (excluding expenses of government as an employer) as a share of total expenditures (excluding debt service)	26%	19%
<b>Budget Functional Classification</b>		
Community and Social Services as a share of total expenditures (excluding debt service)	39%	19%

### 4.3. The environmental management context and land-use planning

Environmental resources are crucial to the quality of life of all residents and a crucial factor that affects the sustainability of the country’s economy. In the last decade, Lebanon has witnessed certain improvements in the management and protection of the environment, ranging from the establishment of a Ministry of the Environment in 1993, the granting of protected status to ten forests and several river basins and mountains, the improvement of solid waste collection and disposal, and the establishment of standards for industrial stack emissions and wastewater discharge. Despite these improvements however, the situation remains alarming with serious

environmental threats jeopardizing the quality of life of Lebanese residents and endangering the already scarce natural resources.

Besides the lack of enforcement of national regulations and decisions, and the absence of any awareness or accountability of decision-makers regarding environment issues, improving the environmental context in Lebanon is closely linked to providing solutions to the socioeconomic context and eradicating poverty. Indeed, the deterioration of natural resources reflected among other symptoms in soil erosion and land degradation (e.g. quarries), shrinkage of green cover (e.g. wood cutting due to increase of fuel costs), flooding in many areas due to expansion of constructions on river banks, encroachment on the public lands all along the coastal area, marine pollution (inadequate and untreated wastewater discharge, overfishing and use of illegal methods for fishing), and so forth, can be alleviated if social considerations are taken into account .

Investments in infrastructure (Annex 2) do not account for a balanced development nor for environmental considerations and a green economy.

Several environmental challenges are facing the Lebanese environment at large and its fragile segments in specific, these include among others:

- Water quality and marine pollution
- Air pollution
- Land pollution

Despite the major challenges in the environmental agenda, advances at the institutional level can be noted in the last twenty years. Decree 343 of 1942<sup>31</sup> initially defined eight sites as protected natural sites and between 1992 and 1999, the Lebanese Parliament extended environmental protection to seven additional sites which were defined as natural reserves<sup>32</sup>. Moreover, an Environmental Protection Law (N<sup>o</sup>. 444) was endorsed in 2002. The Ministry of the Environment has established several policies and plans related to environmental issues as part of its responsibilities, these could be the basis for future policy making for environmental management in Lebanon.

#### **4.3.1. Lebanon National Physical Master Plan<sup>33</sup>**

The National Physical Master Plan (NPMP) was developed between 2002 and 2004 by the Council for Development and Reconstruction (CDR) in collaboration with the Directorate General of Urban Planning (DGUP), and approved by the Council of Ministers Decree no. 2366, dated 20 June 2009. It serves as a reference for the urban

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<sup>31</sup> *Ibid.*

<sup>32</sup> Two sites, Qadisha valley and the cedars of Besharre are listed as part of UNESCO's world heritage.

<sup>33</sup> Council for Development and Reconstruction (CDR), 2006. *National Physical Master Plan*. Beirut: CDR.

planning policy on one hand and for scheduling the national investment program on the other. NPMP defines the guiding principles for the development of the various regions and for the use of the diverse areas that constitute the national territory, proposing the infrastructure, the sites for activities and the actions best suited for implementation, specifying their purpose, magnitude and locations.

The NPMP classifies the Lebanese territory into four categories, according to their fundamental characteristics. It advocates the use of land according to: (1) Urban zones; (2) Rural zones; (3) Agricultural domains of national interest; (4) Natural areas of National interest. It highlights as well the potentials that characterize each territory, in particular (1) the coastline; (2) the landscape heritage; (3) selected remarkable natural sites; (4) historical and built-up heritage. The NPMP points out to the constraints that characterize certain specific locations pinpointing (1) the zones of extreme vulnerability of water resources; (2) the zones exposed to risks of flooding; (3) the zones exposed to risks of landslides; and, (4) the zones of major industrial risks.

The implementation of the NPMP is the responsibility of all ministries. For this purpose, the Decree 2366 has appointed a ministerial committee to ensure the execution of the Master plan.

#### 4.4. Gender mainstreaming<sup>34</sup>

Even though Lebanese women are seen by the world to enjoy a better status than other Arab women due to the country's pluralism, many issues hinder their progress in the Lebanese society. Gender is already respected in many policies and rules, however, there still a dire need for the government and the society to have a clear vision on how to improve the status of women in all aspects and make gender mainstreaming an essential pillar of social development. Gender mainstreaming positions women and men at the heart of policy-making, and leads to better governance which takes into account the diversity among genders and ensures equal opportunities for all.

Gender mainstreaming can also provide women with means and skills to become proactive, productive and effective, and to take part in the decision-making process in their family and society. In order to truly translate it into action, the first step would be to work on the elimination of discrimination against women on all levels, primarily through combating gender-based violence. It is also important to promote women's participation in public life and to implement comprehensive awareness raising programs to counter stereotypical attitudes and traditional norms about the roles and responsibilities of men and women in the family, the workplace and home. In addition, women should be empowered economically by being provided with, among others, a flexible and supportive labor market system.

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<sup>34</sup> Ministry of Social Affairs.

A Women's Affairs Division<sup>35</sup> at the Ministry of Social Affairs' Department of Family Affairs was established to formulate and institute programmes which respond to the needs of women and improve and strengthen their capacities. It is also responsible for proposing budgets earmarking the funds needed to implement such programmes in coordination with other line ministries. The Division also monitors the implementation and follow-up of the United Nations conventions relating to women to which the Lebanese State has acceded. Actual work must be undertaken by the Ministry of Social Affairs in order to optimize and rationalize the resources for implementing the gender mainstreaming in its programs and policies (as pilot) leading to generalize this process in all governmental institutions.

To achieve the above-mentioned goals, it is essential that the Lebanese Government:

- Put in place a strategy which would include time-bound targets for a systematic review and revision of all legislations;
- Strengthen the existing national machinery, namely the National Commission for Lebanese Women and the Office of Women's Affairs at the Ministry of Social Affairs, by providing them with the adequate authority and resources, both human and financial, to make them more effective in the fulfillment of their mandates based on an all encompassing gender equality perspective;
- Mainstream a gender perspective in all policies and programs in all sectors including through training and capacity building measures on gender issues.
- Hold consultations among the main actors in this domain, especially NGOs concerned by gender mainstreaming, mainly for the planning and the implementation of the gender mainstreaming process.

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<sup>35</sup> Ministry of Social Affairs, Decree n° 5734 dated 29/9/1994.

# 5. General and Specific Objectives of the National Social Development Strategy of Lebanon

## 5.1. General Objective 1: Achieve Better Health

### 5.1.1. Situation analysis

#### 5.1.1.1 Introduction

Health is a basic human right enshrined in various international conventions including the International Covenant on Economic, Social, and Cultural Rights whose articles include:

- the reduction of infant and child mortality;
- the improvement of environmental and industrial hygiene;
- the prevention, treatment, and control of epidemics and endemic occupational and other diseases; and
- the creation of conditions that guarantee all individuals medical attention in the event of sickness.

A broad analysis of the status of healthcare services in Lebanon reveals a country that pays too much for relatively too little. Health expenditures as a percentage of GDP amounted to 8.8 percent in 2007<sup>36</sup>, a relatively high share for Middle East and North Africa (MENA) region in which total health expenditures amount to 5% of GDP on average. Lebanon spent 1.8 billion USD on health in 2005, 44%<sup>37</sup> of which consisted of out-of-pocket private household payments (Figure 7). This has dire consequences for the budgets of the poorer households that spend 11.3% of their income on health, a very high proportion by international standards<sup>38</sup>. In addition, “a health financing system that relies so heavily on out-of-pocket payment has to face poverty and sustainability issues. Unfair financing is a threat to equitable accessibility and seriously jeopardizes the achievement of health goals.”<sup>39</sup> Therefore, the high share of out-of-pocket spending is one of the problems that need to be addressed by the strategy.

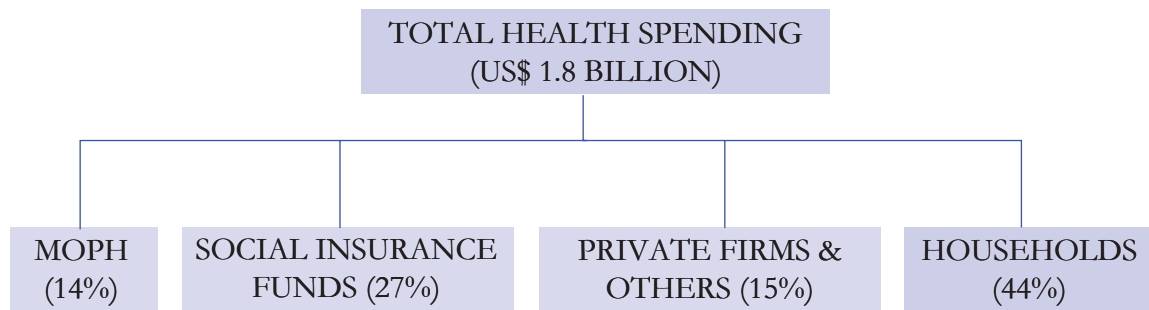
<sup>36</sup> WHO, 2010. *Global Health Observatory*. Geneva: WHO

<sup>37</sup> Ammar, W., 2009. *Health Beyond Politics*. Beirut: World Health Organization Eastern Mediterranean Regional Office.

<sup>38</sup> Central Administration for Statistics, 2010. *The Budget of Households in 2004-2005*, Beirut: CAS.

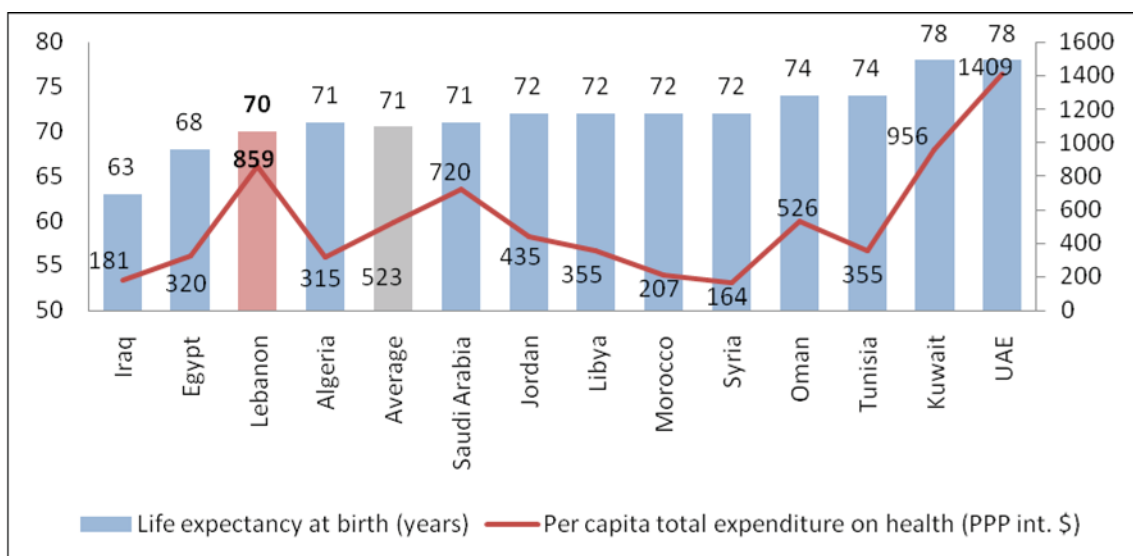
<sup>39</sup> Ammar, W., (2009), *Op.cit.*

Figure 7: Components of Health Expenditure in Lebanon (2005)<sup>40</sup>



A comparison of the public share of total health expenditure in 13 Arab countries shows that Lebanon has the fifth lowest share (44%) compared to an average of 59%. Only Jordan, Egypt and Morocco have lower shares of public financing while countries such as Algeria and Oman have shares exceeding 80%. Moreover, this high spending combined with a mostly private system and public policies that tend to regard healthcare in terms of services instead of rights are not reflected in better health indicators. A comparison of life expectancies in 13 Arab countries (Figure 8) shows that Lebanon, which has the third highest health care expenditure per capita (USD 859 at PPP), has the third lowest life expectancy (70). The only two countries with lower life expectancies are Egypt and Iraq which spend USD 320 and USD 181 per capita respectively.

Figure 8: Life Expectancy at Birth vs. per Capita Expenditure on Health in Selected Arab Countries



Source: WHO, (2010) *Global Health Observatory*.

<sup>40</sup> *Ibid.* These numbers concur with the latest figures published by the WHO – National Health Accounts Series.



Similarly, Lebanon has the fifth highest child mortality rate (29) in comparison to Oman for instance which has a rate of 12 and spends significantly less than Lebanon (USD 526 per capita). This inefficiency stems from a variety of reasons namely a dysfunctional demand and supply structure and a weak regulatory framework.

#### *5.1.1.2 Supply issues*

The current understanding of healthcare is focused on curative and thus costly services. A large proportion of people have no coverage for outpatient services like diagnostic tests or medications, except the basic services offered by primary health care centers managed by either the government or civil society organizations. Moreover, the employees who are covered by the NSSF (around 60% of total wage earners) and other work-related insurance schemes lose their health coverage at the time they need it most after having contributed to the system throughout their healthy years. These discrepancies in coverage are further exacerbated by problems of access to quality health services especially in rural areas, which results in large discrepancies in health indicators within the Lebanese population and regions.

Moreover, quality of health care remains an issue in Lebanon. Despite the progress represented by the newly developed accreditation system, this system currently extends only to hospitals and accountability for medical malpractice remains relatively weak.

Hospitals in Lebanon are generally small (averaging 54 beds in public and 84 in private) which hinders proper quality management and prevents benefiting from economies of scale. Occupancy is relatively low (around 60%).<sup>41</sup> The availability of high-tech services, equipment and hospital beds in relation to population size sometimes exceeds ratios in OECD countries. This oversupply (whose source is mainly the private sector) translates into a smaller market share per service and therefore to a higher cost per unit in addition to creating incentives toward supplier-induced demand.<sup>42</sup> Moreover, the Fee for Service system which most often forms the basis for the reimbursement of health providers creates incentives to produce more services than needed and opens space for abuse thus necessitating costly auditing services. These issues have built into a vicious circle of mistrust and waste whose principal victims are the patients.<sup>43</sup>

The highly oligopolistic nature of the drug market makes regulation politically difficult because of the lobbying pressure exercised by the biggest importers. Problems with drug companies include price rigging in import invoices, manipulation of the supply of drugs,

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<sup>41</sup> UNDP, 2009. *The National Human Development Report: toward a citizen's state*. Beirut: UNDP

<sup>42</sup> Ammar, W., 2009, *Op.cit.*

<sup>43</sup> The Consultation and Research Institute (CRI) and The World Bank, 2008. *Toward Financial Equilibrium in the Sickness and Maternity Branch of the National Social Security Fund: Short and Medium Term Suggestions for the Achievement of Financial Sustainability*. Beirut: The World Bank.

trafficking, and the government's inability to verify the quality of all drugs<sup>44</sup> in light of the absence of a central laboratory. It is therefore of utmost importance to restore the government's ability to guarantee the safety of every drug dispensed on the Lebanese territory and to reduce the cost of drugs to citizens, social insurers, and the state.

#### *5.1.1.3 Demand issues*

The cost of health is also severely increased as a result of artificially high hospitalization rates and awareness issues that skew demand in the direction of more expensive products and services. These problems include:

- a) Low demand for public primary health care services: The Ministry of Public Health (MoPH) has achieved significant progress in establishing and developing its primary health care network. This network now includes around 120 centers which provide medical care including pediatrics, cardiology, reproductive health, and oral health services<sup>45</sup>. However, despite recent increases, the utilization of these centers is considered relatively low. Around 80% of patients in Lebanon continue to rely mainly on private clinics for ambulatory care<sup>46</sup>.
- b) Dysfunctional NSSF incentives: the patient reimbursement system for those who are covered by NSSF imposes a higher co-insurance rate on outpatient services thus introducing a disincentive to seek outpatient care and the delays in reimbursing patients for their outpatient costs make it very difficult for low-income households to afford ambulatory care services which leads to delay of care and eventual hospitalization with more severe illnesses;
- c) Awareness and responsibility problems: Lebanese patients tend to go to specialists instead of family physicians as a first recourse, which inflates the cost of health. Only 20% of Lebanese households had a family physician to follow up their health concerns<sup>47</sup>. There is also a lack of awareness toward generic drugs with the Lebanese often suspecting these drugs of being ineffective and no incentive for their adoption imposed by the public or private health funds.

#### *5.1.1.4 Institutional and administrative issues*

Health insurance funds are fragmented, coverage is not uniform, and eligibility criteria are inconsistent<sup>48</sup>. Procedures, tariffs, contracts, and monitoring are not

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<sup>44</sup> Local drugs currently fall under the jurisdiction of the Ministry of Industry.

<sup>45</sup> Ammar, W., 2009.

<sup>46</sup> Kronfol, N. M., 2006. *Beyond Reconstruction: a National Strategy for Health System Development in Lebanon*. Beirut: MOH, WB and WHO

<sup>47</sup> *Ibid.*

<sup>48</sup> Ammar, W., 2009.

standardized which makes tracking of medical care quality and accountability very difficult to enforce.

