

Terms of Reference

Management Support Consultancy (MSC-LGMS)

Local Government and Municipal Strengthening in Lebanon

Draft July 2001

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1.0 BACKGROUND INFORMATION

1.1 Management Support Consultancy

These Terms of Reference (ToR) outline the services required from a Management Support Consultancy (MSC) team that will support institution building for local government systems and municipal strengthening. The services will be provided over a period of 3 years (36 months). The service contract will be referred to subsequently in this document as the 'MSC-LGMS' and the tasks that will be completed are referred to as the 'project'.

This present section provides an overview of the relevant aspects of the institutional and regulatory framework for the project. Sections 2 and 3 give the Objectives of the project and the Assumptions made in project design.

Sections 4, 5, 6 set out the Scope of Work and Activities, details of the Logistics and Timing of the project tasks, and the Input Resources allocated.

Section 7 describes the Reports required during the Project life. Section 8 describes the procedures for Monitoring and Evaluation

1.2 Beneficiary and Location

The main beneficiaries of this service contract will be the Ministry of Interior and Municipalities (MoIM), the selected Unions of Municipalities and their municipal members, and selected medium-size individual Municipalities.

The project will be located in the central offices of the MoIM, and in the offices of the Unions of Municipalities.

1.3 The ARLA Programme

The Management Support Consultancy described in this TOR is one of a number of service contracts implemented to assist in the re-building of public sector management capacity in Lebanon within the EU-financed ARLA programme. ARLA (Assistance to the Rehabilitation of the Lebanese Administration) is a three-year, multi-sector programme.

The total investment in the programme is Euro 45.2 million, of which Euro 38 million is provided under grant funding by the European Union's MEDA facility.

ARLA is coordinated by its contracting authority, the Office of the Minister of State for Administrative Reform (OMSAR), and supported by a Programme Monitoring Consultancy (PMC) unit.

1.4 Current State of Affairs in the Municipal Sector

a. Structure of Public Administration

Lebanon is a unitary state with four administrative tiers: central government, regions, districts and municipalities. At the centre the Ministry of Interior and Municipalities (MoIM) is responsible for overseeing the municipal sector. There are 6 administrative regions (*Mohafazat*), each region headed by a government-appointed *Mohafiz* who reports to the MoIM. Beirut is both a *Muhafaza* and Municipality simultaneously. The regions are further divided into districts (*Caza*), each headed by a government-appointed *Qaimmaqam*, who reports to the *Mohafiz*. There are 24 districts in Lebanon.

There are presently 711 municipalities in Lebanon which may be broadly categorised as follows: large urban conurbations e.g. Beyrouth, Tripoli, Saidon & Zahle with established municipal services; medium-sized municipalities with annual revenues more than USD6000 and over 4000 inhabitants (20% of total); and small-sized municipalities making up 80% of the total. The large number of small municipalities with limited management capacity has resulted from a local desire to articulate local concerns following the end of the 19 year civil war in 1989.

Many of the towns and cities contain rapidly growing communities and, although many municipalities have already developed their management capabilities, others require considerable assistance to update their administrative structures, systems and staffing.

The distribution of municipalities and districts within the regions is as follows:

<i>Region (Muhafazat)</i>	<i>No. of Districts (Caza)</i>	<i>No. of Municipalities</i>
Beirut	-	1
Mount Lebanon	6	271
North	7	157
Bika	5	122
Nabatiyyeh	4	81
South	3	79
Total	24	711

The average population of registered citizens in the municipalities varies from 2,420 in Nabatiyyeh Region to 6,220 in the South Region. On average, the population size of Lebanese municipalities is 3,990 people. With approximately 1,400 towns and villages there is presently one municipality for every two towns and villages. Some municipalities contain a high percentage of non-residents who may live there on an occasional basis in summer houses but who are not on the council register. Socially and politically, the local government sector in Lebanon is diverse.

Appendix 1 summarises the evolution and legal framework of the municipal sector.

b. Central Ministry Controls over the Municipal Sector

The Municipalities have considerable administrative and financial autonomy under Municipality Law 118 (1977). Central government exercises formal control over the municipalities through the following ministries and agencies:

Ministry of Interior and Municipalities (MoIM) : From 1993 the former Ministry of Municipal and Rural Affairs (MoRA) had a supervision, coordination, regulation, and support role for the municipalities. This Ministry was merged with the Ministry of Interior (MoI) in 2000 to form the MoIM who presently have full oversight authority over the municipalities. The MoIM, through its regional and district offices, is responsible for: internal security; the organisation of municipal elections; and for approvals over municipal budgets and expenditures, contracts, and transactions. The MoIM also has the responsibility of establishing the policy and regulatory framework for local government in Lebanon and administering the municipalities. The institutional and operational roles of the MoIM are presently being interpreted and implemented.

Bureau of Accounts: The BoA has financial control over the *five* larger municipalities in Lebanon through both pre- and post- audits and through the appointment of a chief controller in municipalities. This Bureau is responsible for supervising the spending of public funds, and the special funds deposited by the Ministry of Finance.

Civil Service Council: the Council oversees all municipal decisions concerning staff, administrative structures and organisation, and staff salaries in the twenty largest municipalities.

Ministry of Finance: agrees with the MoIM on the allocation and disbursement of the monies from the Independent Municipal Fund.

Other Ministries such as Education, Agriculture, Public Works, Social Affairs, Environment, and Transportation manage their specialised functions under the umbrella of the regional and district MoIM offices. Public utilities, - such as water supplies, electricity and telecommunications, provide utility services to municipal inhabitants from their own regional and local offices.

c. Municipal Unions

Municipal Unions, the voluntary joining together of separate municipalities within a discrete geographic area, have been formed under the Municipality Law 118 (1977) in response to the relatively large number of small and un-economic municipalities and to provide a mechanism for inter-municipal coordination. Individual municipalities are represented on a Union' governing committee by the their respective Presidents who themselves are elected by the municipal population. The Unions of Municipalities share a wider range of sector interests and are more fully accountable than other forms of inter-municipal cooperation, such as the 'Joint Service Council (JSC)' concept which has been adopted by municipal councils world-wide. JSCs are arrangements between municipalities whereby municipalities agree to share *individual* services for which the users pay all costs, and where the municipalities delegate management authorities to the JSC committee.

Currently there are 13 Unions in Lebanon containing 176 Municipalities, with some Unions having a geographic area corresponding to the administrative boundaries of the district. Most of these Unions have been in existence since 1981. The Union' offices assist the weaker municipal members in the management of their financial and administrative affairs, health and police forces. They also provide a Technical Board to coordinate the planning of services that are provided across municipal boundaries to meet real local needs, - such as sewerage and roads, education facilities etc. Larger urban municipalities within the Unions are also able to share their experience to assist the weaker members. The Unions receive a percentage of the revenues of the constituent municipalities which pays office overheads and are invested in the member's municipalities.

Details of existing Municipal Unions are given below:

Name	Region	Date Established	No of Municipalities
Kesrowan	Mount Lebanon	1977	39
Saida-Zahrani	South	1978	12
Bouchayra	Bekaa	1979	14
Ekliit-Kharroud	Mount Lebanon	1982	6
Fayhaa	North	1982	3
Zgorta Coast	North	1987	5
Sahl	Bekaa	1987	9
Swayyani	Mount Lebanon	1979	7
Jord-Bhamdoun	Mount Lebanon	1981	8
Jeilcaza	Mount Lebanon	1981	14
North-middle & Coast Matra	Mount Lebanon	1979	29
Chkiff	Naba-tieh	1982	9
Matu Highs	Mount Lebanon	1980	17
Total			172

Note: Chkiff and Matu Heights Unions are no longer active (2001)

d. Municipal Responsibilities and Services

Municipalities are expected under the Municipal Law 118 (1977) to undertake the following functions and responsibilities whose economic category, skill levels, and linkages may be described as follows:

<i>Function / responsibility</i>	<i>Economic category</i>	<i>Type of Management Skills Required</i>	<i>Local/ regional linkages</i>	<i>Number of activities listed in 1977 Law</i>
Financial Management	Non-toll ⁽¹⁾	Municipal finance	Integrated with MoF	6
Administration	Non-toll	Public administration	Integrated with MoIM	4
Technical services	Mostly public toll ⁽²⁾	Municipal engineering	Central agencies and regional	10
Social/health services	Public toll & fees	Specialist	Central agencies and regional	7
Regulatory services	Non-toll & fees	Public administration	Local impact	5
-planning, permits, licences				10

⁽¹⁾ 'Non-toll' goods and services are those that cannot be charged to individuals according to the level of their consumption or the costs they impose on the services

⁽²⁾ 'Public toll' goods and services can be charged to individuals based on consumption levels

The larger municipalities often cover the full complement of these functions whereas the smaller municipalities are capable of managing only very basic administration and regulatory tasks. In most municipalities the maintenance of urban services, such as solid waste, are carried out by contractors. The municipalities often retain few technical employees because of a staff-hiring freeze.

e. Municipal Finance

Municipal services, and the collection of fees and taxes to pay for them, were severely neglected during the civil war period. Many communities are therefore now unaccustomed to paying for municipal services and public awareness campaigns are needed to explain why municipal revenues are necessary. Poorer municipalities are also disadvantaged by the larger proportion of low-income households with limited 'ability-to-pay' for services.

Municipal revenues are presently obtained from a number of sources, the most important of which are:

- *Revenues collected by the Municipality for locally-consumed services:* Revenues are obtained from taxes, licences and fees collected directly by the municipalities for services used by local residents and businesses. Data is often absent on the appropriate fee or tax levels for each service, and for some services the cost of collection may be more than the revenues generated. The most significant sources of municipal-collected revenues are fees on real estate

rentals and construction permits. For most municipalities fee and tax billing and collection are very inefficiently carried out.