The latest Health Strategy<sup>49</sup> proposes strengthening primary health care services; expanding the network of public hospitals; and undertaking health insurance reforms to increase the efficiency and transparency of public sector spending. While there is general consensus around these components and much progress has been made in recent years toward their implementation, the MoPH also needs the institutional capacity and the legal authority to exercise an effective regulatory role that redresses the major demand and supply dysfunctions discussed previously. Even when steps were taken toward strengthening the regulatory role of the MoPH, these steps often faced political and institutional obstacles. For instance, a GIS health map of the distribution of health facilities and equipment was created. However, the law proposal to link licensing of new facilities to open locations on the map has not yet been approved by the Council of Ministers.<sup>50</sup>

Moreover, the MoPH has a leadership role to play in the achievement of health-related Millennium Development Goals and in fulfilling the essential public health functions including monitoring and analyzing the health status (EPHF 1), surveillance and controls of the risks and threats to public health (EPHF 2), and health promotion (EPHF 3). Such programs aim to strengthen positive health-related behaviors (preventive health care, screening for diseases, reporting infections, etc.) and discourage risky health behaviors (smoking, drug and alcohol abuse, the use of medications without prescriptions, etc.). In this regard, the MoPH can play a critical policy-setting role that entails the formulation of a clear program with measurable objectives and the design of effective tools that include information campaigns, training courses, and other awareness raising tools. More importantly, efforts to increase demand for public health services need to be accompanied with efforts to make such services accessible and affordable.

Finally, it is worth noting that strengthening the policy-making and regulatory roles of the MoPH can only be achieved with adequate investment in the ministry's institutional capacity. In 2010, the budget of the Ministry of Public Health represented 4% of the total 2010 budget net of debt expenses<sup>51</sup>, a share that has been constantly declining since the year 2000 when it constituted a mere 5.8% of the total budget net of debt expenses<sup>52</sup>.

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<sup>49</sup> Kronfol, N. M., 2006.

<sup>50</sup> Ammar, W., 2009.

<sup>51</sup> Government of Lebanon, 2010. *Budget Proposal*. Beirut: GOL.

<sup>52</sup> Government of Lebanon, 2007. *Social Action Plan: Toward Strengthening Social Safety Nets and Access to Basic Social Services*. Beirut: GOL.

### Inter-ministerial coordination

The Ministry of Social Affairs (MoSA), the Ministry of Public Health (MoPH) and the Ministry of Interior and Municipalities (MoIM) signed a joined Memorandum of Understanding in 2010 in an attempt to reinforce coordination mechanism toward providing health care services at local level. In this respect, 4 pilot Social Development Centers affiliated to MoSA were selected in two geographic areas whereby local administrations provide the premises, MoPH provides the medical services and MoSA the social services. This came as a result of the overlapping medical services provided by Municipalities, SDCs (primary health care services, dispensaries) and MoPH structures. It is expected that this process will be applied nationwide when this initiative proves to be successful and efficient.

### 5.1.2. Specific Objectives and Priority Interventions

Based on an analysis of the major impediments standing in the way of better health care quality and coverage, a specific objective was formulated spanning the major axes of interventions in the health care field and using both the targeted and global approaches adopted throughout the strategy.

#### Achieve Better Health

- Assert the right to health of all individuals, families, and communities by actively working toward integrating healthcare service provision, establishing a universal healthcare insurance system, and increasing the coverage and quality of physical and mental healthcare services.
- Adopt a holistic vision of health through instituting a comprehensive health strategy that integrates preventive and curative services, and emphasize quality and cost control by strengthening the regulatory role of the MoPH and promoting a culture of awareness and responsibility.
- Target groups with a heightened level of need, including low-income households, individuals with difficult medical conditions, and residents of peripheral regions with tailored healthcare services emphasizing access and quality.

The road toward a better health status for the Lebanese population goes through the achievement of a number of interventions that were chosen based on their potential to address the major demand, supply, and institutional distortions according to the literature review. Those interventions are organized under four main categories of specific objectives which address the quality and coverage of in-patient and out-patient services, the characteristics of the Lebanese drug market, healthcare financing mechanisms, and the institutions in charge of health care governance.

## ACHIEVE BETTER HEALTH

### Healthcare Financing

#### **WORK TOWARD THE UNIFICATION OF HEALTH INSURANCE SCHEMES**

Accelerate the process of standardizing the patient care and financial information systems of the various health insurance funds, including eligibility policies, contribution rates, benefits, codes, forms, and payment methods.

#### **PROMOTE COST EFFECTIVENESS IN THE HEALTH SECTOR**

Create mechanisms that increase awareness of and decrease the cost of health care including the review of NSSF reimbursement mechanisms to encourage demand for preventive versus curative services and the promotion of centralized purchasing of drugs and supplies.

### Drugs

#### **REGULATE THE REGISTRATION & PRICING OF DRUGS**

Establish an independent authority in charge of the safety and registration of drugs and develop an adequate reference pricing system in order to regulate the quality of drugs on the Lebanese market and their pricing in a way that serves the best interest of the patient and promotes cost effectiveness.

#### **PROMOTE THE USE OF GENERIC DRUGS**

Increase awareness and provide incentives toward the production and use of generic drugs.

#### **ENFORCE ETHICAL GUIDELINES IN THE DRUG MARKET**

Establish and enforce rules that restrict the marketing of drugs and control prescription patterns to prevent abuse.

### Quality and Coverage

#### **REGULATE THE QUALITY OF IN-PATIENT HEALTH CARE SERVICES**

Create transparent mechanisms to establish and enforce a uniform and high standard of quality in in-patient services, including the enforcement of accreditation results and the establishment of clinical practice guidelines to monitor the performance of health providers.

#### **WORK TOWARD ENSURING COVERAGE TO ALL**

Expand coverage to vulnerable individuals including children, private-sector retirees, the disabled, victims of domestic abuse, informal workers and non-Lebanese residents; and control the exclusion of patients and diseases by private insurance companies.

#### **ENHANCE THE COVERAGE AND QUALITY OF AMBULATORY HEALTH CARE SERVICES**

Expand the services provided by primary healthcare centers, finance the coverage of excluded ambulatory services, and develop an accreditation program for ambulatory health care centers.

## Institutional Support

### **REINFORCE THE POLICY MAKING ROLE OF THE MoPH**

Enable the MoPH to fulfill the Essential Public Health Functions (EPHF) beginning with the establishment of a research unit, the strengthening of awareness programs against risky health behaviors, the promotion of school health initiatives, and the development of mental health programs.

### **STRENGTHEN THE REGULATORY ROLE OF THE MoPH**

Enable the MoPH to regulate the behavior of the various healthcare providers including hospitals, physicians, drug companies, and pharmacists and strengthen collaboration within the public health network (hospitals and PHCs).

## 5.2. General Objective 2: Strengthen Social Protection

### 5.2.1. Situation analysis

#### *5.2.1.1 Introduction*

Social protection mechanisms refer to institutional set ups that are designed to protect the livelihoods of individuals and families who find themselves in conditions of dependency including retirement, disability, unemployment and poverty. In Lebanon, social protection mechanisms blend into a hybrid system which emerged from the combination of a liberal economic system that did not establish adequate modern forms of social protection and ad-hoc interventions aiming at providing some form of extra-market protection. This hybrid institutional set up has resulted in an inefficient and ineffective system that leaves a significant part of the population largely unprotected. The failure to provide – either financially or institutionally- for social protection through life risks such as old age, disability, or unemployment, weakens the social contract between a country and its citizens, as embodied by the Social Pact. This kind of a situation leads to increased reliance on services provided by sectarian organizations thereby weakening even further the ties between citizens and the state and accordingly impose tremendous repercussions at the individual, community and national levels.

The current social protection system suffers from a variety of ailments including limited coverage and meager benefits. First of all, the services provided by formal social protection devices are limited to health insurance (covered under the health element), family allocations and end-of-service indemnities. Excluded from the social protection mechanisms are unemployment insurance, and insurance for disability and work accidents. Moreover, the compensations provided by these institutions are limited in their scope and size. This is especially the case for private sector employees who receive, after 40 years of service, a pension equal to just over three years of income while losing their health insurance. In addition, formal

social protection mechanisms cover public functionaries (including the army and security forces) and some formal wage earners, through different institutions that coexist without complementing each other. This fragmentation into several uncoordinated and ill-structured systems is a source of inefficiency and inequity. A sizeable vulnerable group consisting of informal workers including workers in agriculture, construction, domestic services, seasonal and occasional labor, the self-employed, in addition to the unemployed and retirees, suffer from the lack of livelihood protection. Knowing that informal wage earners are estimated at around 25% of the total labor force<sup>53</sup> and the self-employed 28%<sup>54</sup>; therefore, more than half of the Lebanese labor force and their dependents are left without pension or family allowances.

As to the guidelines that ought to be followed in setting such a social protection program, there is a general consensus in the social protection literature on few points that seem to adequately address the major flaws that were previously identified:

- Giving priority to the extension of coverage to excluded groups;
- Combining in a coordinated fashion diverse forms of protection (public, social insurance, and private, contributory and non-contributory);
- Adapting the contributory program to incorporate informal workers, and providing fiscal and other incentives for their affiliation (and avoiding disincentives for affiliation);
- Emphasizing the non-contributory scheme with fiscal subsidies, and efficiently targeting them at the poor and low-income population<sup>55</sup>;

#### *5.2.1.2 Poverty reduction*

Although Lebanon classifies as a middle income country, about one million Lebanese continue to live in conditions of poverty (28.5% of the population) and around 300,000 individuals live in extreme poverty and are unable to meet their most basic food and non-food needs (8% of the population)<sup>56</sup>. The North and Mount Lebanon governorates currently account for around 65% of the total poor in Lebanon (Figure 9) and the social distribution of poverty remains the same with a higher prevalence among agricultural workers and unskilled seasonal or temporary workers in services, industry, and construction, as well as among the elderly, the disabled, and female-headed households.<sup>57</sup>

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<sup>53</sup> CRI calculations based on data “*Living Conditions of Households, 2004.*”

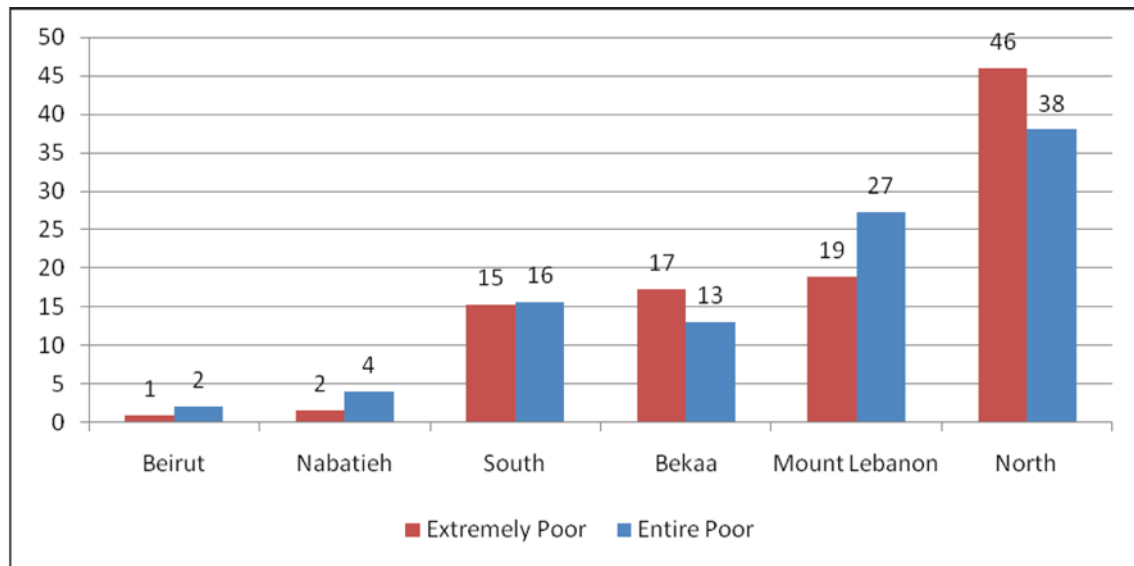
<sup>54</sup> Central Administration for Statistics, 2006. *Living Conditions of Households 2004*, Beirut: CAS.

<sup>55</sup> Mesa-Lago, C., 2008. *Social Insurance (Pensions and Health), Labour Markets and Coverage in Latin America*, Geneva: UNRISD.

<sup>56</sup> UNDP, 2008. *Poverty, Growth, and Income Distribution in Lebanon*. Beirut: UNDP.

<sup>57</sup> Ministry of Social Affairs and UNDP, 2007. *The Evolution of the Mapping of Living Conditions in Lebanon – Comparative Mapping between 1995 and 2004*. Beirut.

Figure 9: Distribution of the Extremely Poor and Total Poor Population by Governorate (Percent)



Source: Ministry of Social Affairs and UNDP (2008) *Poverty, Growth and Income Distribution in Lebanon*, Beirut.

As part of its commitments under the Paris III donor conference to reduce extreme poverty, the Lebanese government is developing a national targeting mechanism which will be used to deliver direct social transfers and services to qualifying poor and vulnerable households. This approach will improve the poverty focus of social safety net programs by ensuring that scarce resources benefit those who need it most. Complementing programs of targeted social assistance, comprehensive poverty reduction strategies also require social policies that ensure universal basic education, access to primary health care, security against old-age poverty, unemployment shocks, and health insurance. In addition, community-based provision or social and economic assets can be effective in reducing poverty if well designed and implemented.

#### The National Poverty Targeting Program (NPTP)

A National Poverty Targeting Program (NPTP) was initiated in 2009 with the objective to establish a targeting mechanism that can be used by the government to deliver social transfers and services to the poor and vulnerable, using the proxy means testing (PMT) targeting mechanism. Funded by the Lebanese Government, the World Bank, Italy and Canada, a central team at MoSA and the Presidency of the Council of Ministers was established for the implementation of the project. The Ministry of Social Affairs launched the pilot phase in 2009 in three targeted municipalities located in the Southern Suburbs of Beirut. The National Phase is expected to start in mid 2011. More than 80 Social Development Centers (SDCs) of MoSA will be engaged to carry out the assessments and visits to eligible households. A total number of 300,000 households are expected to apply for eligibility to the program. By the end of the implementation phase, a credible, accurate and reliable, fully automated and live data base on poor and vulnerable populations will be established, based on an objective assessment of the households' welfare and their ranking.



### 5.2.1.3 Retirement and pension plan systems

Although the right to a pension system for retirees has been confirmed in legislation, constitutions, and international agreements under the purview of the International Labor Organization, Lebanon still lacks a pension system law for private sector employees. Lebanon is almost unique in its multiplicity of retirement systems. In the public sector, there are two systems of retirement, one for the armed forces and one for the civil servants, and they are both funded on a pay-as-you-go basis. As for workers in the private sector, they participate in an end of service retirement system, which is financed on a ‘principal funding’ system. According to the available statistics,<sup>58</sup> the two official retirement systems directed by the Ministry of Finance cover approximately 6% of the labor force and are worth 2.7% annually of the GDP. Neither one of them has an independent reserve. This contrasts with the private sector end of service system, which has a cash reserve of around 15% of the GDP. This system, which is administered by the National Social Security Fund, covers roughly 20% of the total labor force. Its average annual expenditures account for less than 1% of the GDP. These three retirement plans cover less than 40% of the total labor force, even though the number of salaried workers in the country represents more than 60%<sup>59</sup> of the total workforce. Moreover, the institutional setup of current retirement plans is often characterized by a high level of waste, operational inefficiencies, high costs of operation, and lack of transparency. For instance, the end-of-service indemnities of the National Social Security Fund follow a complex and non-transparent design, imposing large and uncertain costs on employers, reducing the demand for labor, decreasing the mobility of the labor force and inducing evasion. Another example is the civil service and military pension schemes whose expenditures are among the highest (as a % of the last wage) in the region, making these systems financially unsustainable<sup>60</sup>.

It is therefore obvious that Lebanon urgently needs a pension system that provides adequate coverage to as large a share of its population as possible regarding the existing financial and institutional barriers. While the design of such a pension system needs to be responsive to these kinds of barriers and needs, it is nonetheless useful to consider that the objectives of all pension systems are centered on the following:

1. to provide security against destitution in old age,
2. to smooth the distribution of consumption spending over a life span, shifting part from the more productive years to the least,
3. to include an insurance aspect – to provide life’s requirements for those with exceptional longevity<sup>61</sup>,

<sup>58</sup> The World Bank. *Regaining Fiscal Sustainability in Lebanon*. Beirut: The World Bank.

<sup>59</sup> Ministry of Social Affairs, Central Administration for Statistics and UNDP. 2004. *Living Conditions of Households. The National Survey of Household Living Conditions*. Beirut.

<sup>60</sup> UNDP, 2009. *The National Human Development Report: Toward a Citizen’s State*. Beirut: UNDP.

<sup>61</sup> Barr, N., 2002. *The Pension Puzzle: Prerequisites and Policy Choices in Pension Design*. International Monetary Fund: Washington.

#### *5.2.1.4 Unemployment and disability coverage*

For better functioning, the pension systems need to be supplemented by other forms of social protection that cover risk factors like premature death, disability, or unemployment, in addition to medical coverage which becomes especially necessary after retirement (refer to the Health element).

The primary objective of unemployment insurance programs is to provide timely and adequate income support to unemployed workers. Such benefits are usually paid for limited periods and are designed to make up for part of the loss of earnings caused by unemployment. A 2004 study of the prevalence of unemployment compensation programs found that only seven countries in the MENA region currently have such programs and quite surprisingly, high-income countries are less likely to have unemployment insurance schemes than middle-income countries.<sup>62</sup>

Although the NSSF law of 1967 calls for work-related accident benefits, this part of the law was never implemented and to this day the only available benefit is the coverage – provided for by the Labor Law – of immediate treatment of such accidents by the employer. There is therefore a definite need for a contributory scheme that provides for partial compensation of earnings during treatment for work-related accidents and for early retirement (integrated with the pension scheme) in case of permanent and significant disability.

#### *5.2.1.5 Assistance to persons with disability (PWD)*

The Ministry of Social Affairs provides a wide range of support to persons with disability. For instance, since 1995, MoSA has issued 70,423 cards for Persons with Disability (PWD), which enable the disabled to enjoy the rights provided by prevailing rules and regulations. So far, around five million proximity services were delivered, ranging from mobile chairs, walking canes, medical shoes to other types of services. In addition, the disabled may benefit from learning and rehabilitation services provided by 72 specialized institutions contracted by MoSA nationwide. Other provided services include capacity building, issuing exemption statements to the disabled (more than 76,000 statements, to date, exempting the disabled from municipal taxes and vehicle custom fees), and the diagnosis of learning difficulties (more than 500 services since early 2009).

It should be noted that in 2010, MoSA, in partnership with the National Union for the Disabled, has submitted to the Ministry of Transport and Public Works a Decree aiming to apply the prerogatives of Article 34 of Law no. 220, dated 29/5/2000, related to the rights of persons with disability, and those of Article 13 – (A) of the Law 464 dated 11/12/2004 (Construction Law).

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<sup>62</sup> Vroman, W., 2004. *Technical Report 14: International Evidence on Unemployment Compensation Prevalence and Costs*. International Social Security Association.

Despite the issuance of the PWD card, many problems continue to restrict the access of PWD to the basic services they need. These problems relate to either coverage or management. Among coverage issues is the narrow definition of disability which entitles a person to this card. This definition includes only four of the seven types of disability identified by the WHO. Moreover, many services fall outside the scope of coverage including equipment required in many disability-related surgeries.

Several management problems are related to the weak coordination among the various entities involved in the administration of PWD services. For instance, when PWD become NSSF subscribers, they no longer qualify for many services they used to obtain through MoPH coverage, which discourages PWD from formal employment. Moreover, many institutions do not recognize the PWD card and require prior approval for every service. Finally, many health centers are not properly equipped to deal with PWD thereby pointing to a need for awareness-raising and training on disability issues.

#### *5.2.1.6 Child protection*

##### *Children deprived of family care*

One of the most basic rights of any child is the ability to benefit from the care of their parents until they reach adulthood. In fact, the Convention on the Rights of the Child stresses on the rights of children to live within a healthy and nurturing family environment<sup>63</sup>. Residential care, or institutionalization, is to encompass orphaned children deprived of parental care or those at risk of abuse or neglect. In Lebanon, more than 90%<sup>64</sup> of children placed in residential care institutions are not orphans but come from poor families that cannot support them, especially when it comes to providing them with education. There are currently around 23,000<sup>65</sup> institutionalized children below the age of 18, a figure that represents around 2%<sup>66</sup> of all children in the same age group in Lebanon. Beyond the established fact that families are the natural setting for raising physically and mentally healthy children and the basic right for every child to be with his/her family, it has been revealed that it is also more economic for the government to support children inside their families. A comparative study conducted on the relative monthly cost of a child in an institution against that of a child at home revealed that it is more cost effective to raise a child at home<sup>67</sup>. Meanwhile, the Ministry of Social Affairs (MoSA) spends around 60% of its yearly budget on providing care to 23,000 children in welfare institutions, with a cost of around USD 1,000 per child per year (250 days). Therefore, every attempt should be made to provide families with the means to care for their children at home, and institutionalization should be left as an absolute last resort. Moreover, a system of standardization, monitoring and quality assurance should be put in place in order to guaranty an acceptable level of quality services as well as ensure the safety and the well-being of those children.

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<sup>63</sup> Ministry of Social Affairs and UNICEF, 2007. *Children Deprived of Family Care in Lebanon*. Beirut.

<sup>64</sup> *Ibid*

<sup>65</sup> *Ibid*

<sup>66</sup> *Ibid*

<sup>67</sup> *Ibid*

In addition, alternative care, such as foster family, adoption and *kafala* are to be promoted and monitored. The Higher Council for Childhood (HCC) is working on establishing an action plan on family environment and alternative care.

### *Child labor*

Lebanon has ratified the ILO convention 138 that fixes the minimum age for child labor at 15. In addition, Lebanese law amendments were introduced prohibiting the employment of children under 16 or 17 years of age in hazardous conditions (Article 23 of Lebanese Labor Law) and limiting their workday to six hours with at least one hour of rest, when working more than four hours per day. The law also prohibits night work and requires thirteen hours of rest between any two work intervals. Although no recent numbers are available (statistics from the year 2000 show that 1.8% of children between the age of 10 and 14 work and 11.3% between 15 and 18 years<sup>68</sup>), it is commonly understood that poverty is the main reason for dropping out of school and starting work. This situation is especially poignant for children working on streets. A draft national strategy for the prevention, protection, rehabilitation, and integration of street children was recently launched by the Higher Council for Childhood at the Ministry of Social Affairs. The recommendations of this strategy include the review and amendment of relevant laws and procedures; capacity building of the institutions concerned with the protection of these children (including the Ministries of Interior, Justice, Social Affairs, Labor, Health, Education, etc.); awareness raising regarding this issue; and the rehabilitation and integration of these children educationally, socially, and economically<sup>69</sup>.

It is commonly observed that institutional issues tend to outweigh legal obstacles. Lebanon's limited capacity to eradicate child labor and ensure the safety of working children is not only related to deficiencies in the civil and penal codes but also to the weak enforcement of laws that are currently in force. For instance, despite the fact that employers are required by law to register workers aged 15 to 18 at the NSSF, 90% of child workers are not covered by any type of insurance. Moreover, although the Labor Law charges the Ministry of Labor with the responsibility of monitoring the implementation of its provisions, the enforcement of provisions related to the work conditions of children, including working hours, hygiene and health conditions, and potential mistreatment- remains weak.

### *Child abuse and exploitation*

The Lebanese penal code calls for the protection of children from all forms of sexual abuse and exacerbates the sanctions on sexual crimes when committed against minors. Moreover, Law 422 classifies as endangered all children who are exposed 'to sexual abuse or physical violence that exceeds the limits that are culturally accepted as non harmful

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<sup>68</sup> Ministry of Social Affairs- the Higher Council for Childhood, 2004. *The State of Children in Lebanon, 2000. Situation of Children in Lebanon*, Beirut.: MoSA

<sup>69</sup> Ministry of Social Affairs – the Higher Council for Childhood, 2010. *Draft National Strategy for the Prevention, Protection, Rehabilitation and Integration of Street Children*. Beirut.

discipline.’ This language leaves a large margin for the discretion of judges as to what kind of discipline is ‘culturally accepted’. The Higher Council for Childhood along with specialized NGOs have been somewhat active in this field, providing a national strategy on prevention from violence and abuse, highlighting several objectives to be undertaken: prevention programs and services, rehabilitation programs, care and shelter, and legal assistance; in addition to advocating for legal and institutional reforms. However, child abuse is subject to significant underreporting to avoid scandal and because children lack the ability and legal defense. Moreover, the absence of any sexual education in the primary stages prevents children from gaining awareness for self-protection against behaviors or situations that endanger their safety<sup>70</sup>.

Beginning 2011, MoSA will launch the National Child Helpline, a service that will enable any child residing on the Lebanese territory to call for assistance against any case of abuse or violence. This initiative will be implemented in close collaboration with the Union for the Protection of Juveniles in Lebanon (UPEL). In parallel, there is currently a review of the regulations and legislations on protection of children and youth to ensure conformity with CRC and international related treaties. Nationwide studies about the forms of exploitation and violence against children must be carried out to better understand the patterns and magnitude of the problem.

#### *Juveniles in conflict with the law*

Law N<sup>o</sup>. 422 enacted by the Lebanese Parliament in June of 2002, and specifically addressed the issue of protection of juveniles in conflict with the law or at risk, was an important achievement because it granted children the right to present complaints to specialized authorities. However, doubt remains regarding the institutional capacity to implement the reform measures including, for instance, juvenile rehabilitation centers, implementation of educational alternative measures and specialized training for police and judges.

Moreover, there is a need for concerted efforts targeting youth who are vulnerable to risky behaviors such as drug and alcohol abuse, dropping out of school, and potentially engaging in criminal activities. Several such projects are currently underway through the initiative of civil society organizations and NGOs in collaboration with line ministries.

##### *5.2.1.7 Elderly protection*

For a long time now, the Lebanese government has not had the issue of its elderly people as part of its priorities. In spite of the presence of a National Permanent Committee for Elderly Affairs in Lebanon, chaired by the Minister of Social Affairs, its functions had until recently been rather limited due to the lack of proper funding. Furthermore, there are currently no laws specific to the protection of these elderly

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<sup>70</sup> Ministry of Social Affairs- The Higher Council for Childhood, 2004. *Situation of Children in Lebanon*, Beirut.

and a shortage in the technical personnel, including doctors and special help, who are specialized in dealing with the issues of our aging individuals.

The Ministry of Social Affairs (MoSA) is responsible, within its mandate, for the status of old people in Lebanon and handles this issue through its Department of Family Affairs. This department has been collaborating, since 2007, with the Programme on Population and Development, a joint program between the Ministry of Social Affairs (MoSA) and the United Nations Fund for Population (UNFPA) in Lebanon, on placing the issue of the elderly in Lebanon within the priorities of the national agenda for social development. Several activities have resulted from this cooperation, with the active participation the National Permanent Committee, including studies and workshops, which all contribute to the achievement of the common vision for the status of the elderly. This vision is to have “*the Lebanese community live up to the international and humanitarian standards for the quality of life provided to the elderly and ensuring their active and ongoing participation*”. The most important goal toward achieving this vision is building capacities at MoSA, particularly in lobbying toward setting the issues of the elderly on the national agenda and within national development plans. This involves spreading awareness on the importance of this issue in maintaining the essence of the Lebanese society through preserving our traditions and moral values of the Lebanese family.

To achieve this vision, the following objectives are to be reached:

- Supporting incubator families for the elderly by creating the necessary mechanisms to provide health care services and social skills and training of professionals working in the field of elderly care, therefore focusing on preserving the life of the elderly inside the family as it is the natural environment for them;
- Developing media policies aimed at raising the level of communication between the generations and highlighting the role of elderly in the family, society and the recognition of the characteristic of the old;
- Adopting a unified pension system covering all the elderly in Lebanon;
- Developing the current health care system and working on improving it based on the strengthening of primary health programs at an early age and the reduction of chronic diseases;
- Conducting research toward updating data on elderly and identifying indicators on their living, health and social conditions, as well as facilitating access to information to help in the planning of care programs;
- Investing the capacities of the elderly in community service and developing plans that target them as producers not just consumers;
- Building capacities and improving the quality of services provided to older persons in residential and day care institutions and through following the quality criteria set for this service;
- Rehabilitation of infrastructure in line with the requirements of older person.

## 5.2.2. The role of the Ministry of Social Affairs

The Ministry of Social Affairs is the governmental entity in charge of coordinating the provision of social protection and assistance in Lebanon. Despite a mandate that includes planning for social policies, direct assistance, and social development, the ministry's budget represents a very small share of the government's total budget (excluding debt service) (1.1%) of which a large portion is dedicated to the provision of services and social care<sup>71</sup>.

### 5.2.2.1 *Community Social Development*

International experience shows evidence of the centrality of community-driven development approaches for poverty alleviation, complementing other forms of poverty programs aimed at the household level. Over the past decade, Lebanon has implemented various forms of community development approaches, which should be assessed to clarify their impact and eventually scaling up effective approaches. MoSA's objective is to establish an effective and sustainable institutional mechanism to build social and economic assets of disadvantage communities, building on its mandate among government agencies of supporting social development at the community level. It puts priority to ensuring effective community development approaches in Lebanon that are horizontally and vertically integrated with other social programs currently implemented by MoSA such as the National Poverty Targeting Programme.

### 5.2.2.2 *Social Development Centers*

Social Development Centers (SDCs) are key executive instruments to achieve the decentralized development strategy adopted by MoSA. They provide comprehensive services for the benefit and development of local communities. Some of the mandates provided to SDCs by law include: planning for development, optimization of local resources (including human resources), undertaking field assessments, development of local action plans, study of development projects falling under SDCs' geographic scope of work, as well as, coordination with public and private bodies. More than 180 SDCs serve today as the primary link between the government and the vulnerable population. For instance, in 2009, they delivered social services to almost 61,619 beneficiaries, health services to 309,164 beneficiaries, training services to 6,894 beneficiaries, education services (including nursing, volunteer work, foreign language, fighting illiteracy, school drop-out courses) to 16,486 beneficiaries all over the country<sup>72</sup>. However, the role that these centers can play is undermined by several factors including: limited human and financial resources; the discrepancies in performance among them; and the failure to take advantage of these centers as sources of information to

<sup>71</sup> Ministry of Finance, 2010. Public Budget proposal for year 2010. Beirut: MOF.

<sup>72</sup> Reference: MoSA – Service of Social Development – Report 2009

guide local development. In 2010, MoSA put SDCs on its top priorities for reform and reinforcement of their natural role at local level. In addition to increasing the number of SDCs nationwide based on local demands, several priorities have been put for the coming phase including carrying out social mapping; assessment of SDCs capacity and potential specialization of SDCs at Governorate level; building the capacities of SDC staff in terms of resources and skills; and better involvement of SDCs in the identification, selection, and monitoring of community social development projects. The objective of this reform is to reorganize the administrative and technical competences of the various structures involved in the management of the Social Development Centers in order to match the offered services (social, psychosocial and paramedical) to the specific needs of the community. Another major decision taken in 2010 was the reinforcement of the collaboration between MoSA and local administrations to optimize limited financial resources, whereby municipalities provide the start-up costs of newly established SDCs (such as building, ...) and MoSA provides the staffing and operational expenses. Finally, and as part of the NPTP Programme, 350 social assistants were recruited to reinforce the capacity of some 80 SDCs.

#### *5.2.2.3 Partnership with non-governmental organizations*

In addition to direct service delivery through its SDCs, MoSA has been providing services and social care through civil society organizations, partnering with a total number of 236 NGOs in 2009. In addition, MoSA has annual contracts with more than 240 welfare institutions providing care to around 41,000 beneficiaries at a yearly cost of L.L. 140 million representing 6070%- of MoSA's annual budget. Partnerships between government and civil sector organizations is a strong asset that holds great potential if properly regulated and managed through well defined procedures for contracting, monitoring and evaluation<sup>73</sup>. Moreover, a balance needs to be struck between the degree of delegation of social services and the role that needs to be played by MoSA directly. In an attempt to improve the quality of services provided by contracted NGOs to needy and targeted beneficiaries, MoSA has started since the beginning of 2010 a national consultative and participatory process to put in place an accreditation system for nongovernmental organizations benefiting from MoSA's annual budget. Several sets of criteria have been established in this respect, including criteria related to policies and leadership performance (vision, mission, legal compliance, administrative and organizational structure, communication and dissemination); human capital; financial capital; working environment; execution of social services to targeted groups; measurement of quality performance; data and information collection; improvement management and internal audit.

<sup>73</sup> وزارة الشؤون الاجتماعية – البنك الدولي، أوضاع التعاقد بين وزارة الشؤون الاجتماعية والقطاع الأهلي في لبنان، التقرير الأولي 2001، بيروت.



#### *5.2.2.4 Civic service and volunteering*

In Lebanon, Non-Governmental Organizations (NGOs) perform the bulk of social assistance work outside the scope of regulated cash-based social safety nets. Their work covers most of the social needs, and the largest share of this work is de facto carried out by unpaid volunteers. Therefore, we can say that volunteering and other forms of civic service in Lebanon remain unstructured, not accredited, not well documented and, for this reason, cannot be easily supported and focused. While voluntary service is thought of as a means to favor social integration of the disadvantaged, in the case of Lebanon, research shows that the large majority of volunteers is currently in university or finished university at the time of service. Few are the lower educated. Youth from rural areas and small villages are largely involved in forms of social solidarity in their community through local organizations to which they are introduced since early age. There is a need to involve all youth, students and lower educated in effectively serving the country and being integrated into the polity.

Within its institutional mandate, the Ministry of Social Affairs covers “non-organized volunteering”, and by virtue of its financing role of the third sector, it can play a key role in the promotion and acknowledgment of various forms of volunteering. Based on the belief that civic responsibility is an inherent duty of all citizens and that national service should address pressing needs of local communities, it is within MoSA’s vision to work on strengthening these Lebanese communities through increased youth volunteerism to develop new and young community leaders to instill a sense of civic responsibility and citizenship in the servers. Through empowering the youth, MoSA will ensure the enhancement of cross-cultural and confessional understanding in Lebanon and therefore the work toward building a more cohesive and stable society.

MoSA should play a leading role in setting social policy in Lebanon, and ensuring coordination of programs and policies. MoSA could generate public discussion regarding the repercussions of proposed government decisions and could potentially become the leader in advocating for legal, institutional, and economic reforms with significant positive social outcomes.

#### **5.2.3. Specific Objectives and Priority Interventions**

Based on an analysis of the various constraints that weaken social protection in Lebanon, the following is the vision proposed for instituting solid and equitable social protection mechanisms which aim at supporting people against life risks such as old age, disability, unemployment and poverty, including addressing the effects poverty on marginalized groups.

### Strengthen Social Protection

Provide individuals and families with lifelong financial and social security by using social solidarity as a guiding principle for the establishment of a set of social protection mechanisms that provide people with adequate retirement income, health insurance, and protection against poverty and other risks including disability and unemployment.

☞ Design and implement an equitable pension system and establish financial security mechanisms including unemployment, accident, and disability insurance.

☞ Target poor and extremely poor households with an assistance program that protects them from destitution, and protect marginalized groups from social ills such as violence, homelessness and child labor.