□ *Revenues collected by central government agencies for locally-consumed services:* these comprise a share of the revenues from the public utilities for services consumed locally which are re-imbursed to the municipalities at a later date. Accounts may not be fully accurate because much consumption is often either illegal or un-billed, and the utilities may not dis-aggregate the data between the different municipalities. The municipalities are also allowed to collect a share of revenues generated by private institutions for local private services, such as mobile phones. Transfer of these surcharges to the municipalities is often unpredictable or at the discretion of the public agencies.

□ *Revenues collected by central government agencies for nationally-consumed services:* A major potential source of municipal revenues derives from the surtaxes and fees collected by the central Ministry of Finance on behalf of the municipalities from the wider consumption of goods and services in Lebanon, customs duties etc. This is deposited in a central fund (the Independent Municipal Fund) and is re-allocated to the municipalities based on their population size, amount of local revenues collected, and development projects needed to cover the capital investments within their jurisdiction. These transfers are transferred to both the municipalities and the Unions of Municipalities.

Existing data on municipal finances is partial and fragmented and only a few regions and municipalities have audited and complete accounts. An example of available data from the Mt Lebanon Region (1994) indicates that 47% of revenues came from local municipal collections, 6% from central government allocations, and 45% from miscellaneous sources resulting from grants, donor aid, fines, accruals etc. Accruals comprised a large fraction of the municipal revenue. Municipal capital and recurrent expenditures are controlled by central government because of the overlaps in authority for expenditures and the weakness of municipal investment planning capacity. Data also from the Mt Lebanon Region (1994) indicates that 32% of revenues were spent on staff and office costs, 44% on operation and maintenance and overheads. Less than 5% was spent on capital investments including rehabilitation, and less than 3% on health assistance and social projects.

Many of the sources of municipal funds are non-buoyant and may not increase in size parallel with future economic growth. For instance, customs fee collections are likely to fall as import duties are lowered as part of present economic policy. The broader issues of regional finance are the concern of both the MoF and the MoIM.

f. Municipal Elected Representatives

Elections for municipal councillors were held in 1998 after a gap of 35 years. Despite a number of difficulties resulting from non-registered or dis-placed voters the results demonstrated high popular interest in local government affairs with a voter turn out of 60-70%. Candidates were not drawn from appointed lists and the list of elected members indicates that this new group of officials are relatively young, well educated, multi-lingual and come from diverse professional backgrounds.

The municipalities representing cities and towns are composed of elected councils with 6 year terms who elect a mayor from amongst themselves. Most municipalities have between 9-16 elected councillors but the larger municipalities, such as Beirut, have up to 24 councillors. Council seats are not distributed according to any sectarian formula.

1.5 Related Programmes and Other Donor Activity

a. Lebanon Relief and Development Project (LRDP)

A joint effort of the University of Albany, State University of NY and the USAID, the project started in 1993 with the objectives of assisting the Government of Lebanon with administrative reform strategies, strengthen democratic practices, and increase government efficiency, accountability and transparency. In March 1998 the project commenced work with the MoIM and selected Municipalities in a programme scheduled to last up to 2002. Covering 80 municipalities the project has assisted in organisational restructuring, training management and staff on-the-job, developing budgetary capabilities, and streamlining inter-departmental procedures. The LRDP plans to cover further municipalities starting in 2001 covering municipalities in each of the regions in batches. The project has prepared, tested and implemented computer software for basic revenues and expenditure systems and the procedures to implement these. Software developed by the project is now being used in non-project municipalities on the initiative of local councillors. The LRDP has established standard systems and procedures for organisation and management re-design on a self-assessment basis; revised processes and procedures for citizen-municipality transactions, - such as payment of bills and licence applications; and enhanced public relations and citizen involvement. The software and tested procedures and modules may be used in the EU project after the appropriate revisions. The LRDP has also worked on more detailed programmes of management assistance on two demonstration municipalities, Jounie and Choueifat, in which they have implemented archiving systems, citizen complaint and document tracking systems through a 'one-stop shop', and personnel and payroll management systems. The LRDP is presently implementing a programme of training and other support to the MoIM central, regional and district offices. A summary of LRDP municipality activities is presented in Appendix 5.

b. World Bank

World Bank has a USD100 million municipal First Municipal Infrastructure Project (FMIP) which is assisting the municipalities rehabilitate selected urban infrastructure on a grant-basis. Individual municipalities prepare and submit infrastructure investment plans which are checked over by the Ministry of Public Works. Projects are implemented through the Municipalities by direct labour departments or through contractors. The project has no direct operational links with the municipalities. The WB/UNDP are presently carrying out a study on the policy issues concerned with fiscal decentralisation and intergovernmental transfers.

c. UNDP

UNDP has a limited programme of support to the smaller municipalities in deprived areas to assist in the re-furbishment of municipal offices and the provision of computers and related equipment.

d. FMCU

The Federation du Municipals etc (FMCU) has been working in Lebanon since 1996 to assist in providing policy support to the municipalities and link them together in an association which will provide a voice for municipal affairs. The FMCU has also been assisting in four Municipalities in Baalbek Region through the UNDP in the preparation of Local Development Plans to improve management capabilities.

e. CERMOC

The Centre d'Etudes et de Recherches sur le Moyen-Orient Contemporain (CERMOC) have been providing research assistance to the municipal sector since 1977. They have carried out a detailed social survey of the mayors elected from amongst the councillors of the 1998 municipal elections in order to assess the experience and potential roles of the mayors as leaders of change.

f. EU

The European Union is supporting a programme in the municipality of Tyre to: i) improve solid and liquid waste management; ii) provide strategic directions and planing instruments for municipal services; and iii) provide basic equipment for collecting, sorting and dumping solid waste. The project, worth around Euro 2 million, started in 2000. The project has implemented basic management tools including street maps, and job tasks and daily schedules for municipal staff; public awareness campaigns on the need for litter control and public hygiene; the provision of basic waste bins and containers. The project will also design waste recycling systems and identify the locations of possible new waste dump sites.

g. PMC

The PMC will implement a number of activities under ARLA which are highly interlinked with the Local Government and Municipal Strengthening Project, and will precede or run parallel to it. Two small projects will be contracted out, one on the creation of a Financial Information Analysis System for the MoIM, another on the development of software for an IT network for the MoIM. (The PMC will precede the latter contract by an activity not contracted out, the preparation of a feasibility study on an IT Network for MoIM, connecting 5 Muhafez and 5 Cazas.) There will also be two equipment supply contracts, one for the IT hardware involved in the creation of the network, the other for the purchase of the computer sets needed for the Municipal Unions component of the Local Government and Municipal Strengthening Project. More details can be found in Appendix 6 to this ToR.

1.6 Rationale for Project Design

1.6.1 Main Issues to be Addressed by the Project

During the civil war central administration of the municipal sector was inoperative and the functions of local government were taken over by local groups who provided many of the traditional services but did not maintain a formal system of transparency and accountability. Many of the municipalities still have limited management capabilities and few skilled and trained people to carry out their mandated tasks

Over the last decade major steps have been made to reconstruct the system of local government both at the central and local levels and implement effective management systems. The municipal elections of 1998 have brought into the municipalities as councillors a new group of concerned local people and these provide a sound constituency to support municipal development.

The Government of Lebanon is committed to longer term strengthening of the municipalities to improve local service delivery, to enhance cost-recovery, to ensure a more efficient use of investment funds, and to involve the local populations more closely in civic affairs and municipal management. Efforts to achieve this objective must also consider the roles of other central ministries and agencies who provide the necessary institutional, policy, administrative and financial support and regulation.

The main issues considered during the design of the project in this TOR are as follows:

- *Overlapping policy responsibilities at the centre:* Policy review and supervision responsibilities of the central agencies for municipal development, administrative, and financial matters are clearly defined in the law but in practice often overlap. The central agencies have different policy concerns relating to national development issues and coordination between them is often a lengthy process.
- *Deconcentration to MoIM offices and Decentralisation to the municipal councils:* Current issues concerned with decentralisation of authorities from the MoIM to the municipal councils are not to be confused with the issues of deconcentration of administrative authority to the regional and district offices of the MoIM - which are intended to improve central government efficiency. Decentralisation requires both support to municipal procedures and systems, and also the promotion of attitudinal changes within the municipalities.
- *Complex and centralised approvals processes:* Many municipal decisions on quite minor issues are presently referred to a higher level through often complex administrative procedures. Responsibilities have to be clarified and the procedures simplified to reduce delays. The new Municipalities Law will enhance municipal management authority over decision making.
- *Planning and financial decisions are made at the centre:* Municipal management is ineffective for historical reasons in many municipalities and as a consequence central agencies have taken over responsibility for most capital investment planning and local resource allocation. Where central decision-making does not involve the municipalities concerned then investment decisions may not be optimal from the local citizens' point of view.

- *Municipal revenues are inadequate to fulfill responsibilities under the Municipalities Law:* Municipalities have limited capacities to raise revenues locally, or enforce the collection of surtaxes and surcharges by other government agencies. Municipal revenues are presently inadequate and the municipalities are unable to fulfill their responsibilities. Lack of revenue is one of the major constraints to enhanced municipal performance. Central government transfers to the municipalities are small and often erratic in timing. There are large outstanding arrears in central government allocations to the municipalities. Budgeting and financial accounting procedures also need to be updated in the municipalities. Revisions to the Municipalities Law 118 (1977) have the potential to enhance municipal management effectiveness but this potential may not be realised without realistic and timely financial transfers from the centre and without specific technical assistance to the municipalities.
- *Management capacity in Municipalities is weak:* Municipal salaries are relatively low and municipalities do not provide a good career environment for competent staff who may find better salaries elsewhere in the private sector. Organisation and management systems require major upgrading, and staff need to be re-trained on how to use them. Regional and district levels of government have a 'line-agency' culture and this provides limited support to the more pro-active management styles which are required for competent municipal management. Basic management procedures and staff schedules for public services are missing and staff performance is weak. The municipalities need access to local training services which they may employ when required.
- *Limited physical and economic planning data in the municipalities:* Up-to-date physical planning data on populations, housing, land use, business location etc in most of the municipalities is either weak or missing. Many maps are comprised of data from the French era and a new mapping system is required. Streets are often un-named and house numbers non-existent. Many businesses are thriving but the municipalities have limited data on business performance and tax-potentials. Present land use zoning in the municipalities is based on outdated land use data and these require updating in line with municipal developmental needs.
- *Large number of small and uneconomic municipalities:* A majority of the smaller municipalities have almost no facilities and many rely on the voluntary work of elected council members to carry out their responsibilities - often working from their own homes. Reform of municipal boundaries and amalgamation of municipalities is not feasible in the short term and administrative arrangements to share services and management skills are required. Sharing of management skills and resources may be accomplished through the 'joint service' concept or through the existing Unions of Municipalities.
- *Involve Council Members more fully in municipal affairs:* The new councillors elected during the 1998 Municipal Elections have the potential of providing a strong focus of support for municipal development efforts.

1.6.2 Description of Project

Municipal management development, to be successful, must work at: i) the *municipal level* to make concrete improvements; and ii) at the *central levels* where municipal development may be

supported through regulatory and policy reforms, enhanced and timely financial allocations, and a more effective human resource management strategy. The project will work within the overall institutional framework of the Municipalities Law extant during the project period and will promote MoIM approaches to enhanced municipal management autonomy.

The project will take an '*action-feedback*' approach whereby policy related tasks at the centre are interpreted and revised through the concrete lessons of actual practice in the project municipalities. The project will facilitate a constant dialogue between key staff in the central ministries and the local levels through *informal working groups*.

To achieve economies of scale through the concept of the Unions of Municipalities, and to reduce the costs of travel to scattered municipalities, the project will work with a selected number of Unions of Municipalities which are comprised of both medium-sized and smaller municipalities. It will develop basic financial and administrative systems in all of the constituent municipalities, and build effective management systems at the Municipal Union level. The fully functioning Union offices will enhance inter-municipal planning and management of shared services with the smaller municipalities, - and further promote the concept of resource sharing between municipalities on a mutually beneficial basis.

More comprehensive urban planning and management development assistance will be provided for a number of selected medium-sized municipalities in the Unions (populations less than around 30,000) to both assist in their real identified needs, and to provide a demonstration to other municipalities on good practice.

Other donors are working in the municipal sector, notably the LRDP described in 1.5.a. and the EU project in 1.5.f. above, and the project will use the procedures and software systems developed by these programmes wherever appropriate. The LRDP has plans to extend eventually its municipal programme across all the municipalities in the Lebanon and the project will coordinate closely to ensure that there are no overlaps in the selection of municipalities, and that management development approaches complement each other so that a uniform system is adopted throughout all municipalities in Lebanon.

The project will be implemented at both the central government and local government levels. Figure 1: 'Project Components and Areas of Intervention' provides an illustration of the project components, the areas of project intervention, and examples of procedures and systems that will be prepared during the project. It comprises three main components which are summarised as follows:

- *Component A: Enhanced Sector Enabling Environment* - the tasks in this Component are intended principally for the MoIM to: i) assist in the development of a better regulatory environment for the municipal sector nation-wide; and ii) prepare a regime of standards and procedures that will assist the municipal councils make better and more effective management decisions.
- *Component B: Support to Municipalities through Municipal Unions* - essentially concerned with individual municipalities, this Component will work with the Unions of Municipalities and

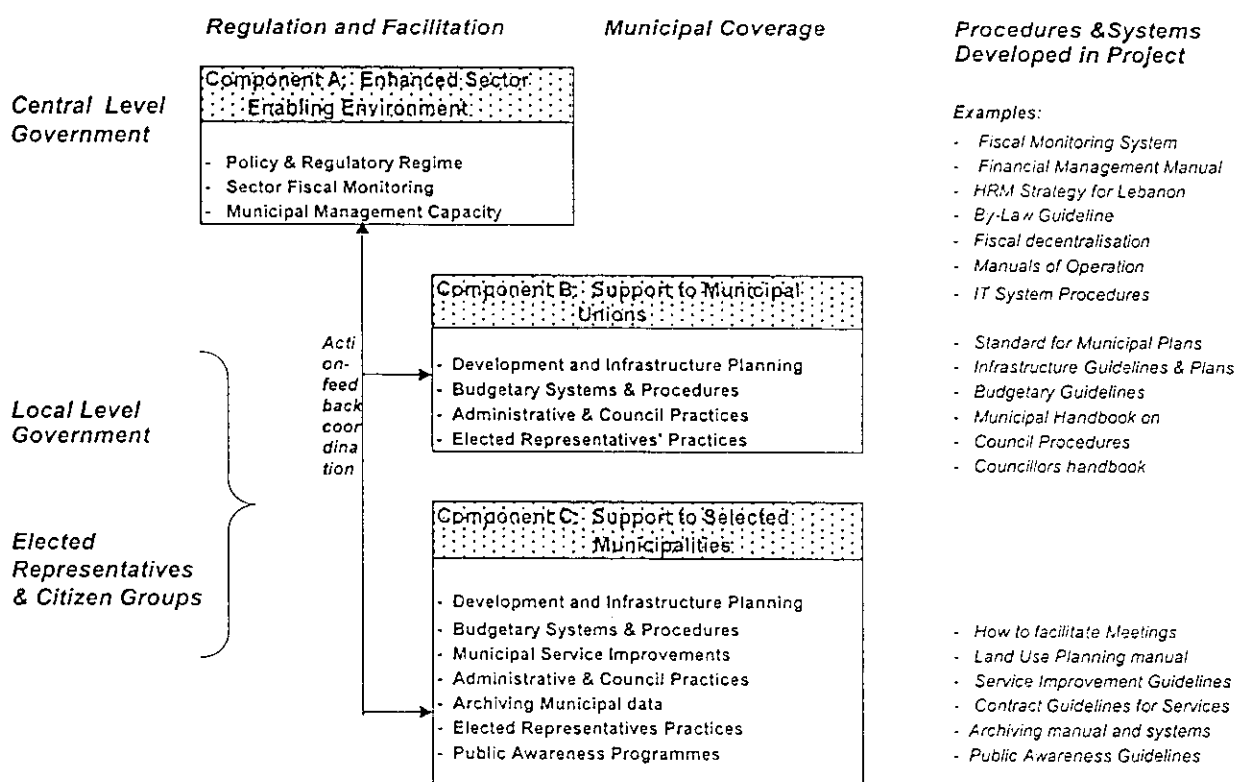
all their constituent municipalities to : i) develop strategies and procedures for inter-municipal infrastructure planning; ii) build effective consolidated budgetary systems; iii) provide enhanced council management practices; and iv) assist the Council Members take an effective role in municipal governance. This Component will cover all the municipalities within the Unions with the same basic procedures and systems.

□ *Component C: Support to Selected Municipalities* - working with medium-sized municipalities in the Unions, this Component will include the same tasks as Component B but in addition will: i) provide improved urban planning; and ii) better management of specific infrastructure services and the means to involve the local users more closely. In Unions where a potential medium-sized municipality does not exist either because other donor programmes have already carried out similar work before or because the potential municipalities are in the large-size category, a further demonstration municipality will be selected in an adjacent district.

The project will take a participatory approach and training and management development needs will be identified with the close involvement of the municipal staff concerned. Training will be project-based, practical, and carried out using 'hands-on' approaches with the new management systems and software to be implemented for the different components. Local training facilities in the regions will be used wherever appropriate so that the municipalities can have local access to further training in the future.

Community participation and direct involvement by local users of public services can act as pressure groups on the municipalities to improve their management and deliver their services properly. The municipalities in the project will be assisted to develop clear policy guidelines on the rights of individual households to use municipal services and to pay for the services they consume.

Figure 1: Relationship of Project Components and Areas of Intervention



2. Project Objectives

2.1 Long Term Municipal Sector Development Objective

For the municipalities of the Lebanon the *long term municipal sector development objective* is:

'Accountable and representative municipal councils in Lebanon providing efficient and effective public services to the local electorate, setting local development agendas, and providing a vehicle for active local participation in municipal affairs.'

2.2 Immediate Objectives and Outputs of Project

The project will pursue the following *immediate objectives* through interventions at both central and local government levels:

Component A: Central Level Government - Regulation and Facilitation:

'MoIM and other relevant central agencies have policies and a regulatory framework for an evolving system of central-local government relations, and clear procedures and systems to support competent and accountable municipal development.'

- Output A.1: Strategy for By-law Review and Amendment Prepared
- Output A.2: Flexible Policy Studies Support Facility Created
- Output A.3: Fiscal Information and Analysis System Set up and Implemented
- Output A.4: Strategy on Information Technology Implemented and Staff Trained
- Output A.5: Municipal Management Capacity-Building Strategy prepared
- Output A.6: 'Good' Practice' in Urban Financial Management Reviewed
- Output A.7: Standard Manuals of Procedures for central, regional and district offices of the MoIM prepared.