☞ Put in place a sustainable and effective institutional mechanism to improve the living conditions and economic status of disadvantaged communities, through community-based approaches.

The protection of individuals against social risks goes through the achievement of a number of interventions classified under three categories of specific objectives which address the various planned insurance schemes, assistance programs to vulnerable groups, and institutional reform of the entities in charge of these systems.

## STRENGTHEN SOCIAL PROTECTION

### Protection Schemes

#### DEVELOP A PENSION SCHEME

Establish an old age insurance program that guarantees pensioners an adequate and well-deserved retirement income.

#### DEVELOP AN UNEMPLOYMENT FUND

Create a contributory unemployment insurance program which protects individual and family income during periods of involuntary unemployment.

#### DEVELOP A DISABILITY INSURANCE FUND

Provide workers with the security of a protected income should they become disabled during their productive years.

#### ELIMINATE DISCRIMINATION IN PROTECTION SCHEMES

Extend the coverage of protection schemes to all workers regardless of gender, nationality, physical status, or type of employment including the elimination of all forms of gender discrimination in NSSF laws.

#### PROVIDE LIVELIHOOD ASSISTANCE TO VULNERABLE HOUSEHOLDS

Create a mechanism that combines targeting formulas and community-based approaches to identify families with various types and levels of need and establish coordination mechanisms between social development centers, municipalities, and community NGOs to provide the needed assistance.

## Protection of Marginalized groups

### **ADDRESS ISSUES RELATED TO INSTITUTIONALIZED CHILDREN**

Provide assistance to allow families to support their children within their homes and establish measures that leave institutionalization as the absolute last resort to be decided upon with a legal and procedural framework.

### **ERADICATE THE WORST FORMS OF CHILD LABOR AND KEEP CHILDREN OFF THE STREETS**

Establish a comprehensive social, health, and educational program to protect working children, and enforce the Higher Council for Childhood's strategy to address the problem of street children.

### **PROTECT AND GUIDE CHILDREN AT RISK OR AT CONFLICT WITH THE LAW**

Enforce the differential treatment of children in the penal system and institute school support programs and community activities that protect minors against risky social behaviors including drugs and violence.

### **PROTECT WOMEN AND CHILDREN FROM VIOLENCE**

Establish legal and institutional mechanisms to protect women from abuse in home and work settings, beginning with a civil personal status law, and institute and enforce harsh penalties to protect children from violence and abuse within their families and in schools.

### **IMPROVE THE QUALITY AND COVERAGE OF PWD SERVICES**

Promote awareness and establish coordination mechanisms that ensure the effective delivery of People with Disabilities (PWD) services and institute early intervention programs.

## Institutional Support

### **EMPOWER THE MINISTRY OF SOCIAL AFFAIRS TO EFFECTIVELY LEAD THE SOCIAL SECTOR**

Empower the MoSA to serve four essential functions including: (i) the regulation of provision of social services through NGOs and CBOs; (ii) the coordination of social policy; (iii) the provision of assistance and services to target groups; (iii), and the promotion of government reforms that have a considerable social impact.

### **STRENGTHEN THE GOVERNANCE AND THE INSTITUTIONAL CAPACITY OF THE NSSF**

Bolster the financial and technical capacity of the NSSF to ensure its sustainability and guarantee the provision of high quality customer-friendly services to its members.

## 5.3 General Objective 3: Provide Quality Education<sup>74</sup>

### 5.3.1. Situation analysis

#### 5.3.1.1 Introduction

Following a series of planning initiatives, studies, and reports that have been based on and guided by the National Education Strategy 2007 (NES), the five year Education Sector Development Plan (ESDP) was set. The vision of the NES was developed by the Ministry of Education and Higher Education (MEHE) to guide the reform of public education, including the development and strengthening of vocational and technical education in order to meet Lebanon's development and construction needs. The vision for public education is expressed as:

“Education in Lebanon available on the basis of equal opportunity; education that has good quality and contributes to building an information society, to social integration, and to economic development”

According to the 2007 TIMSS results analysis, the quality of education outcomes in Lebanon is improving, however disproportionately (between the 2003 and the 2007 TIMSS<sup>75</sup>). Quality of performance also improved as more students in 2007 reached the advanced benchmarks. Analysis of the results revealed that performance of students in private schools was on average superior to public schools, controlling for other factors. The ultimate indicator of success will be through improvements in the quality of learning and achievement, which will be assessed by results at the school level and scores on national tests and examinations. Improved quality of both programs and services for students in schools are expected to have an impact on dropout rates at various stages before graduation. Also, the implementation of a system for alignment of the general education and vocational program with further training, and workforce placement, within a demand-oriented framework, will work to improve both the fit and the timeframe for employability of graduates of schools, technical colleges, and universities.

As a first step toward the ESDP, several main issues, which need to be addressed, were identified in the education sector in Lebanon. These issues are described here below.

#### 5.3.1.2 Student Distribution and Enrolment Rates in Pre-tertiary Education

General statistics indicate that the system is dominated at all levels, except secondary, by the private sub-sector and points to significant discrepancies in teacher-student ratios among the three sub-sectors (private, public, private subsidized). There is a pronounced gap between private and public school internal efficiencies and quality. While secondary school enrolment rates are 14 points above the regional average, there are problems at the basic education level, particularly in its upper grades. Net enrolment rates are 88 percent at the primary level and decline to 74 percent at the secondary level.

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<sup>74</sup> Ministry of Education and Higher Education

<sup>75</sup> Trends in International Mathematics and Science Study

### *5.3.1.3 National Achievement Levels*

The quality of education outcomes in Lebanon is improving, although still below TIMSS international benchmarks. Between the 2003 and the 2007 TIMSS, a 5 percent improvement in science and a 4 percent improvement in math scores of 8<sup>th</sup> graders were achieved. Quality of performance also improved as more students in 2007 reached the advanced benchmarks. Analysis of the results revealed that performance of students in private schools was on average superior to public schools. The gap in performance between public and private students is also reflected in the success rates for national Brevet exams (Grade 9), where the success rate for private school students is 74 percent and 55 percent for public school students.

### *5.3.1.4 Enrolment, Repetition and Retention*

Enrollment rates in public schools are decreasing due to the widening of the achievement gap between public and private schools. Repetition rates are significantly higher in the public system. High repetition rates result in: increased spending on education despite the relatively low academic achievement results, which negatively affects economic growth due to inefficient and incomplete development of students' potential in the schools and due to students leaving the schools without qualifications suitable for further education, training and employment. The highest drop-out and repetition rates are at the 7<sup>th</sup> Grade and the 9<sup>th</sup> grade. Percent of over-age students at the secondary level reach 60 percent in the public sector compared to 23 percent in the private sector. Inefficiencies in the public system mean that there are comparatively high costs for relatively low productivity and this has contributed directly to the decreasing share of enrolment in public education.

### *5.3.1.5 Curriculum Development and Learning Resources*

The MEHE and the Education Center for Research and Development (ECRD) have not developed a sustainable mechanism for periodic revision of the curricula. In addition, there is a need to further develop more detailed standards, protocols and guidelines for writing, producing, and assessing school textbooks to better support a process for curricular revision and/or renewal. Further, there is a need to develop a unified curriculum which provides the potential for improvement and enrichment through the use of ICT as an educational tool for teaching and learning.

### *5.3.1.6 Teaching Workforce*

There is conclusive evidence that low levels of student achievement in public schools is directly related to the inadequate qualifications of many of the teaching and administrative staff working in schools, and the lack of a good fit between teacher area of specialization and teaching assignment requirements within schools and in the regions. There are also chronic shortages in some subject areas. Further, the misallocation, and oversupply, of teaching and administrative staff is acute and especially so in the public sector. Teacher/student ratios are among the lowest in the

region. Overall, the pupil/teacher ratio in public schools (7.7) is lower than that in private schools (11.5). Salaries and wages constitute 87% of MEHE's total spending and the average human resource expenditure per student per year is estimated to be \$1,568. There is little coordination between pre-service and in-service training offered to teachers. There is a need to develop a system of certification to the teachers who have accomplished their trainings, as well as the development of standards for hiring basic education teachers. The public education system does not have an effective mechanism for evaluating and upgrading the performance of the teaching staff and would benefit from a performance-based incentives system that would improve teacher professionalism through recognition and reward.

#### *5.3.1.7 Quality Learning Environments*

There are issues related to the quality of learning environments in all regions. The absence of sufficient and suitable Ministry owned and operated learning and teaching environments, with the provision of facilities that meet a minimum acceptable standard for infrastructure with essential and necessary equipment and resources for instruction and study is a significant factor in levels of school, teacher and student performance. Also, many public kindergartens (KG), especially those located in more disadvantaged areas; lack a suitable learning and teaching environment in terms of infrastructure and equipment. The supply of computer facilities, hardware, and applications is low in Lebanese public schools and this, in addition to the issues related to curriculum renewal and teacher training, create significant challenges in investment if the country is to work actively toward the creation of a 'knowledge-based society'.

#### *5.3.1.8 Early Childhood Education (ECE)*

The Gross Enrolment Rates at the pre-primary level in Lebanon (72 percent) are significantly above regional average (17 percent) but there is a significant discrepancy between the number of students enrolled in private kindergartens and the number of students enrolled in public kindergartens; private enrolment constitutes 80 percent of total enrolment. The 882 KGs in the Lebanese public education system are not well or equitably distributed according to areas of greatest need. Just over a quarter of the teachers in these KGs (29.6%) have the basic required qualifications and training. The weaknesses of public ECE and the low enrollment rate of children 3 to 5 years of age are perceived to be two important reasons why public schools do not get a higher share of the overall enrolment in basic education. Moreover, in the light of the international evidence confirming the powerful impact of readiness for learning, the quality gap between public and private is likely to contribute to the lower achievement of public school students at successive stages of their education.

#### *5.3.1.9 Legislative Framework to Empower Change*

In recent years, there was a paucity of laws and regulations which are necessary for increasing the possibility for improvement within the education system, with regard

to such areas as equity in the funding of education for public schools, the recruitment and deployment of teachers, the contracting process for teachers, qualifications and deployment of principals, promotion and incentive schemes, and many other areas that would promote and enable positive change in the public education system for efficiency and productivity.

#### *5.3.1.10 Education and the Labor Force*

The rates of return to additional years of schooling are considered low domestically, but of higher value when considering expectations to migrate. The young, and more educated workers, are the most effected in the labor force in terms of unemployment rates. The unemployment rate for university degree holders rose to 11.1 percent in 2007 and is the highest rate compared to other labor groups. Even the unemployment rate for secondary school graduates was higher than the national average. In addition, there seems to be an excessive number of over-educated human resources in domestic low-paying jobs.

#### *5.3.1.11 Fiscal Expenditures and Inefficiencies*

While total education spending in Lebanon currently exceeds 13% of GDP, public expenditure on education amounts to just 2% of GDP and 8% of total government expenditure. The overall structure of education sector financing is complex, characterized by direct support to public schools and subsidized private schools. A number of recurrent public school expenditures are financed by school funding from parental contributions, this makes the amount of resources available at the school level based on the number of students enrolled, thus reinforcing disparities between schools. In addition, 87% of MEHE's budget is dedicated to wages.

#### *5.3.1.12 Institutional Efficiency and Effectiveness*

Effectiveness and efficiency of institutional structures, functions and processes have been a prominent issue for a number of years and were a focus for activities within the EDP I implementation period. The MEHE has fully recognized that further changes in institutional arrangements for increased effectiveness through structural realignment for effective management and administrative operations will require a management information system that has been completed and matured to generate information for policy analysis and planning, embedded and comprehensive monitoring and evaluation capabilities, and further preparation for the shift toward results-oriented planning and budgeting. All such further initiative will require significant resource application to capacity-building through training for sustained effectiveness.

### **5.3.2 Strategic Policy Framework**

Since April 22, 2010 the date of validation of the 5 year Education Sector Development Plan and the framework of the National Education Strategy by the Council of Ministers, the Government of Lebanon (GOL) has embarked on an education sector reform based on the National Education Sector Strategy with a focus on quality learning for growth

at the preschool, general and higher education levels. The EDPI succeeded in building a solid consensus around the education strategy and in creating the institutional capacity and knowledge base to implement long-term education reforms.

Improvement in the Lebanese education sector will be achieved through the positive changes aimed at by the implementation of the ten programs included in the Education Sector Development Plan entitled “Quality Learning for Growth” under the umbrella of the five priorities of the National Education Strategy. The five priorities and the related programs include the following:

#### *Education Available on the Basis of Equal Opportunity*

- **Early Childhood Education:** the enrolment of children aged 35- in public KGs will be increased, greater opportunities for KG services to children in disadvantaged areas will be provided, and teaching capacity and learning environments will be improved through this program. The program’s outcomes are the following: increasing capacity of the physical infrastructure of the system, enhancing curriculum and learning resource materials, initiating a program of professional development for teachers and staff, increasing family participation in ECE, implementing a children-at-risk program, exploring options for student assessment. A priority of the MEHE is to provide all Lebanese children with equal opportunity to achieve optimum development and hence have a better chance for long term success in their education and personal and professional lives. Accordingly, it is current Ministry policy to increase the level of school readiness for Lebanese children and begin to even the balance of opportunity for those from disadvantaged socio-economic backgrounds. To support this intention, the MEHE recognizes that there will be a need to amend the law related to the operation of KGs in public schools. The current law sanctions KGs at 2 levels: KG1 (4 years of age) and KG2 (5 years of age). At the current time, legal expertise has been commissioned to draft an amendment to the law related to KGs in primary schools.
- **Improving Retention and Achievement:** the repetition rates will be decreased through the development and implementation of the appropriate mechanisms. Compulsory education up to the age of 15 will be enacted, mechanisms and tools for monitoring student achievement will be established and implemented, the teaching workforce will be qualified and trained to support at-risk students, there will be an increase in student achievement versus a decrease in dropout rates in the transitional phases until the implementation of compulsory education.
- **Development of Infrastructure:** Schools will be distributed adequately and equally in all regions, where there will be an increase of schools which meet the national standards, inefficient schools will be consolidated, and human and logistic resources will be provided for the implementation of procedural subjects.



### *Quality Education that Contributes to Building a Knowledge Society*

- **Professionalization of the Teaching Workforce:** The main objective of the program is to upgrade and improve the quality of teaching and learning in schools. The quality of teaching and learning in Lebanese Public Schools has been improved through national teacher professional standards, improvement of the pre-service and in-service teacher education programs, provision of effective in-service training for teaching staff, and improved utilization of the teaching workforce
- **Modernization of School Management:** The quality of education will be improved through school-based leadership development and school-based improvement
- **Achievement Assessment and Curriculum Development:** Curriculum will be developed in a manner consistent with national needs and global trends. This will be achieved through: implementation of History curriculum for basic education, updating and modernization of curriculum structure is updated and modernized, implementation of standards for school text books, implementation of standards and mechanisms for text book evaluation, and the distribution and utilization of new guides for teachers.

### *Education that Contributes to Social Integration*

- **Citizenship Education:** Students' national identity and their civic responsibilities will be strengthened, this will be shown by the increase of students' achievement on the Civic Education Index, the increase of implemented citizenship related activities, the increase of students who have completed the Civil Community Program, and the increase of community projects carried out in schools in partnership with the civil society.

### *Education that Contributes to Economic Development*

- **ICT in Education:** The objective is to provide all education stakeholders with access to current and reliable data designed to enable the effective analysis of policy options for increased internal efficiency in the targeting of resources toward continual improvement of the quality of learning outcomes.
- **National Qualification Framework:** to rationalize and harmonize program structures and articulation mechanisms to align the education system with the requirements of the labor market. In this light, the framework for rationalization and harmonization of program structures and articulation mechanisms between the GE, VTE and HE has been established and the alignment between the education system and the requirements of the labor market has been measurably improved

### *Governance of Education*

- **Institutional Development:** this program will enhance institutional and operational efficiency in the use of resources to support all programs and to

develop the capacity of the MEHE to activate and maintain an internal M and E system with the necessary capabilities for policy review and development. It will result in institutional efficiency and coordination through further revisions of the regulatory framework under which MEHE operates, through the development of a results-oriented medium-term expenditure framework linked to the implementation of the ESDP, and through the institution of a sector management monitoring and evaluation system.

### 5.3.3 Vocational and Technical Education (VTE)

In 2007, Lebanon counted a total of 439 VTE establishments (refer to Table 3) and around 100,000 VTE students<sup>76</sup>. Public establishments constitute 20% of the schools but account for 38% of the students compared to an 80% share of private schools which account for 62% of the students.

Table 3: Distribution of VTE Schools and Students

	Public	Private	Total
<b>Schools</b>	85	354	439
<b>Students</b>	37,446	62,285	99,731

Source: Center for Educational Research and Development (CERD), *Statistical Abstracts of 2006-2007*, Beirut.

Statistical indicators show that vocational and technical education, both formal (BT,TS...) and informal (graduates of less than 9 months of VTE), is as important as higher education in terms of labor supply. In fact, in 2004, around 12,000 VTE graduates (35%) entered the labor market compared to 22,000 university graduates (65%), which shows the importance of this sector and its strong impact on the labor market<sup>77</sup>.

Vocational and technical education faces a number of obstacles on both the supply and demand levels<sup>78</sup>:

- i. Obstacles on the supply level include:
  - The predominance of “simple” specializations, with a focus on the tertiary sector which rarely results in added-value jobs.
  - The predominance of theory over practice accompanied by a weak integration of technological developments.

<sup>76</sup> Center for Educational Research and Development (CERD), *Statistical Abstracts of 2006-2007*, Beirut: CERD.