Components B & C: Local Level Government, Elected Representatives and Citizen Groups – Municipal Coverage

'Selected Unions of Municipalities and their elected representatives are capable of assisting and coordinating the planning and management of inter-municipal services, infrastructure development, and the budgets of all member municipalities.'

- Output B.1: Municipal Development Plan prepared
- Output B.2: Union Urban Development and Infrastructure Strategy prepared
- Output B.3: Municipal Budget Systems prepared and implemented in each municipality of Union
- Output B.4: Municipal Budget Preparation Procedures implemented and staff trained in each municipality
- Output B.5: Municipal plans, programmes and budgets consolidated for all municipalities in the Municipal Union

- Output B.6: Basic Administrative Procedures and Rules of Operation implemented and staff trained as appropriate in each municipality
- Output B.7: Training Programme for Elected Councillors on better governance procedures implemented

'Selected medium-sized Municipalities and their elected representatives are capable of effective and efficient planning and management of municipal services and infrastructure, including procedures and systems for accountable and transparent administration of municipal affairs.'

- Output C.1: Municipal Development Plan prepared
- Output C.2: Municipal Urban Development & Infrastructure Strategy prepared
- Output C.3: Municipal Budgetary Systems prepared and implemented
- Output C.4: Municipal Budget Preparation Procedures implemented and staff trained
- Output C.5: Management Systems and Improvement Procedures for Selected Municipal Services prepared and implemented
- Output C.6: Basic Administrative Procedures and Rules of Operation implemented and staff trained
- Output C.7: Personnel Management and Payroll Systems installed
- Output C.8: Archiving System implemented and staff trained
- Output C.9: Training Programme for Elected Representatives on better governance procedures implemented
- Output C.10: Citizen Complaints and Document Tracking Systems installed

3. ASSUMPTIONS AND RISKS

This project TOR has been prepared to describe a series of interventions which will advance GoL objectives with respect to the institutional development of the local government system and the strengthening of the municipalities.

The rationale for project design given above in chapter 1.6 provides a brief overview of the main issues that comprise and affect the institutional, administrative, financial and social environments within which the project will be implemented. The underlying assumptions of the project design, which tenderers may reasonably expect to be realised during the project, are as follows:

- *GoL remains committed to municipal strengthening:* this commitment, as occasioned through the present review and revisions to the law on Municipalities¹¹⁸ (1977), will be continued. GoL's policy is to consolidate the extensive provisions of the existing law which give considerable authorities to the municipalities, and enhance its regulatory and facilitating capacities.
- *Formation of informal working groups is acceptable to the central ministries:* the project will take an action-feedback approach to central-local relations and this requires that the central ministries involved in the municipal sector actively contribute to the development of the municipal sector. The *informal working group* concept allows key staff in the central ministries and other sector specialists the opportunity to discuss sector management policy in a non-confrontational manner and reach a consensus.
- *Appropriate central-local relations achieved through better regulatory regime:* this is essential to the long term development of the municipal sector and requires the active involvement of the MoIM in developing new regulations and procedures to implement the intentions of the new local government law. 'Decentralisation' in local government may be measured in terms of the 'tightness' or 'looseness' of the regulations and this requires mutual trust at both central and local levels.
- *Agreement to work with Unions of Municipalities remains effective:* the project will work with municipalities within the Unions and the decision to use the Unions remains acceptable. The MoIM has made its preference for using the Unions as a project implementation framework during the preparation of the project.
- *Agreement to work with medium-sized municipalities remains effective:* the project will work with a limited number of municipalities to provide a demonstration of good practice for the other municipalities. The MoIM has indicated its preference for this strategy and will use the results of the demonstration projects in further programmes.
- *Union and Municipality selection criteria are acceptable to the municipal sector:* the project will prepare selection criteria which will allow a choice to be made on which Unions and municipalities will receive project funds. These selection criteria may be contested and the final choice of Unions and municipalities must allow the full project programme to be implemented and the immediate project objectives to be met.

- *Use of other donor procedures and software is acceptable:* the project will work with the LRDP procedures and software to ensure a common approach throughout Lebanon and the project assumes that these are freely available to the project during the Inception Phase. The MoIM is the beneficiary of the LRDP outputs and these procedures and software are both acceptable to the MoIM.
- *Selected Unions and municipalities are fully operational and have staff available:* the project will take a hands-on approach and this requires that adequate staff are in place in the selected municipalities at the commencement of the project and that municipal councils accept the project's approach and activities.
- *Computers and IT systems ready:* early procurement of computers and IT equipment will be handled through a separate contract (by OMSAR/PMC) as preparation for this present contract and this equipment will be available for acceptance by the project during the Inception phase.
- *Expert staff available for the project:* the project is working in a specialised area of management development and staff for key areas must be available locally and on time.

4. SCOPE OF WORK

4.1 General

The project presented in this Terms of Reference will be carried out through: i) technical assistance from experts in local government and municipal management capacity-building; ii) hands-on training assistance; and iii), the provision of the basic equipment and facilities necessary to implement the project.

This section outlines the *outputs* or achievements expected from the project, and the different sets of *activities* required to achieve these outputs.

4.2 Outputs and Activities

4.2.1 Component A: Enhanced Sector Enabling Environment

Regulatory and Procedural Regime

Output A.1: Strategy for By-law Review and Amendment Prepared

- i. Establish an *informal working group* of central and local government legal and administrative staff concerned with the *external* rules and regulations for implementing the laws on local government throughout Lebanon.
- ii. Review the oversight role of the MoIM and other ministries with respect to the regulation of the municipalities. Prepare an inventory of existing by-laws and procedures and make a critical assessment of their potential to assist municipal development.
- iii. Based on an assessment by the MoIM of the regulatory regime required for effective central-local relations as required by the local government law, prepare guidelines on the preparation of by-laws and procedures on the specific duties and powers assigned to the municipal councils.
- iv. Prepare a strategy for the review and amendment of by-laws and procedures for the municipal sector, and prepare a pilot sample of key updated by-laws and procedures for immediate application within the project municipalities.
- v. Prepare a guideline on the preparation of model by-laws and procedures following the experience of applying the pilot by-laws and procedures in the project municipalities.

Output A.2: Flexible Policy Studies Support Facility Created

- i. Working with the *informal working groups* identify key policy issues that have arisen during the development of local government in Lebanon over the last decade, and the issues that may arise from the passage of the new local government law through committee and parliament. They may include any current sector issues such as: planning, programming and budgetary procedures for capital investment programmes; impacts of different urban development strategies on regional income distribution; optimum service levels in rural

municipalities; options and feasibility of forming joint service councils to gain enhanced economies of scale; feasible modalities of stakeholder and NGO involvement in urban and rural municipal services; principles of general competence for the different-sized municipalities in regard to service delivery; an evaluation of the comparative economics and advantages of using the private sector in service delivery; municipal revenue enhancement procedures; tariff design and cost recovery in public service provision, etc. Studies may include field investigations of 'what works' in existing municipalities.

- ii. Prepare a guideline on the selection criteria for policy studies on local government issues which may support other project activities and may be included in the project as *action-feedback* activities.
- iii. Prepare TOR for selected studies for review by the Steering Committee and implement approved study sub-contracts.

Sector Fiscal Monitoring

Output A.3: Fiscal Information and Analysis System (FIAS) Set up

- i. xxxxReview the outputs of the pilot FIAS prepared and implemented as a preparatory activity to this project. The TOR for the FIAS is attached as Appendix 4.
- ii. Analyse the trends and fiscal patterns of local government revenues and expenditures based on existing data and case studies from project municipalities. Revise key indicators in the FIAS as necessary to allow improved monitoring of MoIM's overall macro-economic stability, regional distribution, and social equity policy objectives.
- iii. Assess the adequacy of the FIAS based on the experience of the project at municipality level and recommend changes as necessary for discussion within the financial *informal working group*.
- iv. Make changes as appropriate to the FIAS and train MoIM staff at central, regional and district levels on its correct utilisation using hands-on methods and using actual applications of budgetary data from the pilot municipalities.

Output A.4: Strategy on Information Technology Prepared and Implemented

- i. Review the performance of the pilot IT system prepared and implemented as a preparatory activity to this project.
- ii. Based on field visits to each of the district offices in the regions determine the work needed to extend the IT system across all Cazas
- iii. Prepare TOR and budget estimate for full implementation of the IT system throughout Lebanon.

Municipal Management Capacity-Building

Output A.5: Municipal Management Capacity-Building Strategy prepared

- i. Evaluate and compare recent and ongoing experiences in training and organisational development in the local government system and in the municipalities. The examples given

- in section 1.5 will be reviewed based on field interviews and an assessment of lessons-learned.
- ii. Compile an inventory of academic and vocational training resources in research institutes, technical colleges and universities in each region that may be used during the project.
 - iii. Review the staffing organisation gazetted for the local government sector, and prepare *outline* training curricula for the disciplines and skill areas required for both central ministry and municipal professional and support staff, and prepare a *basic and detailed* curricula covering the critical areas identified during the study that require immediate attention.
 - iv. Prepare principles, policy options and approaches with respect to management capacity-building in the municipalities, - including using organisational development methodologies to promote internal management change, peer to peer exchanges and mentoring, the role of user participation, etc. Make recommendations on preferred methodologies that link the design of management development systems to capacity building, training and on-the-job technical assistance.
 - v. Prepare a 5 Year strategy for municipal management capacity-building including priority activities, recommendations on institutional partnerships and international networks, and budget estimates.

Output A.6: 'Good' Practice' in Urban Financial Management Reviewed

- i. Review the main policy issues related to urban financial management and prioritise the critical issues in the municipalities that may require further policy studies during the project.
- ii. Identify five (5) successful examples of good municipal financial management in Lebanese municipalities and document lessons of experience. Include examples of the financial management of successful joint service arrangements between municipalities, of private-public partnerships, and of other successful innovations in municipal service provision.

Output A.7: Standard Manuals of Operation for Municipalities prepared.

- i. Prepare an inventory of existing *internal* manuals of operation, and assess immediate needs for further manuals of operation for administrative, personnel, fiscal, local councilors and citizen participation in the municipalities to effectively implement the local government law.
- ii. Prepare a *guideline* on how to prepare standard manuals of operation for use in all municipalities based on successful manuals already prepared.
- iii. Based on the priorities agreed with the central-local informal working group prepare two (2) sample manuals of operation and field test in project municipalities. Amend the guideline as appropriate based on project experience.

4.2.2 Component B: Support to Municipalities through Unions of Municipalities

Development & Infrastructure Planning

Output B.1: Union Office Action Plan Prepared

- i. Prepare and implement a short *participatory workshop* with members of the municipal councils and staff in each Union to prioritise *management* development needs that may be satisfied within the individual municipalities, and collectively with the Union offices.
- ii. Based on participants' prioritised needs prepare an Action Plan for the development of the Union office comprising short and long term concrete management improvement tasks and indicate who will be responsible for their implementation during the project.

Output B.2: Union-wide Development and Urban Infrastructure 3 Year Programme prepared

- i. Collect and review *existing* infrastructure development procedures and plans within and between the municipalities making up the Union.
- ii. Collect and review *existing* land use and infrastructure data available in municipalities and in other ministries and agencies with reference to assessed future social needs and economic development possibilities.
- iii. Establish a methodology for improved data collection suitable for implementation in the municipalities and train Union office staff in data collection for key administration purposes and urban infrastructure improvements. Carry out a rapid field appraisal to obtain key data for outline long term planning.
- iv. Prepare outline investment scenarios for inter-municipal infrastructure based on a preliminary assessment of needs and outline costs.
- iii. Prepare and implement a short *participatory workshop* with members of the municipal councils and local stakeholders in each Union to obtain their preferences for inter-municipal *urban and infrastructure* development that must be addressed collectively within the Union's municipalities. Based on these preferences prepare a seven (7) year strategic plan for investment.
- v. Prepare a preliminary medium term three (3) year capital investment programme for priority Union-wide infrastructure investment within feasible funding limits including an Action Plan plan for enhanced cost recovery.

— **Budgetary Systems and Procedures**

Output B.3: Municipal Budget systems prepared and implemented in each municipality of Union

- i. Review existing budget systems and software prepared and implemented in other municipal development projects and amend as appropriate for use in project. The systems will include the different categories of budget expenditures and municipal revenues.
- ii. Evaluate staff capabilities for implementing budgetary systems in each municipality and prepare on-the-job training programmes in collaboration with local/regional training institutions for training municipal staff in the use of the computer software.
- iii. Install all appropriate software in the computer systems already installed by a separate supply contractor (see 6.7 and appendix 6 # 5).
- iv. Carry out hands-on training for municipal staff in the use of the computer software and preparing and entering municipal revenue and expenditure data.

Output B.4: Municipal budget preparation procedures implemented and staff trained in each municipality

- i. Review existing budget preparation procedures prepared and implemented in other municipal development programmes and amend as appropriate.
- ii. Prepare and implement workshops and hands-on training for budget preparation in each municipality including the formulation of budget scenarios and statistical reporting.
- iii. Assist staff to prepare a real-life budget for their municipalities using municipality data for the forthcoming year.
- iv. Assess this budget data as part of the pilot FIAS developed in A.3 above.

Output B.5: Municipal plans, programmes and budgets consolidated for all municipalities in the Municipal Union

- i. At Union office level consolidate strategic plans and 3 year *capital* investment programmes to provide a basis for municipal application for centrally allocated funds.
- ii. At Union office level consolidate *annual* budgets for recurrent revenues and expenditures in a form required by the MoIM and other agencies for approvals and regulatory purposes.

Administrative & Council Practices

Output B.6: Basic administrative procedures and rules of operation implemented and Union office staff trained as appropriate

- i. Review existing *internal* procedures at municipal and Union levels with respect to the findings of the participatory workshop on Local Development Planning.
- ii. Prioritise in close agreement with Union and municipal staff the necessary *internal* procedures and rules of operation that are required for better municipal management.
- iii. Review outcomes of Output A.7 above with respect to procedures for *internal* Union administrative and committee procedures.
- iv. Prepare three (3) priority manuals for use in the Union offices to the standards given in A.7, and design and implement a hands-on training programme for key Union and municipal staff.

Elected Representatives Practices

Output B.7: Training programme for elected councillors on better governance procedures implemented

- i. Review present administrative and legal responsibilities and practices of the elected councillors within the Union's municipalities.
- ii. Conduct a structured participatory workshop with councillors to assess how they see their present roles in the Municipalities and Union and their priorities for improved council practice.

- iii. Prepare a strategy on how the Councillor's understanding of their responsibilities may be improved both within the municipalities and outside to the electorate.
- iv. Prepare case studies for training Councillors on the benefits of citizen participation in local government and implement workshops
- v. Prepare training manuals for the Councillors and carry out training for councillors.

4.2.3 Component C: Support to Selected Demonstration Municipalities

Development & Infrastructure Planning

Output C.1: Municipal Action Plan Prepared

- i. Prepare and implement a short *participatory workshop* with members of the municipal council and staff to prioritise *management* development needs.
- ii. Based on participants' prioritised needs prepare an Action Plan for the development of the municipal office comprising short and long term concrete management improvement tasks and indicate who will be responsible for their implementation during the project.

Output C.2: Urban Development & Infrastructure Strategy Prepared

- i. Collect *existing* land use and infrastructure plans, maps and data available in the municipalities and in other ministries and agencies.
- ii. Review *existing* land use categories and land use plans and assess their contemporary relevance to the future development of the municipality
- iii. Procure GIS services and prepare maps of the municipality showing basic data comprising roads, houses, above-ground infrastructure, and other significant geographic data. Train municipal staff in the *basic procedures* of GIS data management including procedures of entering information of below ground services and other municipal services.
- iv. Design a survey methodology and conduct a socio-economic household-level survey of the municipality with a 4% sample to assess household occupancy, incomes and expenditures patterns, the future intentions of commercial and industrial enterprises, and priority urban development needs. Surveys will closely involve municipal staff and who will be trained in basic survey methodologies. Local educational institutions will be engaged to participate in the surveys where appropriate.
- v. Conduct a *participatory workshop* on the future directions of urban development of the municipality with municipal councilors and civil society groups and revise the land use plan in the municipality using the GIS maps.
- vi. Assess long term infrastructure investment needs and prepare seven (7) year development strategy for major infrastructure sector investments.
- vii. Prepare a *preliminary* three (3) Year medium term programme for priority infrastructure within feasible funding limits investment including plans for enhancing cost recovery in a form suitable for funding application to the centre.

Budgetary Systems and Procedures

Output C.3: Municipal Budgetary systems prepared and implemented

- i. Review existing budget systems and software prepared and implemented in other municipal development projects and amend as appropriate. The systems will include the different categories of budget expenditures and municipal revenues.
- ii. Evaluate staff capabilities for implementing budgetary systems and prepare on-the-job training programmes in collaboration with local/regional training institutions for training municipal staff in the use of the computer software.
- iii. Install computer systems already procured as a preparatory activity to this project, and install all appropriate software.
- iv. Carry out hands-on training for municipal staff in the use of the computer software and preparing and entering municipal revenue and expenditure data.

Output C.4: Municipal budget preparation procedures implemented and staff trained

- i. Review existing budget preparation procedures prepared and implemented in other municipal development programmes and amend as appropriate.
- ii. Prepare and implement workshops and hands-on training for budget preparation including the formulation of budget scenarios and statistical reporting.
- iii. Assist staff to prepare a real-life budget using municipality data for the forthcoming year.
- iv. Assess this budget data as part of the pilot FIAS developed in A.3 above.

Municipal Services Improvement

Output C.5: Management systems and improvement procedures for selected municipal Services

- i. Prepare an inventory of services presently provided by the municipality and assess their performance against 'good practice' service benchmarks. Services may include solid waste, sewerage, local roads, public health inspection, fee and tax collection, etc.
- ii. Identify areas of weakness for each service and the means to make improvements through rehabilitation, new capital investments, and better technical and financial management.
- iii. Prepare an organogram of municipal staff and identify their roles in the municipality. Assess the number and experience of staff required to manage the services properly and make recommendations on future staff structures.
- iv. Select up to three (3) services which have priority, prepare computer-based case studies on options to improve services, and implement training workshops with municipal staff using both case study data and actual municipal data.
- v. Prepare a plan for technical, financial and personnel management improvements of actual services selected in each municipality. Prepare an Action Plan for improvements and assist municipal staff prepare procedures for management-related incremental improvements. Follow up on changes throughout project life and provide further training support as necessary.

Administrative & Council Practices

Output C.6: Basic administrative procedures and rules of operation implemented and staff trained

- i. Review existing *internal* procedures with respect to the findings of the participative workshop on Local Development Planning.
- ii. Prioritise in close agreement with municipal staff the necessary *internal* procedures and rules of operation that are required for better municipal management.
- iii. Review outcomes of Output A.7 above with respect to procedures for *internal* municipal administrative and council procedures.
- iv. Prepare up to three (3) priority manuals to the standards given in A.7 for use in the Municipality, and design and implement a hands-on training programme for key municipal staff.