<sup>77</sup> *Ibid.*

<sup>78</sup> Consultation and Research Institute (CRI). Development Program Horizon 2006- 2009. Beirut: Council for Development and Reconstruction.

- The lack of specialized teachers, continuous training, and the concordance of their specializations with the classes taught; in addition to a mismanagement of human resources invested in this sector and a significant surplus of teachers.
  - The low quality of equipment and its unequal distribution among schools.
  - The weak level of coordination with enterprises despite efforts by the association of industrialists and the general management of vocational and technical education. This is a very crucial point that affects the chances of VTE graduates in transitioning to the labor market.
- ii. Obstacles on the demand level include:
- The structural economic framework characterized by a growth model that does not enhance job creation particularly in sectors relevant to the output of the technical and vocational systems (private and public).
  - The acute predominance of micro and small enterprises (less than 10 employees) in both the formal and informal sectors and the negative implications of this predominance on the content and structure of labor demand from the private sector.

Moreover, the latest field investigation<sup>79</sup> shows that students enrolled in technical and vocational schools are not convinced of their programs' value, whether regarding the professional channels to the labor market or the education acquired. Students often enroll due to a lack of alternatives – failure in the general education system – and not willingly. Also, the choice of specializations is not studied, but emerges as a consequence to other variables (availability, closeness, costs and tuition fees, etc.).

#### 5.3.4 The Lebanese university

In addition to the Lebanese University, Lebanon currently houses 36 other higher education establishments which significantly diverge in terms of size, cost and quality of education. 56% of university students attend these private universities which are the source of 67% of Lebanon's graduates<sup>80</sup>. In other words, the Lebanese University (LU), which is attended by 44% of university students and graduates 33% of the total number of university graduates, is one of the major players in addressing the needs of the labor market through the output of the educational system. The university currently faces major obstacles including<sup>81</sup>:

- The lack of a strategic vision in terms of unity, centrality and the identity of the LU.

<sup>79</sup> Ministry of Education and Higher Education (MEHE), 2005. *Evaluation of the Labor Market Need: Student Follow-Up Study*. Beirut: Directorate of Vocational and Technical Education and The World Bank.

<sup>80</sup> CRDP, 2008. *Statistical Newsletter*. Beirut: CRDP.

<sup>81</sup> Consultation and Research Institute (CRI). *Development Program Horizon 2006- 2009*. Beirut: Council for Development and Reconstruction.

- The lack of independence in view of the rampant politico-communitarian interference.
- The chaotic distribution of public higher education buildings.
- The enormous disparities in the qualifications and training of the teaching body.
- The obsolete programs and teaching methods in numerous departments of LU.
- The outdated management methods and an almost complete lack of flow of data to effectively understand the “successes and failures” of this sector of education.
- The low focus given to academic research with the major share of LU’s expenditures going toward salaries, social allowances and rent.

In this context, there is a need for: i) reviewing the university bylaws toward granting the university more autonomy from political intervention, ii) consolidating university branches, and iii) reviewing the types of majors in view of the demands of the labor market.

### 5.3.5 Specific Objectives and Priority Interventions

Based on the analysis of the major challenges that need to be addressed in order to ensure that the children and youth of Lebanon will become socially healthy and strong citizens equipped with an educational needs and skills which increase their chances of success in their future lives and contribute to building the society, an objective was formulated spanning the major axes of interventions for empowering and educating children and youth.

.....

**Provide Quality Education**

- ☞ Ensure freedom of and right to education and the accessibility and equality in opportunities and requirements of education to all. Those principles have also been emphasized in international convention that Lebanon abides by; the most of these are: Declaration of Human rights; the International Convention of economic, social, and cultural rights; and the International Agreement on the Rights of the Child.
- ☞ Reinforcement of respect for human beings and their basic freedom; the development of the ability to actively participate in a free society; the development of a sense of responsibility in a spirit of understanding, peace, and friendship; and the commitment of wide social partnership among those concerned with education in order to ensure meeting the human need for education and for building a knowledge society.

It also resides in Lebanon’s efforts to reform public and higher education, developing and strengthening vocational and technical education to meet the country’s development and construction needs, and revising and developing curricula to reinforce national identity and integration as well as spiritual and cultural openness.

.....

In order to achieve the vision outlined in the objective description above, a number of interventions were selected under three categories of specific objectives which focus on education, namely basic education, vocational and technical education, and university education. In every category, the three determinants of educational access and quality were tackled including human resources, educational facilities, and teaching tools in addition to other interventions that are particular to each sector.

## **PROVIDE QUALITY EDUCATION**

### **Basic Formal Education**

#### **EDUCATION AVAILABLE ON THE BASIS OF EQUAL OPPORTUNITY**

- I. Early Childhood Education: Increase in the percentages of children enrolled in public kindergartens between the ages 3-5 years.
- II. Improving Retention and Achievement: Decreasing the repetition rates through the development and implementation of the appropriate mechanisms.
- III. Development of Infrastructure: Adequate and equitable distribution of school facilities in all regions.

#### **QUALITY EDUCATION THAT CONTRIBUTES TO BUILDING A KNOWLEDGE SOCIETY**

- I. Professionalization of the Teaching Workforce: Promote the professional development of the teaching workforce and devise mechanisms for the efficient distribution of teachers in public schools.
- II. Modernization of School Management: Modernizing school systems and activating the School Based Management Model.
- III. Achievement Assessment and Curriculum Development: Curriculum development in a manner consistent with national needs and global trends.

#### **EDUCATION THAT CONTRIBUTES TO SOCIAL INTEGRATION**

- I. Citizenship Education: To strengthen students' national identity and their civic responsibilities.

#### **EDUCATION THAT CONTRIBUTES TO ECONOMIC DEVELOPMENT**

- I. ICT in Education: Supporting and promoting the use of ICT in the educational system.
- II. National Qualification Framework: Determining the expected outputs of the educational programs and certificates, and specifying the necessary qualifications for education related professions.

#### **GOVERNANCE OF EDUCATION**

- I. Institutional Development:
  - Enhance the work flow effectiveness between the various units of MEHE to provide better service for citizens.
  - Develop a Management Information System that supports the process of education policy formulation and administrative decision-making.
  - Development of procedures and practices that allow the practical possibility of moving from an "Items Based" budget to the preparation and management of a "Performance Based" budget.
  - Assessing the effectiveness of sector development programs through indicators and specific data.

## Vocational and Technical Education

### **IMPROVE EFFICIENCY AND COMPETENCE OF HUMAN RESOURCES IN VTE**

Work toward the creation of competent and professional teaching and administrative staff capable of ensuring the provision of high-quality, inclusive educational services.

### **ENHANCE THE UTILIZATION AND QUALITY OF VTE FACILITIES**

Upgrade the physical requirements of VTE facilities in a way that allows the implementation of modern hands-on teaching techniques and ensure that all students have access to vocational educational facilities regardless of their physical conditions or place of residence

### **ENHANCE VTE TEACHING TOOLS**

Modernize curricula for the purpose of creating modernly educated socially responsible citizens and promote the transparent and accurate measurement of achievement.

### **IMPROVE THE MOBILITY BETWEEN VTE, GENERAL EDUCATION AND THE LABOR MARKET**

Institutionalize coordination between VTE establishments and the labor market; establish achievement equivalence charts and prerequisites that facilitate mobility between technical and general education; and provide career guidance and employment skills relevant to the labor market.

## University Education

### **CONDUCT INSTITUTIONAL & LEGAL REFORM IN THE LEBANESE UNIVERSITY**

Review the structure of the Lebanese University in a way that establishes a rational trade-off between equitable access and national unity and enshrine the university's independence and autonomy.

### **IMPROVE EFFICIENCY & COMPETENCE OF HUMAN RESOURCES IN LU**

Review the tenure and promotion system in a way that promotes academic research and empower the administration and teaching staff to infuse direction and dynamism allowing the university to play its part as the lead university in the country.

### **ENHANCE THE UTILIZATION AND QUALITY OF HIGHER EDUCATION FACILITIES**

Review the equipment needs of the university toward increasing opportunities for hands-on learning and academic research and ensure accessibility to the university to all students regardless of their physical conditions or place of residence,

### **ENHANCE LU TEACHING TOOLS**

Modernize and unify curricula for the purpose of creating modernly educated socially responsible citizens and promote the transparent and accurate measurement of achievement.

### **ENHANCE INTERCONNECTION BETWEEN LABOR MARKET AND UNIVERSITY EDUCATION**

Institutionalize coordination between the university and the labor market; review the specialties offered and their yearly capacity in view of the changing labor demands; and provide career guidance and employment skills.

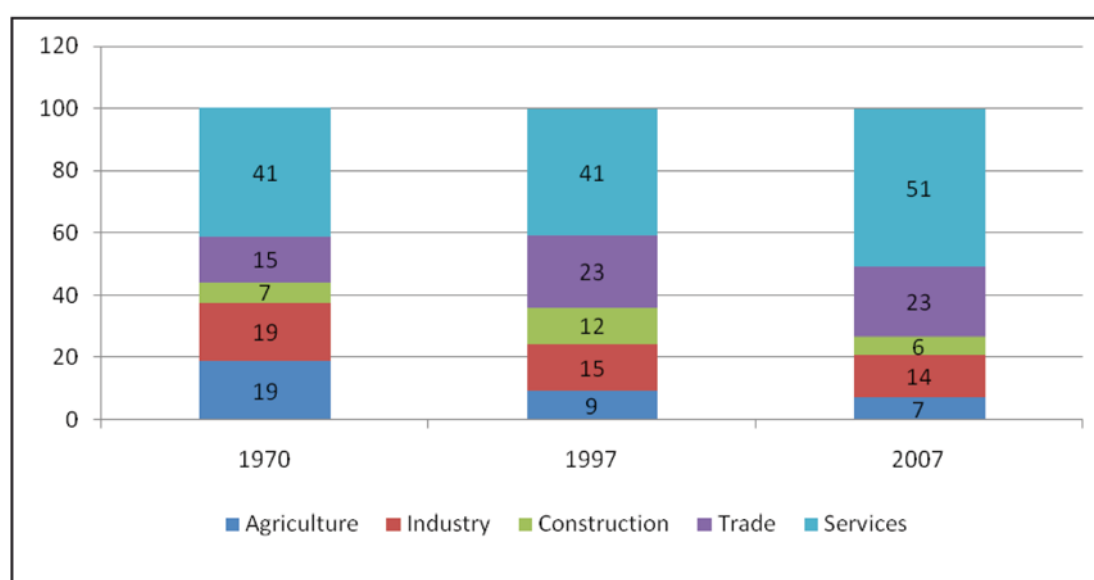
## 5.4. General Objective 4: Improve Opportunities for Equitable and Safe Employment

### 5.4.1. Situation analysis

#### 5.4.1.1. Introduction

According to the latest official data (2007), Lebanon has a labor participation rate of 43.4% with significant differences remaining between males (61.2%) and females (19%)<sup>82</sup>. The distribution of employment followed the structural shifts in the Lebanese economy with a strong increase in the share of employees in the services and trade sectors at the expense of agriculture and industry (Figure ).

Figure 10: Percentage Distribution of Employees by Sector (1970-2007)



Source: CAS, MoSA, UNDP, ILO. 1972. *L'enquête par sondage sur la population active au Liban en 1970* ; CAS, *Living conditions of Households in 1997 and 2007*.

The official unemployment rate underwent significant fluctuations since the 1970s (Figure) reflecting the ups and downs of the Lebanese economy and the dynamics of external migration. Unemployment is especially high among the youth reaching 13.7%<sup>83</sup> and tends to be characterized by lengthy durations. In addition to unemployment, one must take into account situations of temporary or underemployment. Recent official data estimates that 6.9% of workers reported having temporary employment positions<sup>84</sup>, which are typically characterized by insecurity and precariousness and do

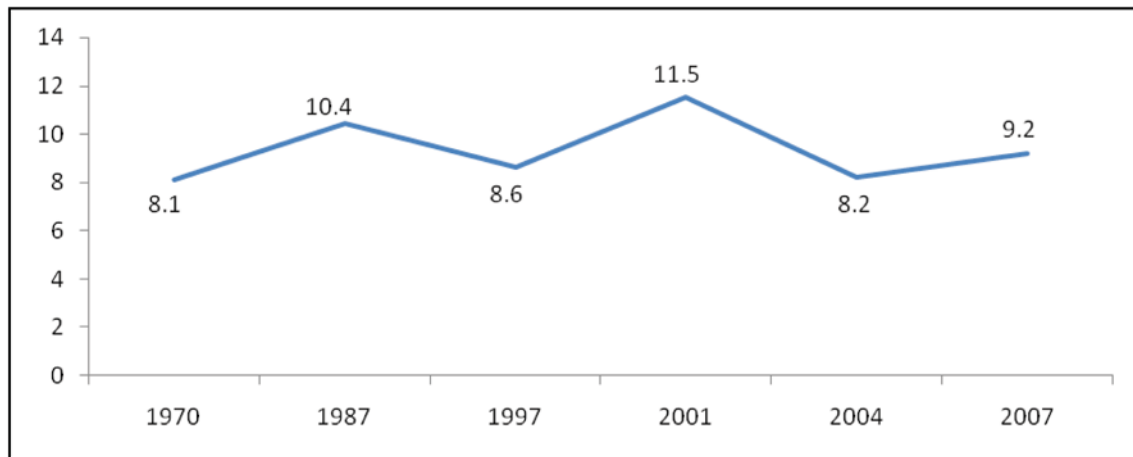
<sup>82</sup> Ministry of Social Affairs, Central Administration for Statistics, United Nations Development Programme and International Labor Organization, 2008. *Living Conditions of Households 2007*. Beirut: MoSA, CAS, UNDP and ILO.

<sup>83</sup> Université Saint Joseph, 2008. *L'Emigration des Jeunes Libanais et leurs Projets d'Avenir*. Beirut: USJ.

<sup>84</sup> Ministry of Social Affairs, Central Administration for Statistics, United Nations Development Programme and International Labor Organization, 2008. *Living Conditions of Households 2007*. Beirut: MoSA, CAS, UNDP and ILO.

not offer any benefits. Moreover, because of the lack of labor information database (a Labor Management Information (LMI) system), there is no detailed information on whether the Lebanese ‘employed’ are working in decent conditions and earning an adequate income that allows them to secure a dignified standard of living for themselves and their dependents.

*Figure 11: Historical Trend of Unemployment Rates (percent)*



Source: UNDP, 1997. *Features of Sustainable Human Development in Lebanon*; MoSA, CAS, UNDP, and ILO, *Living Conditions of Households* in 1997, 2004, and 2007; Kasparian, C., (2003) *L'Entrée des Jeunes Libanais dans la Vie Active et L'Emigration*, Beirut.

Decent work is defined as “productive work performed in conditions of freedom, equity, security, and human dignity to which women and men have equal access on equal terms.”<sup>85</sup> Lebanon has ratified forty-nine ILO conventions<sup>86</sup> governing the different facets of decent work. Yet, there is a need to align current Lebanese labor laws with the terms of the ratified conventions and to translate those commitments by ensuring that labor conditions in Lebanon satisfy the requirements of decent work.

#### *5.4.1.2. The Structure of supply and demand*

The supply side of labor is mainly influenced by the outputs of the higher and technical educational systems. Higher education produces a large number of graduates from the faculties of literature, law and the social sciences. A smaller number of graduates come from the more specialized schools of engineering, medicine and economics.

From the demand side, the vast majority of establishments are small enterprises consisting of less than five employees. These businesses usually perform simple repetitive functions, are rarely able to engage in vertical or horizontal integration,

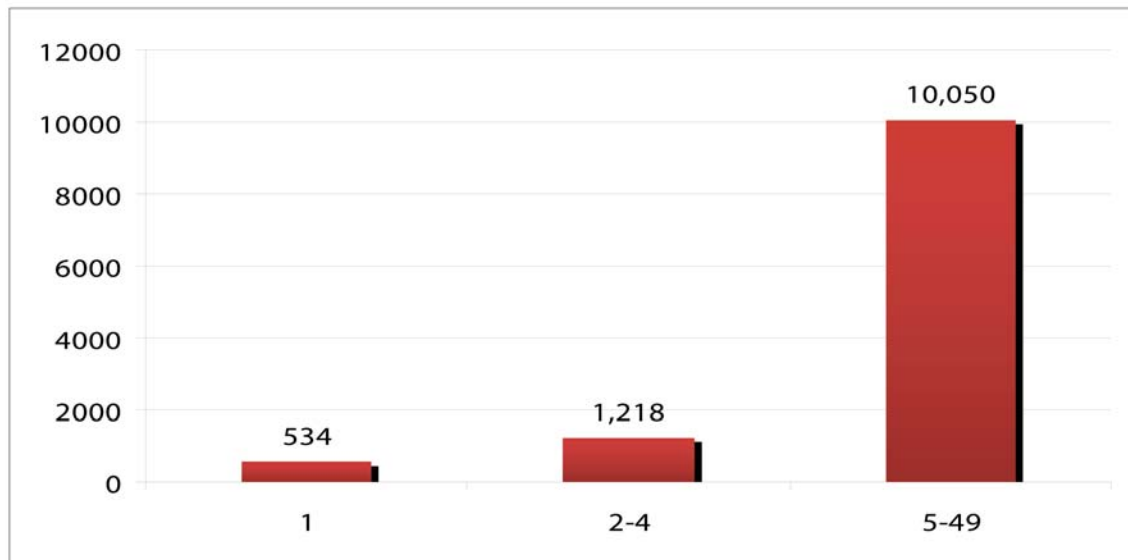
<sup>85</sup> International Labor Organization, 1999. *Decent Work: Report of the Director-General, International Labor Conference*, 87th Session. Geneva: ILO.