Output C.7: Personnel Management and Payroll Systems Installed

- i. Review existing personnel management and pay-roll systems prepared and implemented in other municipal development projects and amend as appropriate. The systems will include computer software for managing job vacancies, job descriptions, education/training, employee rewards, penalties, vacations, sick leaves, salaries and other pay.
- ii. Assess existing personnel management and pay-roll systems in place in the municipality and municipal preferences for priority improvements.
- iii. Implement new systems through hands-on training workshops and follow up with post-training support.

Output C.8: Archiving system implemented and staff trained

- i. Review existing archiving improvement systems prepared and implemented in other municipal development projects and amend as appropriate. The systems will include a computer-based database.
- ii. Evaluate present archiving system in the municipality for municipal documents, reports and papers and make an inventory of existing files.
- iii. Prepare archiving design options whereby the needs of improved archiving to suit different municipal functions are identified.
- iv. Produce specification for OMSAR so that it can procure and install the necessary archiving equipment.
- v. MSC to train staff, and implement archiving system through hands-on training programme.

Elected Representatives Practices

Output C.9: Training programme for elected representatives on better governance procedures implemented

- i. Review present administrative and legal responsibilities and practices of the elected councillors within the municipality.
- ii. Conduct a structured participative workshop with councillors to assess how they see their present roles and their priorities for improved council practice.
- iii. Prepare a strategy on how the Councillors' understanding of their responsibilities may be improved both within the municipality and outside to the electorate.
- iv. Prepare case studies for training Councillors on the benefits of citizen participation in local government and implement workshops
- v. Prepare training manuals for the Councillors and carry out training for councillors.

Public Awareness campaigns

Output C.10: Citizen Complaints and Document Tracking Systems Installed

- i. Review existing complaints and document tracking systems prepared and implemented in other municipal development projects and amend as appropriate. The systems will include computers connected in LANs and the appropriate software. The systems will include the means to register each application or complaint and keep track of its progress through the municipality's responses to applications and complaints.
- ii. Assess existing complaints and document tracking systems in the municipality and identify internal constraints to improving the systems.
- iii. Implement new systems through hands-on training workshops and follow up with post-training support. Prepare an operation manual on good practice.

5. LOGISTICS AND TIMING

5.1 Work Plan and Phasing

The MSC Tenderer is free to present all the necessary aspects of their detailed methodology and work plan which describe fully their approach to the project and their special expertise in carrying out the project. This TOR envisages, however, that the project will be implemented in a phased manner as follows:

- ☐ Phase 1 - Inception (3 months)
- ☐ Phase 2 - Action-Feedback & Pilot Projects (8 months)
- ☐ Phase 3 - Implementation for Hands-on Municipal Coverage (24 months)
- ☐ Phase 4 - Review and Wrap-up (1 month)

Upon the signature of the contract the MSC contractor shall mobilise its team leader and relevant long and short term staff to Beirut to initiate the service contract. It is envisaged that the mobilisation period will not exceed *one month* from the date of signature of the contract.

5.2 Phase 1- Inception

During the Inception Phase, which shall extend to *no more than 3 months*, the contractor shall undertake: i) a rapid but comprehensive review of the approaches and concepts of the project TOR; ii) an assessment of the adequacy of other donor procedures and software in municipal development as instructed in 4.2 above; iii) a review the developments resulting from the amendments of the revised Local Government Law; iv) and hold a series of interviews with the MoIM and other central ministries, agencies and donors to evaluate any institutional or legal changes that may have taken place and which may require a revision to the TOR.

The Steering Committee shall be established. Responsibilities and procedures for the Committee shall be established.

The key ministries concerned with local government development shall be invited to assign senior staff to the *informal working groups* which shall be set up on an ad hoc basis for the project covering legal, fiscal, and administrative issues. These groups will review specific issues and outputs of the project in a non-partisan way and assess the main needs for inter-ministerial coordination in the sector.

Selection criteria for the Unions of Municipalities and the medium-size demonstration municipalities shall be established for review by the Steering Committee. Indicatively these may include: adequate Union and municipal staff availability; the presence of smaller municipalities. Five (5) Unions of municipalities comprising around 80 individual municipalities, and five (5) medium sized municipalities within the Unions where possible, shall be chosen for inclusion in the project. For the Unions of Municipalities the selection criteria shall include the requirement that the Union office be already established, staffed and operational. For the medium-sized demonstration municipalities the selection criteria shall also include the requirement that the municipal offices be staffed and operational. The Steering Committee shall approve a list of Unions and municipalities to be included in the project. These shall be visited by the project team and discussions undertaken with the Municipal mayors and senior staff to reach agreement on the relative responsibilities of municipality and contractor, the facilities that the municipality shall provide for the project, the staff to be provided as counterparts to the project, and the time frame of project implementation.

Key members of the project team will visit other municipal development projects to evaluate the success of their procedures, systems, and the modalities of implementation developed during these projects and which may be adapted for use in the present project. Revisions and developments of the preferred systems, procedures and modalities shall be made as appropriate to the requirements of the project.

One Union of Municipalities and *one* medium sized municipality shall be selected to act as a pilot project during Phase 2 and a detailed work plan will be prepared and discussed with the MoIM and municipal mayor and staff concerned.

Following discussions with the MoIM and key municipal mayors and councillors the main regulatory system and procedural issues in central-local relations shall be identified. The project

team will design the *action-feedback* related tasks for Phase 2 for the central-level ministries and integrate these with the implementation of the municipal-level tasks where appropriate.

Computers, software and other equipment required for the project will be made available at the end of Phase 1.

At the end of the Inception Phase the contractor shall submit an Inception Report, including a revised Work Plan and budget with detailed programming for Phase 2 of the project.

5.3 Phase 2 - Action-Feedback and Pilot Projects

During this Phase, which may extend to eight (8) months a main task at the central level is to review the key concerns of central-local relations and to implement an *action-feedback* programme so that municipal-level project experience can contribute to the development of central-level regulation instruments and vice versa. These may include: i) the FIAS; ii) *internal* procedures and *external* by-laws and regulations; and iii) management capacity-building activities. The focus will be on the preparation of improved facilitative and regulatory instruments so that national policies for the municipal sector may be effectively pursued.

The FIAS already designed and implemented as a preparation for the project will be reviewed and amended as necessary based on project experience. This task will define more closely the different levels of data complexity related to different categories of large, medium, and small municipalities.

This information shall be consolidated in the MoIM central office on the IT network with a central server. The project will investigate the IT options during this phase for the other regional and district offices of the MoIM.

At the municipal level the main emphasis will be on the designing and implementing the basic tasks presented in 4.2 above for the pilot Union of Municipalities and medium-size municipality and checking that the procedures, systems and modalities are effective.

Management Capacity-Building will be undertaken by the project through hands-on training and installation of improved computer-based procedures and systems in the individual municipalities. The project will summarise during this Phase an overview of the needs of the municipal sector and resources available in local training institutions. This information may be used to strengthen local training institutions in the project regions so that they may contribute to the project.

During this phase the project in the central MoIM office shall prepare a guideline on the preparation of *internal* operation procedures and a strategy for the review and amendment of *external* by-laws and procedures in close collaboration with the municipal teams.

At the municipal level one of the immediate tasks of the project is to hold *participatory workshops* in the pilot municipalities with members of the municipal councils and local

stakeholders to identify and prioritise development needs. The dates and venue for these shall be agreed early on.

Another early task will be to prepare the urban development and infrastructure strategy and the 3 year development programme.

The basic budgetary systems and procedures shall be implemented in all the municipalities of the pilot Union and demonstration medium size municipality as soon as these have been amended as necessary and the computer systems and software is procured for the municipalities.

Implementation of the other more comprehensive urban management components in the medium size municipality will be completed in this Phase. This includes the procurement of GIS mapping and socio-economic surveys.

Training of councillors shall be carried out throughout this Phase and councillors invited to observe the project' activities at first hand to understand the benefits to the municipality and its citizens of the changes being implemented.

Lessons of experience and possible changes to the procedures, systems and modalities will be confirmed and applied to the wider coverage programme of Phase 2.

5.4 Phase 3- Municipal Coverage

This Phase will extend for twenty four (24) months and implement the tasks listed in 4.2 above in the full list of the Municipal Unions and medium-size municipalities selected for the project.

The procedures, systems and modalities tested and amended in Phase 2 will be adopted in a 'coverage' programme whose purpose is both to improve the management of the project municipalities but also to provide good working practices for the wider scale improvement of municipalities in programmes that may follow.

During this-Phase the project will prepare the appropriate guidelines and manuals of the procedures and systems that have been found to be successful in practice.

5.5 Phase 4 - Review and Wrap-Up

The project will assist the central office of the MoIM to improve its regulatory systems and ability to assist the municipalities provide better services. In addition to the guidelines and manuals produced the project will also provide lessons for the wider implementation of municipal development programmes. The project will review these lessons in a workshop and suggest next steps and present the results of the workshop in the Final Report.

All equipment and software purchased or developed for the for the project shall be handed over to the MoIM and the municipalities.

6. REQUIRED INPUTS

6.1 Summary

The maximum contract price for this MSC service contract is EUR 5.7 million as shown in the Invitation to Tender.

The maximum value of the LGMS project will be EUR 6.87 million (see 6.7 for details)

The inputs required for the project are as follows:

- Technical Assistance - by long term and short term staff – see 6.2 below;
- Training and Workshops – see 6.3 below;
- GIS Mapping Exercise – see 6.4 below;
- Socio-Economic Surveys – see 6.5 below;
- FIAS system – see 6.6 below (not within MSC contract);
- IT Hardware (network and computer sets) & Software - see 6.6 below (not within MSC contract)
- Archiving Systems – see 6.6 below (not within MSC contract).

plus the various services and logistical support facilities associated with supplying these inputs.

The inputs within the MSC contract are listed on the Schedule of Fees and Expenses – Annex D to the contract – together with explanatory footnotes. The Tenderer should complete the Annex D as his Financial Proposal following the Instructions to Tenderers in Document I of this tender dossier.

The indicative breakdown of MSC person-months allocated to Components A, B, and C that the tenderer may consider are, respectively, 15%, 30%, and 55%. The tenderer may revise this allocation according to their understanding of the consultancy.

6.2 Technical Assistance

6.2.1 Introduction

The Tenderer's technical proposal must present a clear description of the Organisation and Methodology of the Technical Assistance proposed, including a proposed Work Plan, time schedule, implementation procedures, and a summary of the input of individual team members, as described elsewhere in the tender dossier. In addition, the Tenderer will propose a logical framework¹ for the MSC as part of the technical proposal. This framework can be revised during the course of the inception phase.

¹ A standard logical framework concept should be utilised, as for example that presented on the EuropeAid web site: http://europa.eu.int/comm/europeaid/evaluation/meths/pcm_handbook.pdf.

All experts should be proficient in the use of computers, Microsoft Windows, in Microsoft Office (Word, Excel, PowerPoint). The international experts (both long-term and short-term) will be expected to have computers for their personal use and these should be provided at no cost to the service contract. These computers will have adequate and up-to-date anti-virus protection.

Working ability in Arabic will be highly valuable, and in French very useful. The Tenderer's proposal should also indicate a willingness to provide local Arabic language training for the long-term experts where this is appropriate.

The Tenderer's proposal will also describe any in-house research and support facilities and resources that the Tenderer can provide to the MSC consultants (in particular to the long-term experts), during the expected 36 calendar months of the contract, within the contract price.

The Tenderer should pay particular attention to the technical and professional capabilities and experience of the proposed experts. It is essential that the advice given to GoL be of particularly high quality for the following reasons:

- i. The local government law is presently being revised and the critical facilitative and regulatory roles of the MoIM need to be established and operationalised;
- ii. Effective municipal management is essentially 'pro-active' and this causes some difficulties in a regulatory environment which has an essential 'line-agency' culture

6.2.2 Long Term Experts

The service contract will provide long-term technical experts as follows:

- **One Senior Municipal Management Expert** (Team Leader) with international² experience (3 years assignment). The Team Leader's principal role is to provide technical direction for the complex array of tasks in the project, and to ensure that all the project staff are supported adequately and are able to carry out their respective roles efficiently. He will lead other project staff in the design and implementation of tasks concerning central-local relations, and for the management procedures and systems developed at municipal level. He will advise the MSC Steering Committee on all issues concerning the implementation of the project and be responsible for the quality of all reports.
- **One Municipal Management Expert** (Deputy Team Leader) –with extensive local experience in the municipal sector (3 years assignment). He will be responsible for the management and coordination of the project's field teams and assist the Team Leader in the design of the procedures and systems at municipal level.
- **One Senior Municipal Finance Expert** - with international experience (3 years assignment). He will be responsible for the design and implementation of tasks concerning fiscal systems and municipal budgeting and finance. He will assist the Team Leader in contractual matters concerning staff procurement.

² Varied international experience will be valuable for this assignment.

- **One Municipal Finance Expert** – with extensive local experience in municipal finance and public financial management (3 years assignment). He will assist the Senior Municipal Finance Expert in the design and implementation of the fiscal and budgetary systems.
- **One Urban/Municipal Planner** - with international experience (2 1/2 year assignment) who will be responsible for all urban planning, GIS, and socio-economic survey activities.

Job descriptions and person specifications for each of the senior long term expert posts are given in Appendix 2.

6.2.3 Short-Term Experts

Thirty (30) person-months of Short-Term Experts with extensive international experience and three hundred and eighty (380) person-months of Short-term Experts with local experience, are envisaged for the project.

The Short-Term Experts are required to support the MSC according to specific needs proposed by the consultant in their proposal. The Tenderer should propose a pool of international and national experts, providing CVs for each and the corresponding tasks proposed for each expert. An indicative breakdown of the professional person-months for the Short term staff is given in Appendix 3.

The provided expertise should be able to cover most of the topics related to central-local government relations and municipal strengthening. The following is an indicative list of the short term staff that may be required for the project:

- **Municipal management experts** to assist the long term staff in the municipal coverage programmes on the practical field work comprising the development action plans, administrative procedures, service improvement programmes, personnel systems, etc.
- **Municipal finance specialists** to assist the long term staff in the municipal coverage programmes on the practical field work comprising the budgetary and financial management tasks, payroll system, etc.
- **Urban planning specialists** to work in then municipalities training municipal staff on GIS, urban planning strategy, urban surveys and data analysis.
- **Municipal lawyers** to review and prepare draft amendments of the *internal* and *external* procedures and by-laws, and demonstrate improved procedures for councillors.
- **Trainer/facilitators** with experience in participative and hands-on training methodologies to develop training materials and workshop programmes for the municipal-level programmes, and assist in the training courses. The project will use local educational staff as trainers/facilitators where feasible as project consultants.

- **IT Network Specialists** with experience in IT and computer networks, technical management and financial software and software training.
- **Human Resource Management Specialists** with experience in the policies and practice of management capacity building, human resource development, personnel management, and training at a national sector level.
- **Urban Economists** with experience in urban investment programmes, municipal service finances and tariff design and regulation.
- **Social Scientists** with experience in the setting up and running of socio-economic surveys
- **Other experts** that the tenderer may consider appropriate for the different tasks of the project may be included.

The project also includes a Policy Studies Support Facility to provide the MoIM with the flexibility to respond to sector policy issues as they arise, and staff for this will be procured during the project as necessary. A separate pool of specialists will be provided by the tenderer. These specialists may be used to assist the central MoIM in developing its sector policies and procedures within the service departments given in MoIM Decree 4082 (2000).

Short-term experts with international experience should have relevant educational qualifications, with at least a Masters Degree in a relevant subject and preferably 10 years demonstrable international professional experience in the specific area of special expertise allocated to them. They should have excellent language skills in English, with good skills either in Arabic or French and professional consultancy experience in a similar task environment.

Short-term experts with local experience should have relevant educational qualifications, with a Masters Degree in a relevant subject a strong advantage. They should have at least 5 years demonstrable professional experience in the specific area of special expertise allocated to them, excellent language skills in Arabic, and good skills in English, and preferably, French.

Experts with skills needed to execute the tasks given in 4.2 will be required to show evidence of experience in developing procedures to address these issues. Priority will be given to experts with demonstrated participative skills where appropriate.

6.3 Training and Workshops

A maximum provision of EUR 100,000 has been allocated for the supply of Training using local educational institutions within the regions where feasible. This provision is included within the MSC contract budget (see Annex D).

The project training will be mostly hands-on using procedures, systems and equipment developed especially for the project or obtained from other donor municipal support programmes. The purpose of using local facilities is to ensure that training experience of project procedures and systems remain within the regions for use either by the project municipalities to enhance staff skills within the project municipalities, or within other municipalities from further municipal development programmes.

In their proposal, the Tenderer should propose an indicative training plan which specifically describes how the hands-on training in the municipalities will be used to integrate the administrative, technical and financial procedures and systems, and gives an estimation of the type and number of activities (with an indication of their unit cost) in the methodology and work plan. When external procurement of services is required to carry out these activities the MSC contractor will follow the appropriate EC procurement regulations and procedures.

6.4 GIS Mapping Exercise

A maximum provision of EUR 200,000 has been allocated as a reimbursable expense for the procurement of Geographic Information Systems mapping services in the five demonstration municipalities. These services will include the training of municipal staff in the use of GIS. This provision is included within the MSC contract budget (see Annex D)

The MSC contractor will be responsible for preparing the Terms of Reference for this GIS mapping exercise and for carrying out the procurement in accordance with EC procurement regulations and procedures..

6.5 Socio-Economic Surveys

A maximum provision of EUR 50,000 has been allocated as a reimbursable expense for the procurement of socio-economic surveys in the five demonstration municipalities. This provision is included within the MSC contract budget (see Annex D).

The MSC contractor will be responsible for preparing the design and Terms of Reference for the surveys and carrying out the procurement in accordance with EC regulations and procedures.

The MSC contractor will be responsible for preparing the design and Technical Specifications of the systems and carrying out the procurement in accordance with EC regulations and procedures.

6.6 Additional Inputs to the Project

The following inputs will also be provided to the LGMS project as detailed in Appendix 6:

- LAP Fiscal Information & Analysis System in Municipal Sector (see Activity 1);
- IT Network Feasibility Study (see Activity 2);
- IT Network software development, installation & training for MoIM (see Activity 3)
- IT Hardware for MoIM and Regional & District Offices (see Activity 4)
- Computer sets for 80 Municipalities in the Municipal Unions (see Activity 5)
- Archiving systems in the five demonstration municipalities

A maximum provision of EUR 1,170,000 has been earmarked from ARLA Programme funds for

the procurement of these items. This amount is *not* part of the budget for this MSC contract and the MSC contractor will *not* be involved in any aspect of the procurement of these items.