<sup>86</sup> International Labor Organization, 2009. *List of Ratifications of International Labor Conventions (AP-PLIS)*, [online] Available at : <http://webfusion.ilo.org> [Accessed 27 October 2009].



and their ability to expand their employee base is rather limited<sup>87</sup>. These issues are illustrated by the little value-added they are able to generate for the Lebanese economy as compared to larger establishments (Figure 12).

Figure 12: Value Added per Worker by Size of Enterprise (USD) – 2004



Source: CRI, (2004) *Op.cit.*

#### 5.4.1.3. Informality<sup>88</sup>

As in most developing countries, the informal sector in Lebanon is large possibly due to the fact that 93 % of all enterprises employ 0-5 workers<sup>89</sup>. The dilemma as it was accurately framed by UNDESA is “whether to promote the informal sector as a provider of employment and incomes or to seek to extend regulation and social protection to include this sector, and thereby possibly reduce its capacity to provide jobs and incomes for an ever-expanding labor force.”<sup>90</sup> However, at a minimum, workers should be provided with the protection of labor and common law by requiring all employers to formally register with the authorities and launching a campaign to ensure that there are written labor and employment contracts for all employees whether they work in enterprises (formal or informal) or for individual employers. It

<sup>87</sup> UNDP, 2009. *The National Human Development Report: Toward a Citizen's State*. Beirut: UNDP.

<sup>88</sup> The 2002 International Labor Conference endorsed a broader definition of “informal employment” as “employment without secure contracts, worker benefits or social protection.” This new concept encompasses the following categories: self-employment in *informal enterprises* (that is, small and/or unregistered enterprises), employers - own-account workers, unpaid contributing family members, wage employment in *informal jobs* (that is, without secure contracts, worker benefits or legal protection), employees of informal enterprises, and informal wage workers for formal firms or households (casual day laborers, domestic workers, contract workers, temporary and part-time workers without protection). UNRISD. 2006. *Gender Equality: Striving for Justice in an Unequal World*. Geneva.

<sup>89</sup> Consultation and Research Institute (CRI). 2004. *Op.cit.*

<sup>90</sup> United Nations Economic and Social Affairs, 2007. *The Employment Imperative: Report on the World Social Situation 2007*.

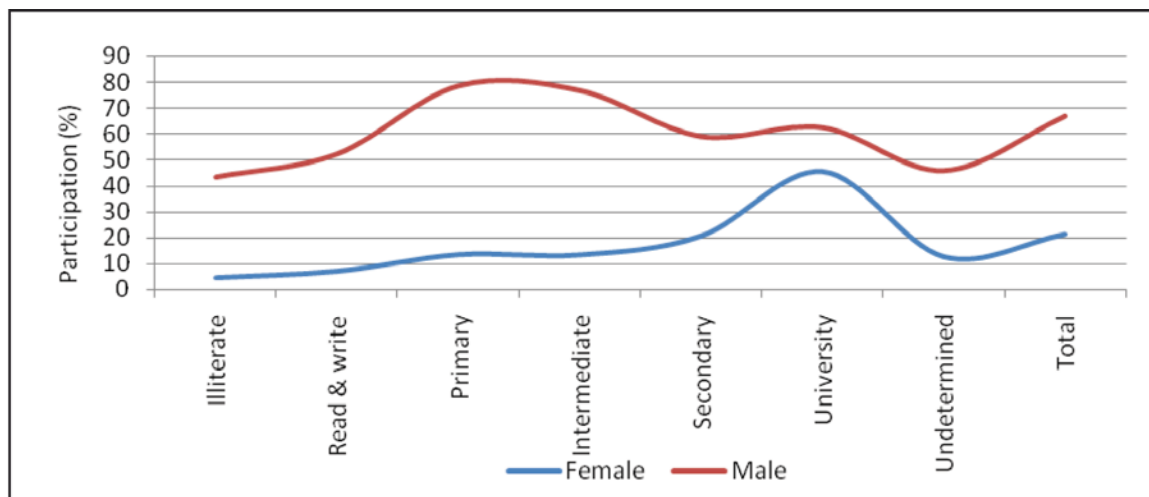
goes without saying that regulations should be neither too costly nor too complex in order to avoid causing enterprises to cease production or go underground.<sup>91</sup>

#### 5.4.1.4. Female employment

Achieving gender equality in the labor market requires addressing a number of issues including occupational segregation, gender wage gaps, women’s disproportionate representation in informal employment and unpaid work and their weak presence in decision-making positions.

In Lebanon, large discrepancies in labor participation are noted between males (67%) and females (21%) and although this general gap has not changed in the last few years, one notable fact is that the gap narrows significantly among university degree holders<sup>92</sup>. Thus, the labor participation gap narrows from 46 points for the general population to 17 points among university degree holders with participation rates reaching 45.4% for females and 62.5% for males (Figure 13). In addition to college education, other important levers for female labor participation include the reconciliation of work and family responsibilities, the social restrictions that prevent women from accessing many occupations, and the significant gaps in pay and promotion opportunities between men and women.

Figure 13: Labor Participation Rate by Gender and Level of Education (2007)



Source: Ministry of Social Affairs, Central Administration for Statistics, United Nations Development Programme and International Labor Organization, 2008. *Living Conditions of Households 2007*. Beirut: MoSA, CAS, UNDP and ILO.

#### 5.4.1.5. Wages

Weakness in the structure of wages, especially in the private sector, can be explained by the deterioration of the performance of enterprises (informal ones in specific). The average wage is low when compared to the cost of living. In 2008, a wage adjustment

<sup>91</sup> *Ibid.*

<sup>92</sup> CAS, MoSA, UNDP, ILO, 2008. *Living Conditions of Households 2007*. Beirut: CAS & UNDP/MoSA.

consisting of a flat 200,000 LBP increase in addition to a 2,000 LBP per day increase in transportation costs were implemented. Based on the NSSF average declared wage of around 1,200,000 LBP, this wage adjustment represents a 17% average increase in contrast to a 64%<sup>93</sup> increase in the general consumer price index between 1996 and 2008. Even after the recent increase, which probably did not extend to informal workers, the household income based on work at the minimum wage remains below the upper poverty line, which is estimated at around USD 4.00 per capita per day<sup>94</sup>.

In addition to the problem of wage levels, the structure of wages and therefore the income distribution is characterized by growing disparities, a phenomenon that has been on the rise globally “as standard collective contracts are being increasingly replaced by individual contracts based on negotiation between employers and employees.”<sup>95</sup> Thus, wages are increasingly determined by an individual worker’s ability to negotiate, “resulting in greater differentiation of wages among workers and worsening income distribution.”<sup>96</sup> Moreover, the recent wage increase was structured as a flat amount which gave workers in general only a 18% increase versus a 67% wage increase to those who earn the minimum wage, thereby allowing only a minority of workers and their families to keep up with the general increase in the cost of living, which amounted to 64%<sup>97</sup>.

#### *5.4.1.6. Inadequate enforcement of safety and hygiene laws*

Despite having signed multiple ILO conventions having to do with the protection of workers from occupational hazards especially in high-risk occupations such as mining, construction, quarries, print shops, and others, the enactment of appropriate standards and their enforcement remains lax due to the small number of health and work inspectors and the low budget allocated to capacity building in this respect.

#### *5.4.1.7. Marginalized workers*

Beyond the issue of informality which affects a large portion of the Lebanese workforce, certain categories of workers live under especially harsh work conditions or are denied access to work opportunities.

#### *Domestic workers*

A significant number of domestic workers, both foreign and local, live under conditions that violate the basic rights guaranteed by the Universal Declaration of Human Rights.

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<sup>93</sup> CPI of Consultation and Research Institute.

<sup>94</sup> UNDP, 2009. Millennium Development Goals 2008 which can be verified as follows:  $500,000 \times 1.26$  (average number of workers/household) / 4.2 (average household size) = 150,000 LBP i.e. an average of 5,000 LBP or 3.32 USD per capita per day.

<sup>95</sup> United Nations Economic and Social Affairs, 2007. *The Employment Imperative: Report on the World Social Situation 2007*.

<sup>96</sup> *Ibid.*

<sup>97</sup> Based on the NSSF average declared wage of 1,100,000 LL, a 200,000 LL wage increase constitutes 18% of the wage. The same flat increase (200,000 LL) represents 66.7% of the minimum wage (300,000 LL).

Among these rights are the right “to freedom of movement” within any country and “the right to leave any country” (Article 13); the right to protection from “cruel, inhuman or degrading treatment or punishment (Article 5); and “the right to rest and leisure, including reasonable limitation of working hours and periodic holidays with pay” (Article 25). Even when a contract exists between them and their employers, the terms of the contract are rarely enforced and there are no effective legal mechanisms for filing complaints and reporting violations.

### *Foreign workers*

International experience reveals a “tendency for migrants to be relegated to peripheral, low-skilled and low-paying work regardless of their achieved human capital subjects them and their families to social exclusion<sup>98</sup>.” In Lebanon, employment inequalities affect all foreign workers, especially Palestinian refugees who continue to be excluded from many professions especially the potentially lucrative liberal professions that would afford them and their families with real opportunities of social advancement. Moreover, Palestinians continue to be deprived of many rights under the principle of reciprocity<sup>99</sup>. This principle is intended to pressure countries to grant Lebanese citizens equal rights on their territories and should in no way apply to a nation that would like nothing better than to reciprocate but cannot do so. Under the current circumstances, Palestinians are finding it difficult to work legally in Lebanon with an ever smaller share of work permits being granted them. For instance, in 2005, only 278 out of 109,379 work permits given to non-Lebanese citizens were granted to Palestinians<sup>100</sup> who are left with no other choice but to work illegally or emigrate.

#### *5.4.1.8. Persons with disabilities*

In 2006, the number of persons with disability of working age was estimated at 33,923 of which 27,086 are capable of working, while only 7,052 are actually working.<sup>101</sup> Reasons for this weakness range from a failure to enforce the relevant labor legislation (the 3% quota of Law 220) to a lack of awareness that leads many employers to assume that persons with disability are unable to work. These inequalities are exacerbated by the fact that people with disabilities suffer from limited access to education and vocational training in addition to a lack of specialized support and little or no infrastructure for physical access to the workplace<sup>102</sup>.

<sup>98</sup> United Nations Department of Economic and Social Affairs, 2007. *The Employment Imperative: Report on the World Social Situation 2007*. New York:United Nations. p. 84.

<sup>99</sup> ILO, 2007. *Mapping of Studies on the Employability of Palestinians in Lebanon*. Beirut: ILO.

<sup>100</sup> Hanafi, S., and Age A. Ti, 2008. The Employability of Palestinian Professionals in Lebanon: Constraints and Transgression. *Knowledge, Work and Society*. 5(1):15 pp. Paris: L'Harmattan.

<sup>101</sup> International Labor Organization, 2006. *An ILO Post Conflict Decent Work Programme for Lebanon*. Beirut: ILO Regional Office for Arab States.

<sup>102</sup> UNDP, 2009. *Millennium Development Goals 2008*. Beirut: UNDP.

#### 5.4.1.9. Unions

The Universal Declaration of Human Rights guarantees individuals the “right to form and to join trade unions for the protection of [their] interests” (Article 23). Although there are in principle no restrictions on this right, the empowerment and independence of labor unions need to be ensured. Indeed, the minimal social advances that were accomplished in the post-war era have been the result of compromises among the various political parties which targeted their efforts on fragmenting and incapacitating unions. On their part, labor unions have weakened their position by failing to increase their institutional capacity and build democratic, responsive, and transparent structures, which allow them to play their role of defending the rights of workers. Because there are three parties to the social dialogue, namely an organized labor, a socially responsible employer, and an active government, the country as a whole has an interest in empowering unions and ensuring their independence from political interference.

#### 5.4.2. Specific Objectives and Priority interventions

Based on an analysis of the major impediments standing in the way of achieving equal employment opportunities and decent work conditions for all those residing on the Lebanese territory, the following is a description of the structure of the objective outlining the major axes of interventions.

- **Improve opportunities for equitable and safe employment**
- Provide opportunities for gainful, dignified, productive, and safe employment commensurate with technical abilities regardless of nationality, gender, or physical characteristics.
- ☞ Ensure the application of decent work conditions; strengthen the relationship between the purchasing power of wages and the changing standard of living; encourage and enforce the formalization of enterprises and workers; and strengthen labor market institutions.
- ☞ Create an inclusive job environment that reduces discrepancies in pay, benefits, and opportunity for workers having the same qualifications, provides incentives for the entry of women into the job market, capitalizes on the skills of persons with disabilities, and addresses worst forms of discrimination **against foreign workers.**

The achievement of this vision goes through the implementation of a number of interventions organized under categories of specific objectives. The first category takes a universal approach to the issues related to work conditions of all those who are part of the Lebanese labor market. The second category of specific objectives targets the groups which suffer from inequalities in access to the labor market or inequalities in work conditions. The last category focuses on the institutional reforms that are necessary to guarantee effective administrative mechanisms which respond to employment-related challenges.

## IMPROVE OPPORTUNITIES FOR EQUITABLE AND SAFE EMPLOYMENT

### Work Conditions

#### **STRENGTHEN THE RELATIONSHIP BETWEEN WAGES AND THE STANDARD COST OF LIVING**

Institute regular reviews of the minimum and average wage to ensure that the adopted level is sufficient to provide a decent standard of living to workers and their families and avoid introducing distortions into the wage structure whenever a new increase is adopted.

#### **ENCOURAGE AND ENFORCE FORMALIZATION OF ENTERPRISES AND WORKERS**

Institute intra-governmental coordination mechanisms and provide establishments with low cost and simple procedures to encourage them to register their businesses and gradually enforce the protection of all employees through requiring a labor contract even for temporary and seasonal work.

#### **ENSURE A SAFE WORK ENVIRONMENT**

Review laws and empower labor inspectors to enforce the strict application of work safety and hygiene standards.

#### **ENSURE CONTINUOUS ON – THE – JOB IMPROVEMENT OF LABOR FORCE SKILLS**

Provide workers with opportunities for on-the-job training, standardize training requirements and certificates, and establish links between training and advancement.

#### **WORK TOWARD STRENGTHENING JOB SECURITY**

Institute effective and powerful legal recourse mechanisms for workers filing complaints against their employers and protect jobs during economic downturns.

### Inequalities

#### **REDUCE INEQUALITIES IN WORK OPPORTUNITY**

Work toward providing equal employment opportunities based solely on ability and qualifications regardless of gender, physical characteristics, or national origin and establish mechanisms that facilitate female participation in the labor market.

#### **REDUCE INEQUALITIES IN THE WORK CONDITIONS OF LEBANESE, ARAB AND FOREIGN WORKERS**

Expand the protection of the labor law to all workers on the Lebanese territory regardless of gender, nationality, physical characteristics, type or place of work and enforce the application of the tenants of decent work and human rights to all workers.

### Institutional

#### **EMPOWER AND ENSURE THE INDEPENDENCE OF LABOR UNIONS**

Amend the law toward the strict protection of the independence of labor unions from political interference and encourage reform of unions in the direction of more transparency, democracy, representativeness, and effectiveness.

#### **STRENGTHEN LABOR MARKET INSTITUTIONS**

Review the labor law toward increased alignment with ratified labor conventions, establish a Labor Management Information System and ensure its availability and accessibility to public use, and empower the National Labor Office to play its full role as the steward of labor market information.

## 5.5. General Objective 5: Revitalize Communities and Develop the Social Capital

### 5.5.1. Situation analysis

#### 5.5.1.1. Introduction

Unlike the previous objectives which focus on the rights and needs of the individual, this objective's main concern is the community in which individuals live and interact. This objective is about revitalizing communities and developing the social capital through the creation of opportunities for interaction and the preservation and promotion of inclusive equitable communities. Sustainable communities require basic services and a good quality built environment, and they also require "opportunities to meet interact and form bonds, essential prerequisites to the development of a sense of place and belonging."<sup>103</sup>

As such, this section is divided into two major sub-sections. The first will explore the issues which weaken the development of the social capital in Lebanon. The second sub-section will look into the major inequities in the living conditions of the population. These elements interact with one another to shape and transform communal identities. A society is only as healthy as its people, and people are affected by the systems they live in and their direct environments.

#### 5.5.1.2. Social cohesion and capital

The creation of social cohesion requires the development of social policies which create opportunities for interaction among and between all parts of society<sup>104</sup>. In Lebanon, social cohesion has faced several obstacles such as a weak sense of national identity, diminishing public space and lack of sustained interest in the various facets of Lebanese culture and cultural activities.

#### *Lebanese identity*

Social or communal identity refers to the individual's self-concept originating in "his/her membership in a social group along with the importance and the emotional import attached to the group membership<sup>105</sup>". In Lebanon, identity has been both a cause and consequence of wars and confrontations. The predominant social identity in Lebanon has been the sectarian one, with people coming toward (and apart from) each other based on religious belief. Due to recurrent crises and cycles of violence, sectarian identities have been reinforced and solidified in the country as they have been perceived necessary for survival and protection. A national identity of the Lebanese people remains a protracted

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<sup>103</sup> Athy Town Council, 2005. *Athy Development Plan 2006-2012*. Kildare, Ireland

<sup>104</sup> *ibid.*

<sup>105</sup> Kreidi, L., H., and Monroe, K. R., 2002. Psychological Boundaries and Ethnic Conflict: How identity constrained choice and worked to turn ordinary people into perpetrators of ethnic violence during the Lebanese civil war. *International Journal of Politics, Culture, and Society*, Vol. 16, N° 1. Fall 2002, p.5-36, Springer.

and controversial issue and both the root cause and consequence of most conflicts and social challenges identified throughout the strategy. The question pertaining to national identity remains the same: May we assume that despite the fears of most Lebanese, a common national identity can be found? The birth of a nation entails the transition from divisions among groups to the acceptance of a national identity as an umbrella superseding any other group identity. This transition is promoted by a larger public space where citizens enjoy equal rights, duties and same public freedoms.

In a context like Lebanon, it is not the multitude of communities that is the issue. The difference between Lebanon and other societies with a similar context resides in the fact that the political systems of these societies do not reflect their social differences and divisions.

Many modern states, born with disunited affiliations and cultures have arisen through the unity of national institutions and cohesiveness of public policies<sup>106</sup>. In Lebanon, however, religious sects remain the essential units of the political system. What further hinders government unity and the emergence of properly functioning institutions which can encompass all citizens is that sectarian affiliation is the basis for all official appointments and promotions. This hinders the formation of a competent civil service whose loyalties would belong to the country as a whole rather than to the sects.

### **Judicial independence**

The judicial branch of any country is a means by which to strengthen or weaken a national identity, as it may promote discriminatory laws or unifying ones. In fact, the impact of an efficient and transparent judicial system on the unity of the country may be much stronger than that of civil society or the political system. As such it is important to delve into its situation in Lebanon since it would seem that resorting to the political route to amend laws in a way that unites the country, has many times reached a dead end.

In order for the Lebanese to assemble around a single image of Lebanon as a country of tolerance and diversity, all citizens should find their place in the country in terms of rights and private liberties. Such rights which may encourage and promote a national identity include freedom of creed, civil marriage, a woman's right to grant her nationality, etc.

However, the judicial branch in Lebanon has so far not played the role it should to become a platform where important and delicate social issues are addressed. Addressing such issues pertaining to the sectarian Lebanese system aims to broaden the scope of legal thinking and empower the society to constantly adapt laws according to the occurring developments. It could also be a sort of a laboratory providing important resources to any reform process. Indeed, in this regard, there have been some recent judicial orders which have demonstrated slight shifts in the role of the judiciary. Such changes show the pioneer role of the judges and their impartiality toward marginalized categories and as such, their potential in being the catalysts of change in our understanding of identity.

Hence the need to protect and strengthen the independence of the judiciary branch from political influence and the creation of channels of communication between civil society and the judiciary.

<sup>106</sup> Beydoun, A., 2009. "Political citizenship and the sectarian state" in *Toward a citizen's state*. Beirut: UNDP.



The fragile social cohesion in Lebanon has also been considerably affected by the years of war. This has resulted in self-imposed limitations placed by many Lebanese on their own movement and place of residence. This fragile social fabric is further exacerbated by the important weight of sectarian belonging in the definition of relationships with others. The impasse of the adoption of a common history book in the school curriculum is another indicator of the Lebanese identity's fragility. In addition, the lack of a population census since 1932 - the primary benchmark for the 1943 national pact-, reflects the basic fear implanted in the Lebanese people of seeing the importance of their respective sectarian communities dwindle or grow based on population size. However, had there been a secular system whereby political positions are based on personal qualifications, this kind of debate would not exist.

### *Cultural heritage*

Cultural expression is both a reflection of a country's national identity and a binding force that cements social cohesion and promotes a shared sense of identity and continuity<sup>107</sup>. Culture is expressed, created and preserved in many ways both tangible and intangible. In fact, buildings, historic places, monuments and cultural landscapes all constitute the tangible culture, whereas art, traditions, language, food all represent the intangible heritage. Intangible cultural heritage pertains to "the practices, representations, expressions, knowledge, skills – as well as the instruments, objects, artifacts and cultural spaces associated therewith – that communities, groups and, in some cases, individuals recognize as part of their cultural heritage."<sup>108</sup>

Although Lebanon is rich in such intangible assets and has a vivacious cultural life comprising of events, festivals and exhibitions, the cultural scene nevertheless receives limited governmental support due to constricted budget. The Ministry of Culture supports cinema production by funding up to ten films. The ministry supports theaters through the allocation of an undersized annual budget and aims at acquiring a number of paintings, sculptures and books of Lebanese painters and sculptors and writers. Thus, the survival of certain traditions, skills and authentic activities is seriously threatened. Moreover, the most important –and yet neglected- channel that transmits cultural heritage from one generation to the next, is language. "Language embodies the unique cultural wisdom of a people."<sup>109</sup>

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<sup>107</sup> UNESCO, 2003. *Text of the Convention for the Safeguarding of Intangible Cultural Heritage*. Available online <http://www.unesco.org/culture/ich/index.php?lg=en&pg=00022#art2>. Accessed on December 10<sup>th</sup> 2010.

<sup>108</sup> *Ibid.*

<sup>109</sup> UNESCO, *Language vitality and Endangerment*

### **Cultural Heritage and Urban Development Project (CHUD)**

The Cultural Heritage and Urban Development Project in Lebanon, seeks to increase the local economic development, and enhance the quality of life around the historic centers of five main cities (Tripoli, Baalbeck, Saida, Sour and Jbeil), by improving the conservation, and management of the country's cultural heritage. The project's main components include: a) activities for the rehabilitation of historic city centers, and urban infrastructure improvements that will upgrade public spaces, as well as preserve monuments, and historic buildings for adaptive uses. The component will further support productive and commercial activities related to cultural heritage to enhance, and sustain related infrastructure improvements. In addition, zoning and traffic regulations in and around selected historic sites will be enforced, which includes the protection and landscaping of coastal, and green areas. This will be supported by studies for urban redevelopment adjacent to historical sites; b) activities for archaeological sites conservation, and management. The component includes research and development; conservation of surfaces and structures; selection of visitors sites; site management; and, further archaeological studies; and, c) institutional strengthening, through complementary technical assistance, and capacity building activities, focused on the municipal, and Directorate General for Urban Planning (DGU) management of historic centers, supporting municipal local economic development, and communications, cultural heritage institutional and regulatory reforms, and restructuring of the Directorate General of Antiquities.

Source: World Bank ([www.worldbank.org](http://www.worldbank.org))

In Lebanon, Arabic takes a backseat to foreign languages in formal instruction and often in everyday life. Another important issue pertaining to the cultural sector is the low contribution of cultural heritage to local and national socio-economic development. The cultural tourism industry is underdeveloped. On the whole, the cultural establishments both public and private lack the institutional capacity and funding which is seen as the major constraint to the development and the implementation of a comprehensive strategy for the cultural heritage preservation and management of the Government. The government of Lebanon's budget in 2010 allocates only L.L. 27 billion to the Ministry of Culture or 0.2% of the total budget excluding debt service. With this size of budget, the Ministry is deprived from the means to take a leadership role in preserving and promoting culture in Lebanon.

#### *Local products and handcrafts*

A large number of nongovernmental organizations support local communities around the country to produce locally-made products, including organic, and handcrafts. These initiatives support to a certain extent improving the local livelihood and preserving the traditions in food, beverages and handcrafts. Nevertheless, the Lebanese government is still absent from encouraging and regulating this informal sector, which if well nurtured, can contribute to the national economy by providing a niche at local markets and in countries where Lebanese Diaspora reside.

### *Archeological sites*

Archeological sites located across the country are a source of pride for all Lebanese alike. As such it is important to safeguard these sites to promote and perpetuate the common history and ties which can bring the country together. Today however, due to urbanization, postwar reconstruction and the lack of means and mechanisms for patrimony preservation, cultural heritage in Lebanon suffers from neglect and is progressively losing ground to buildings and construction<sup>110</sup>. Entrance fees to major archeological sites are transferred to municipalities but do not benefit the preservation of the sites or the quality of life of the surrounding communities. It is to be noted that there is a shortage of funds from the Independent Municipal Fund to the preservation of cultural heritage. Most sites are poorly preserved and in need of an effective development and communication strategy. On another level, the degradation of those sites in the country is due to poor maintenance and management of historical buildings and monuments. Pollution, sewage flows and traffic are the main environmental problems affecting buildings and sites.

It is clear that no cultural sites can be protected without the cooperation and participation of people living around those sites. The public must be informed about the meaning of these sites and their relation to it, in order for them to be able to preserve and protect the cultural heritage of their country.

### *Shared public spaces*

“In all communal life there is a dynamic balance between public and private activities”<sup>111</sup>, which is essential to maintain a healthy society. Within this balance, every country (or region or culture) places a different emphasis on public space. In comparison to Europe for instance, the MENA region is characterized by a limited number of public spaces apart from markets and shopping streets. Although the public-private balance is unique to every country (or region or culture), it shifts under the influence of changing political and economic systems among other elements<sup>112</sup>. What further hampers, and yet also renders the development of public spaces in Lebanon essential, is the rapid urban expansion it faces.

On the city level, shared public spaces are almost inexistent in Lebanon. In the capital city for instance, four squares used to exist with Martyr square occupying the most vital part. However, today, only Nejmeh square remains since the other major squares, (Martyr, Riad El-Solh, and Al Debbas) have been opened to their surroundings and no longer qualify as “squares”. Nejmeh square however is rather restricted to the upper middle class and the “Corniche” remains among the few public spaces that continue to

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<sup>110</sup> The World Bank, 2003. *Cultural Heritage and Urban Development*, Project appraisal document on a proposed loan in the amount of US\$31.5 million to the Lebanese republic.

<sup>111</sup> Carr, S., 1992. *Public spaces*, New York: Cambridge University Press.

<sup>112</sup> Carr, S., 1992. *Public spaces*, New York: Cambridge University Press.

equally attract people from all economic strata in Beirut<sup>113</sup>. Public spaces are intended to bring together people from all walks of life, to mix and mingle and coexist. The lack of public spaces in a capital city filled with people from different communities threatens the nation-building exercise needed in the country. “The streets, squares and parks are the ebb and flow of human exchange [...] there are pressing needs that public space can help people to satisfy, significant human rights that it can define and protect and special cultural meanings that it can best convey.”<sup>114</sup> In fact, it seems that in Lebanon, regions with shared public spaces are more likely to be socially cohesive than those regions which have a lack of such spaces<sup>115</sup>.

On the neighborhood level, there is also a lack of small public spaces which act as breathing spaces providing porosity to the urban fabric. Sidewalks, which are meant to provide the continuity of movement within the city, are often interrupted and not of uniform elevation. Planted sidewalks which guarantee the continuity and inter-linkage of green spaces within the city are rare. Green spaces which play an important social function in addition to the environmental one are limited<sup>116</sup>. It must be noted nevertheless that development projects funded and planned by the Ministry of Interior have included public gardens and pavements in almost all governorates like in Zhghorta, Rachaya and Baalbeck as well as municipal sports grounds like in Baabda, Hasbaya and Bint Jbeil.

The importance of shared public spaces on society is significant. Their impact is however magnified when it comes to youth. Youth relations and interactions shape and mold their social definitions – such as those of national belonging or sectarian affiliation. As such it is important to encourage the creation of secular youth clubs all over the country (as they currently tend to be concentrated in Beirut and Mount Lebanon<sup>117</sup>). Further than this, these spaces ought to provide opportunities for the young to voice out their aspirations and expectations of the society in which they are to become active members. The current situation characterized by the proliferation of political and sectarian youth associations, prevents the formation of a network of youth associations that hinders overlap in interests and activities and binds the Lebanese youth into a cohesive, dynamic, and influential group.

### *Equitable housing and neighborhood conditions*

After having had an overview of the situation of the public space in Lebanon, its challenges and limitations and its role in promoting social cohesion, it is important to

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<sup>113</sup> Interview with Raheef Fayyad – Professor at the Lebanese University and Former President of the Arab Organization of Architects)

<sup>114</sup> Carr, S., 1992. *Public spaces*, New York: Cambridge University Press.

<sup>115</sup> Council for Development and Reconstruction (CDR), World Bank, 2007. *Monitoring and Evaluation of the Community Development Project*. Beirut.

<sup>116</sup> Interview with Raheef Fayyad – Professor at the Lebanese University and Former President of the Arab Organization of Architects)

<sup>117</sup> Lebanese Ministry of Youth & Sports, United Nations Youth Working Group. *Youth Empowerment & Participation Project*. UNESCO, UNDP, UNICEF, ILO. Beirut.

delve into the status of the private sphere, i.e. the home or house. The more crowded and inexistent public spaces become, the more people will retreat to their private surroundings. As such, it is important to take a look at the impact of the surrounding environment on the quality of life, or rather the interaction of the individual with his/her immediate habitat. The housing sector in Lebanon faces many challenges both in terms of affordable access and in terms of quality of construction and public services. These challenges are outlined in the following three sections.

#### *5.5.1.3. Housing for low and middle income families*

The last three decades have witnessed a significant increase in home ownership with the home ownership rate increasing from 44% to 71% of total dwellings. However, major discrepancies exist among the various governorates with Beirut having the lowest ownership rate (43%) while the Bekaa enjoy an ownership rate of 92% (Figure 14).

Moreover the distribution of primary residences has not taken place according to a deliberate and rational urban plans but has been rather disorganized and often exceeding the capacity of the existing infrastructure. Indeed, one of the major challenges facing the housing sector in Lebanon is the lack of a national housing policy and long term planning in terms of building residential units, housing institutions, and infrastructure.

The housing issue became an urgent one following the real estate boom since 2007 which resulted in an increase of at least 150% in dwelling prices<sup>118</sup>. The exacerbated increase of house prices witnessed in the last few years seriously hampered the chances of low and middle income households of owning a dwelling. This necessarily places added stress on families which can barely make ends meet, or even middle class families in Lebanon who do not have the security of owning a house or controlled rent. In fact, the Lebanese housing sector is characterized by an old rent control law prohibiting rent increases and expulsion. The rigidities of the law and the strong devaluation of the Lebanese pound led to a legal reform in 1992 stipulating the possibility of a fixed term renting contract for a period of three years with a 10% increase every year. People with old rents however are still protected against rent increase. This de facto rent control is unfair to property owners who continue to be paid relatively low rates given the inflation. On the other hand, the elimination of rent control would drive out low and middle income households from major cities such as Beirut.

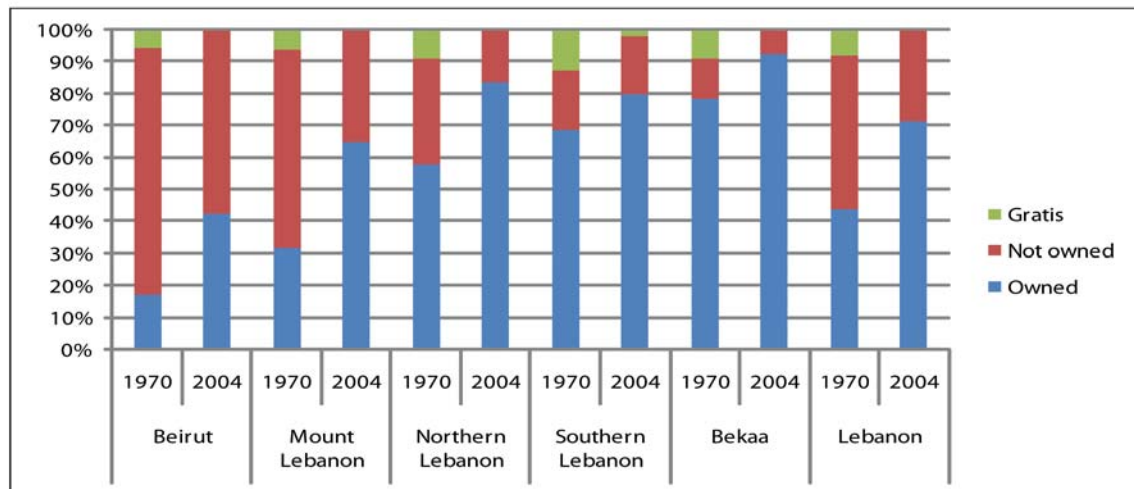
In addition to problems of access, the absence of strict building codes and their weak enforcement allows developers to distort the quality and quantity of construction material often leading to disastrous collapses (examples: Byakout and Nemeh). As such the security and safety of residents in the country are at risk. No place is this more true than in “urban slums” or illegal settlements all over Lebanon where the poor and dire housing conditions have negative impacts on the health and wellbeing

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<sup>118</sup> Order of Engineers, *النمو العقاري في لبنان: أي علاقة؟*, June 18, 2010.

of their residents. The lack of public space and the inadequate private space lead individuals to feel isolated and insecure in their own country.

*Figure 14: Distribution of Primary Residences according to Ownership of Primary Residence by one of the Household Members and Governorates (1970-2004)*



Source: CAS (2006) *Living conditions of households*; CAS (1972) *L'Enquête par sondage sur la population active au Liban*, November 1970.

### *The Public Housing Institution*

In 2010, The Ministry of Social Affairs<sup>119</sup> announced the raise of value of the housing loan granted by the Public Housing Institution (PHI) either for buying, constructing or repairing a house from 180 Million L.L. up to 270 Million L.L. (equivalent to a raise from US\$120,000 to US\$180,000, a ratio of 50% increase) in a scheme to address the rise of prices of housing units, to promote the familial stability that leads to social and political stability as well as to prevent Lebanese youth migration and brain drain. This decision was considered as a necessity to counteract the negative economic consequences resulted from the high costs of the real estate sector and other factors derived from the high prices of the real estate suitable for construction. An average of 150 m<sup>2</sup> for the apartment and an average price of \$1,200 per meter were considered as dynamics for increasing the value. Besides, the improvement of the PHI financial conditions and consequently the increase of its revenues were key reasons behind such decision. It is worth indicating that in 2010, a total of 6,192 loan agreements, equivalent to US\$ 500 Million, were held at the PHI nationwide, providing housing support to around 6,192 Lebanese families. The Public Housing Institution has provided up to 53,991 loan agreements until to date.

### *Urban slums*

A “slum” at its simplest definition is a “heavily populated urban area characterized by substandard housing and squalor”. In developing countries, the term “slum” simply refers

<sup>119</sup> Ministry of Social Affairs, December 2010

to low quality or informal housing which has become intimately connected with perceptions of poverty, lack of access to basic services and insecurity<sup>120</sup>. In other words, slums can be identified as areas of the city where most of the residents live in precarious economic conditions with high levels of vulnerability and where services and living conditions are worse than in any other parts of the city. Typical characteristics of slums include poor hygiene; deteriorated physical conditions including inefficient infrastructure, dirty roads and unavailable services; poorly built dwellings that are often crowded; and the ambiguous legal status of dwellings<sup>121</sup>.

According to the “Rapid social assessment”, urban slums in Lebanon are mainly poverty bands existing in or around main cities such as Beirut and Tripoli and the old city of Saida. A study of Beirut slums revealed 24 different slums that house around three hundred thousand slum dwellers (more than 20% of the city’s population)<sup>122</sup>. Slum inhabitants include rural migrants who started coming to the city in the 1950’s; Lebanese population displaced by the war of 1975-1990; refugee groups notably Armenians and Palestinians and foreign labor including Arab, Asian and African nationalities. Living in slums leaves the residents with an increasing feeling of abandon decreasing thus their sense of responsibility or obligation toward the state.

### 5.5.2. Specific Objectives and Priority Interventions

Following an analysis of the conditions that characterize the physical environment within which people in Lebanon live and interact, an objective was developed with the aim of providing people with their right to safe, clean, and decent living conditions and create opportunities to build cohesive communities and strengthen the bonds that define the Lebanese identity.

- **Revitalize communities and develop the social capital**
- Enhance living environments especially in villages and urban slums, foster cultural and natural heritage and promote social capital to create the setting for more interactive, cohesive, and socially engaged communities.
- ☞ Strengthen social cohesion and the sense of a Lebanese identity through the promotion and preservation of cultural and natural heritage, the creation of shared public spaces, and the protection of civil rights through a competent and independent judiciary.
- ☞ Improve living conditions in crowded urban agglomerations and underserved rural areas, and promote home and land ownership by low-income families through the provision of regionally balanced credit facilities and private sector incentives.

<sup>120</sup> UNHABITAT. 2003. *The Challenge of Slums: Global Report on Human Settlements 2003*.

<sup>121</sup> Fawaz, M. & Peillen I., 2003. “Urban Slums Reports: The case of Beirut, Lebanon” in *Understanding Slums: Case Studies for the Global Report on Human Settlements 2003*.

<sup>122</sup> *Ibid.*

The achievement of this objective, revitalizing communities and developing the social capital, goes through the implementation of a number of interventions which were classified under three categories of specific objectives, namely heritage, social cohesion and housing.

## REVITALIZE COMMUNITIES AND DEVELOPM THE SOCIAL CAPITAL

### Heritage

#### **PRESERVE AND PROMOTE CULTURAL HERITAGE AS AN ESSENTIAL RESOURCE IN NATIONAL DEVELOPMENT**

Protect archeological sites as the foundations of Lebanon's modern history and promote Lebanese cultural heritage including artistic productions and performing arts, literature, fine arts, artisans, and culinary traditions as a platform for a common Lebanese identity and a fundamental component of Lebanon's image in the world.

### Social Cohesion

#### **REINFORCE A LEBANESE IDENTITY SHARED BY ALL CITIZENS**

Ensure that all citizens feel equally empowered and protected by the state regarding both their duties and their civil rights thereby reinforcing citizenship vs. confessionalism.

#### **CREATE AND PROMOTE SHARED PUBLIC SPACES**

Promote the creation of social capital through the preservation and establishment of interaction opportunities in spaces such as public parks, municipal sports arenas, public libraries.

#### **EMPOWER THE YOUTH OF LEBANON**

Work toward binding the Lebanese youth into a cohesive, dynamic, and influential group by supporting nonsectarian youth associations, creating a network of youth and sports clubs, and providing mechanisms that promote youth participation in civil society

#### **STRENGTHEN JUDICIAL INDEPENDENCE**

Strengthen the independence of courts from political intervention and increase the interaction between civil society and the judicial branch as the foundation for the protection of people's rights on the Lebanese territory.



## Housing

### **REINFORCE A LEBANESE IDENTITY SHARED BY ALL CITIZENS**

Ensure that all citizens feel equally empowered and protected by the state regarding both their duties and their civil rights thereby reinforcing citizenship vs. confessionalism.

### **CREATE AND PROMOTE SHARED PUBLIC SPACES**

Promote the creation of social capital through the preservation and establishment of interaction opportunities in spaces such as public parks, municipal sports arenas, public libraries.

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### **STRENGTHEN JUDICIAL INDEPENDENCE**

Strengthen the independence of courts from political intervention and increase the interaction between civil society and the judicial branch as the foundation for the protection of people's rights on the Lebanese territory.



# Annex



# Annex 1

## Theoretical Underpinnings of the NSDS

Broadly speaking, social policy followed a history that mirrored the development of economic paradigms and was influenced by the economic transformations of the last half-century. In the 1980s, there was a tendency bolstered by supply side economics, to regard social policy as an inefficient diversion of resources that would slow down the necessary economic reforms. However, a number of factors have lately contributed to a revival of interest in social policy among international organizations and development agencies. One of these factors was the rediscovery of poverty and the failure of structural adjustment programs to ensure positive social outcomes. In the absence of automatic mechanisms to translate growth into an improvement in social indicators, such mechanisms needed to be actively created. A second factor behind the renewed interest in social policy was the ‘discovery’ of the productive nature of social policy, taking the form of human capital. Social policy was justified in that it contributed to the process of growth, through higher educational levels, political stability, social capital, etc. Several studies identified a positive correlation between redistributive social policies and economic development thereby generating a new consensus on the social precursors of development.<sup>123</sup>

### *Defining social policy*

Human welfare is determined to a large extent by existing social structures, such as family, kinship structures and patterns of social relations, and by market organizations, such as the pattern of endowment, the extent of regulation and the distribution of resources. Social policy refers to the public interventions that aim at altering these rules and structures in order to improve human welfare. Despite this quasi-universal perspective on the link between social policy and human welfare, there is no clear consensus on any specific definitions of social policy or on the public interventions that it entails. These public interventions span domains such as education, health, employment, and social security and extend to redistribution, protection and social justice<sup>124</sup>.

Different countries have different systems of social policy, following different institutional and ideological developments. As such, different national systems of social policy contain or emphasize different components or policy mix. This lack of

<sup>123</sup> Mkandawire, T., 2001. *Social Policy in a Development Context: an Issues Paper*. Geneva: UNRISD.

<sup>124</sup> Ortiz, I., 2007. *Social Policy. UNDESA Policy Notes for National Development Strategies*. Geneva: UNDESA.

consensus over a definition of social policy stems from the divergence in the response to three major questions:

1. The roles of government versus individuals and communities in the implementation of these social policies: Arguments in favor of a reduced governmental role consider the market as a preferable and adequate source of welfare for citizens. On the other hand, the argument in favor of a significant public role centers on the fact that vulnerabilities and risks require collective responses because many people, especially those with low incomes, cannot afford the services provided by the modern private sector, whether these are health or education services, or insurance premiums of various kinds. Moreover, coinsurance schemes that are restricted to the poor, without the wider pooling of risk which comes from including the better-off, are bound to fail, as the core social insurance principle (contribution in relation to income, and benefit in relation to need) is absent<sup>125</sup>.
2. The interaction between social and economic policies: Social policy is related in various ways to the economy. Economic policy and outcomes directly affect and constrain social policy, by greatly influencing the distribution of resources in a society and the extent of resources provided to social issues in the public budget. On the other hand, social policy affects the functioning of the economy in various ways, through mitigating conflicts and inequalities that might result from the economy, through lowering the costs faced by the economy, through increasing the skills of the labor forces, etc. Therefore, social policy is both a social and an economic form of intervention and needs to be conceptualized as such. As Chang writes, “the separation of economic policy and social policy implicitly assumes that it is possible to objectively define an economic sphere that should (and does) operate according to some ‘scientific’ economic logic and a social sphere where we may want to ... over-ride the economic logic with ‘ethical’ considerations (such as income distribution, employment creation, protection of human rights, etc.) despite the ‘inefficiencies’ that such action is going to create” (2002). In other words, the thinking regarding social policy should account for this ‘embeddedness’ of the social in wider structures and the organic relations between the social and the economic.
3. Targeting versus universalism: Targeting refers to the allocation of welfare to eligible individuals on the basis of available financial resources. Particular groups could include women, youth, children, the elderly, the disadvantaged, the disabled, the unemployed or minorities. In contrast, a universalist approach to social policy considers “the entire population as the beneficiary of social benefits as a basic right.”<sup>126</sup> The choice between targeting and universalism is

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<sup>125</sup> UNRISD, 2006. *Gender Equality: Striving for Justice in an Unequal World*. Geneva: UNDESA.

<sup>126</sup> Mkandawire, T., 2005. Targeting and Universalism in Poverty Reduction. *Social Policy and Development*, Program Paper No. 23. Geneva: UNRISD.

not an administrative but a political economy choice that “involves the choice of instruments for redistributing resources in society and for determining levels of social expenditure.” Countries rarely adopt purely universal or purely targeted social policies but tend to rely on a hybrid combination of universalist and targeted tools. However, “where they lie on this continuum can be decisive in spelling out individuals’ life chances and in characterizing the social order<sup>127</sup>.”

Answers to these types of questions determine the type of social policy that a country adopts and frame the approach that a country uses to address its social challenges. Despite the absence of a unified social policy in Lebanon, the social strategy, which is the purpose of this document, attempts to incorporate the general consensus on social policy issues as reflected in the various policy documents and by the major stakeholders (Table 4).

#### Perspectives on Social Policy according to a Number of International Organizations and Forums

UNDP	Strengthen the links between economic growth and human development focusing on equity, job opportunities, access to productive assets, social spending, gender equality, population policy, good governance, and an active civil society.
UNRISD	Edification of a state-society nexus that is <ul style="list-style-type: none"> <li>– developmental (facilitates and promotes economic growth and structural transformation),</li> <li>– socially inclusive (pursues social policies that provide equitable entitlements for all citizens to ensure that their capacities and functioning are adequate for a decent inclusion in societal affairs)</li> <li>– democratic (derives its legitimacy through popular participation and electoral process)</li> </ul>
World Bank	Policies to ensure sustainable and efficient equity should focus on leveling the playing field, without targeting equality in outcomes, apart from those related to absolute deprivation.
European Commission	Social policies should include fostering the productivity of labor and increasing its demand, support for the participation of civil society in policy making, fostering gender sensitivity and deepening economic reform.
World Summit for Social Development	Goals of social policy should be the eradication of poverty, full employment and the fostering of stable, sage and just societies.

<sup>127</sup> *Ibid.*

### Social Strategies Vision of Malaysia, Oman and UAE

A number of country strategies were reviewed in an attempt to extract best practices that could apply in the Lebanese context. The countries were selected either for their similarity with Lebanon from a cultural point of view (Arab countries) or because they are referred to as success stories in the social policy literature. The most important finding was that, in all of these instances, unlike the Lebanese case, the social strategy is a component of a wider country plan that fully integrates economic and social components.

#### Malaysia

Malaysia has recently issued its 10<sup>th</sup> five-year plan. These plans are development strategies that incorporate social and economic elements. The Malaysian approach is based on a new development philosophy which incorporates the concepts of growth and equitable distribution. It is based on the firm belief that economic growth is insufficient to inspire national development or achieve national unity. All ten plans have been a mixture of global and targeted measures.

Source: ESCWA, (2003) *Social Policies in Malaysia*, Social Policy Series No. 4, United Nations, New York; Government of Malaysia, (2010) *The Tenth Malaysia Plan*.

#### Oman

In its “Vision for Oman’s Economy: Oman 2020” the government calls for the adoption of “practical, integrated policies and mechanisms aimed at developing national human resources. This is to be done through upgrading the skills of Omanis, enhancing the standard of living of the Omani people, and reducing income and regional inequalities.

Source: ESCWA, (2009) *Integrated Social Policies: Vision and Strategies in the ESCWA Region*. United Nations, New York.

#### United Arab Emirates

The UAE Government Strategy “aims to achieve sustainable balanced development and ensure continued quality and high standards of living.” The strategy’s area of social development focuses on basic education, higher education and scientific research, health care, population and labor force; social welfare; and culture, youth, and community development.

Source: Government of the UAE, *Highlights of the UAE Government Strategy*, in ESCWA, (2009) *Integrated Social Policies: Vision and Strategies in the ESCWA Region*. United Nations, New York.



# Annex 2

## Investments in infrastructure

The mismanaged and unreliable infrastructure in Lebanon adds to the deterioration of quality of life as well as the environment. This mismanagement causes the economy great losses in terms of competitiveness on the Arab and global markets, potential economies of scale, and chances of development for non-central Lebanese regions. This further hampers chances for real equitable and balanced development beyond what is represented in GDP growth. The rest of this section outlines the challenges faced in four major sectors of infrastructure.

Electricity tariffs in Lebanon are some of the highest in the region as is the cost of production which is only surpassed by those of Morocco and West Bank and Gaza. This imposes a great economic burden on the Lebanese public. Further than that however, this electricity is unreliable as daily blackouts are the norm in the country. The reasons behind this unreliability are: “Inadequate spare capacity and overload, incomplete networks, failure to optimize evacuation energy and failure to import energy”<sup>128</sup>, namely fuel and gas oil which are at the mercy of fluctuating oil prices. Power cuts force households as well as businesses to subscribe to generators whose costs cut into their incomes and profits, and take away from their saving and investment ability. Add to this that a large number of households cannot even afford to subscribe to generators and are therefore left with no heat or air conditioning, no light, no means to preserve their food. Moreover, EDL transfers in 2009 amounted to 1.499 billion USD<sup>129</sup>

Another major infrastructure problem is that of the deficient network of roads which fails to efficiently connect the Lebanese regions. Transport in Lebanon further suffers from serious quality issues which worsen as one moves away from Beirut. This leads to a “loss of investments, reduction in road capacities and safety and inefficiency in providing proper road transport services”.<sup>130</sup> the lack of a single unit that oversees all public works results in lack of coordination among the projects of the various entities responsible for infrastructure maintenance (Ministries of Energy and Water, Public Works, CDR, etc.). This generates serious economic losses to the government, which has to needlessly

<sup>128</sup> CDR. Development Program 2006-2009. *Draft Vision Report- Annex*.

<sup>129</sup> Ministry of Finance, 2009. *Public Finance Review*

<sup>130</sup> CDR, 2005. Development Program 2006-2009, *Draft vision Main report*. Beirut: CDR.

cover the cost of an excavation several times thereby diverting resources from more productive uses.

An infrastructural problem which Lebanon faces on a daily basis is that of water, whether drinking or waste water. Even though Lebanon is one of the few countries in the region which benefits from heavy rainfall, most of this water is lost to the sea due to lack of adequate and proper infrastructure to retain it and transform it into drinkable water.<sup>131</sup> This is in part due to the inability to recover costs “reflected in the financial deficits run by three of the four Regional Water Authorities”<sup>132</sup>, forcing the government to step in and cover costs. Furthermore, there are major health concerns in Lebanon due to poor water quality. “In addition to health impacts, poor water quality increases the costs of water treatment and encourages or forces people to buy more bottled water than they normally buy if they had access to good quality drinking water.”<sup>133</sup>

Finally, in this era of rapid modernization and advanced technology, Lebanon is still lagging in terms of Information-Communication Technology (ICT)<sup>134</sup>. While the telecom issue in Lebanon does not negatively impact the livelihoods of people on the same scale of the above mentioned infrastructural problems, it nevertheless prevents the Lebanese economy from developing to its full potential. A major issue plaguing ICT in Lebanon is the lack of a public entity in charge of ICT development and coordination. The Lebanese pay high rates when it comes to the fixed and mobile lines as well as the internet. Hence, even though Lebanon enjoys a modern network of fixed telecommunication lines<sup>135</sup>, the Lebanese public still suffers from high prices which are not matched by the quality of services required. Internet services in Lebanon “are currently available at low data rates [...], high prices [...], and low penetration relative to relevant comparator countries”<sup>136</sup>. Similarly, mobile services in Lebanon are experiencing a slowdown in terms of growth of penetration. Such high prices and only relatively adequate service generates economic losses for Lebanon in terms of lost investment.

Having said the above, it must be noted that the government is keen on increasing investment in infrastructure. This is reflected in the 2010 budget proposal which reveals increases in expenditures in this sector. For example, proposed investment in electricity has increased tremendously from 4 billion L.L. to 483 billion L.L.

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<sup>131</sup> The World Bank, 2009. “Lebanon Social Impact Analysis – Electricity and Water Sectors”.

<sup>132</sup> The World Bank, 2009. “Lebanon Social Impact Analysis – Electricity and Water Sectors”, p.28.

<sup>133</sup> Ministry of the Environment, 2001. *Lebanon State of the Environment*, Beirut: MEHE.

<sup>134</sup> ESCWA, 2007. *National Profile of the Information Society in Lebanon*. Beirut: ESCWA.

<sup>135</sup> *Ibid*

<sup>136</sup> The World Bank, 2009. “*Economic and Fiscal Impact of Introducing Broadband Networks and Services in Lebanon*”.

between 2009 and 2010. Similar grand increases may be witnessed in the water sector as well as transport and roads. These increases are aimed to rectify the current problems infrastructure in Lebanon faces. However, in addition to investment, efforts should be exerted to address the structural problems related to the management and administration of these sectors.



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