Identification and scoping of requirements, preparation of Technical Specifications & Terms of Reference and the procurement and delivery of the various supply and service contracts in accordance with EC regulations and procedures will be undertaken by OMSAR with the assistance of the PMC.

6.8 Translation Services

A maximum provision of EUR 90,000 has been allocated in the MSC contract budget for the procurement of translation services (see Annex D). The MSC contractor will be responsible for the translation *into Arabic* of the policy documents, internal procedures manuals, executive summaries of reports and other working documents developed for the MoIM and the Municipalities during the course of the contract. The cost of any translation of Arabic text *into English* (legal texts etc.) will also be covered by this provision. Procurement will follow standard EC procedures. Translation of all documents will be subject to prior approval by the Beneficiary. Key documents that have been translated *into Arabic* shall be checked and proof-read by a second specialist translator.

6.6 Other Inputs to be provided by the MSC Contractor

The MSC contractor shall be responsible for:

- Providing local support staff such as administrator/ office manager (office support and logistics), book-keeper/accountant, secretaries and drivers for the duration of the contract;
- Covering all administrative and operational costs;
- Covering the cost of local travel;
- Any in-house research and back-stopping facilities for the consulting team;
- All computers, printers, software, and other equipment that will be used directly by the individual project consultants.

As part of the tenderer's proposal, it is highly desirable that they are able to provide specialist software, models, etc which are relevant to the project. The Tenderer's technical proposal should therefore indicate:

- any specialist software applications developed and owned by the Tenderer, and which could be made available at no cost to the contract;
- the Tenderer's experience in the use of the proposed specialist software.

- the Tenderers proposal should, if possible, also indicate which type of “off-the-shelf” databases would be proposed for acquisition and their indicative costs.

6.7 Inputs to be provided by the Beneficiary (MoIM and Municipalities)

The MoIM will:

- provide furnished accommodation and communication facilities to the required standards: i) within the office of the MoIM; and ii) within or nearby the offices of the participating municipalities. If by the time the consultants are mobilized, the MSC still does not have its own premises with adequate accommodation within the MoIM and participating municipalities, the consultants will be initially accommodated in separate premises (i.e. premises to which only MSC staff will have access). It is extremely important that the consultants be based at these MSC offices in order to be close to the beneficiary and most effective in delivering technical assistance.
- provide adequate (counterpart) staffing of the MSC. The beneficiary will also provide funds for the attendance of staff at project meetings.

7 REPORTING

7.1 MSC Steering Committee

To ensure the appropriate organization and management of the Management Support Consultancy there is a need to set up a body that will focus on the macro framework within which the MSC activities are to be implemented. This is the role of the MSC Steering Committee. It focuses on technical co-ordination inside the sector but is not involved in the day-to-day operation of projects.

The MSC Steering Committee reports on the progress of the project to the ARLA Supervisory Committee. The latter provides feedback and special advice whenever requested or required.

The mandate of the MSC Steering Committee is:

- to provide general guidance regarding the establishment and the operation of the MSC project;
- to facilitate co-ordination at the sector level between different beneficiaries and stakeholders;
- to facilitate co-ordination between the beneficiary and other relevant institutions and agencies;
- to facilitate MSC intervention and assure appropriate co-ordination with other activities inside the sector;
- to facilitate the monitoring and evaluation of the MSC's progress based on objective verifiable indicators, milestones and bench marks
- to review and recommend for approval (by the Minister of Interior and Municipalities) Inception Reports, Work Plans and Budgets.

Membership

The MSC Steering Committee is chaired by a senior representative of the MoIM and includes further:

- The MoIM Project Director
- An OMSAR representative;
- The PMC Monitoring and Evaluation Expert;
- A Representative of the EC Delegation as observer.

Meetings

The MSC Steering Committee, of which the working language shall be English, will meet quarterly and may have additional meetings, as and when required. The minutes of the meetings and details of the decisions taken will be forwarded to the ARLA Supervisory Committee and

copied to the EC Delegation. The MSC Team Leader and a PMC Subject Matter Specialist may attend the meeting by invitation.

7.2 Reporting Arrangements

Standardised reporting procedures, formats and institutional arrangements for all ARLA service contracts have been established by OMSAR and the PMC. The MSC consultants will work with the Ministry of Telecommunications (MoT), the TRA, PMC and OMSAR to finalise the arrangements for this particular MSC during the Inception Phase. Reporting arrangements are as set out below.

7.2.1 Inception Report

At the end of the Inception Phase, the consultants will present an Inception Report, which sets out:

- A review of any changes to local government legislation that may effect project implementation
- Emerging issues and challenges (distinguishing between administrative/service contract issues and technical/policy issues);
- proposed steps to address the key issues;
- any revisions to the project methodology;
- detailed task descriptions, expert profiles, work allocations and schedules of short-term international experts and local experts;
- a revised logical framework with updates to the assumptions and risks;
- timing of the planned deliverables (reports, etc.)

The Inception Report is due three (3) calendar months after first mobilisation of the MSC consultants, and will be accompanied by a Work Plan, which sets out revisions to the tasks, schedules and budget presented in the Contractor's proposal, together with a detailed forecast of activities foreseen in the up-coming six months during Phase 1.

7.2.2 Monthly Reports

The MSC consultants will prepare short (indicatively 2 page) monthly reports, summarising progress in the last month, problems / issues, and planned actions in the coming month. These reports will be distributed to all members of the Steering Committee and to other stakeholders (in particular other donors supporting the MoIM) as may be approved by the Steering Committee. The purpose of these reports is to provide an early warning of potential risks to achievement of the overall and specific objectives of the MSC, including factors outside the scope of the service contract.

Monthly reports shall be submitted to the Steering Committee within 5 days of the end of the month in question.

7.2.2 Six-Monthly Reports

The consultants will submit six-monthly reports to the MoIM, OMSAR, and the EC Delegation. These reports will be the primary basis for monitoring of the service contract within the ARLA programme, and will cover both technical and administrative matters.

The Six-Monthly reports will include:

- a one- or two-page executive summary;
- a one-page summary of the contractor's activities and progress during the previous period;
- an indication of progress with the planned activities of the MSC project intervention, pointing out any difficulties or impediments, and recommendations for suitable remedies on the administrative level of the service contract;
- an evaluation of progress made towards the fulfilment of the overall and specific objectives of the MSC, and the completion of project outputs, with recommendations for actions on the policy and technical level; this evaluation would draw on (but not simply repeat) the monthly reports;
- a cumulative summary of expenditure, personnel employed and their assignments, outputs and achievements from the start of the service contract to the end of each six month period, in a format that allows verification with the logical framework.

Six-monthly reports are to be submitted to the members of the Steering Committee within 4 weeks of the end of the period in question, with the first report being due seven months from the date of mobilization.

7.2.3 Six-Monthly Work Plans

Each Six-monthly report will be accompanied by a revised Work Plan, which sets out any necessary revisions to the tasks, schedules and budget from the previous Work Plan, together with a detailed forecast of activities foreseen in the up-coming six months.

7.2.4 Final Report

The last Six-monthly report should be more substantive, and form a stand-alone Final Report, which provides a comprehensive review of both the technical and administrative aspects of service contract. It should include:

- a one or two-page executive summary;
- a summary of the history of the service contract and consultant's activities, with a summary of inputs, expenditure and staff deployment over the period of the service contract;

- a review of progress made in achieving the activities and planned outputs of the project interventions, pointing out any difficulties or impediments on the administrative level of the service contract;
- an evaluation of progress made towards the fulfilment of the overall and specific objectives of the project the MSC, with recommendations on the policy level;
- a summary of lessons learned and recommendations (a) at the administrative level and (b) the technical/policy level that could be useful to the EC Delegation, the European Commission, MoIM, OMSAR and other ministries and agencies for future co-operation service contracts.

The Final Report should be submitted within 21 days of the last day of the contract.

7.2.5 Other Reports

Subject to the work plan proposed in the Inception Report, the consultant will provide several technical and training related reports. Amongst others, the following reports will be required:

- brief mission reports on each of the short-term assignments by short-term international experts;
- technical reports on specific subjects treated in the framework of the service contract, which will be prepared by the long-term and short-term experts as appropriate;
- training reports providing feedback on the training programme conducted
- manuals and guidelines, produced as part of the project outputs.

7.3 Language, Format and Number of Reports

Reports will be written in English. The Inception Report, Six-Monthly Reports, Final Report and Technical Reports should have a short (1-2 page) executive summary in English and in Arabic (see clause 6.5).

Key reports with a wider audience within the municipalities or central ministries, will be translated into Arabic with the cost being covered by the provision in the MSC project budget.

Unless otherwise agreed in the Inception Report, all reports mentioned shall be submitted in ten (10) copies, with four (4) copies for the EC Delegation in Beirut, four (4) copies for the MoIM, and two (2) copies for OMSAR.

7.4 Approval of Reports

The Inception Report and its Work Plan, the Six-Monthly Work Plans and the Final Report of the MSC will be subject to:

- technical review by the MoIM as Beneficiary of the contract;

- recommendation by the MSC Steering Committee for approval by Beneficiary and Contracting Authority;
- approval by Beneficiary and Contracting Authority;
- approval by the EC.

The Contracting Authority shall formally approve or provide comments on the deliverables (reports, work plans etc) submitted by the Contractor within one month from the date of submission.

If amendments to the deliverable(s) are requested the Contractor shall provide these within three weeks.

Final approval of the deliverable(s) shall then follow within two weeks.

The reports of the MSC, other than the Inception Report, the Work Plans and the Final Report, do not need formal approval by the Beneficiary, the Contracting Authority or the EC.

8. MONITORING AND EVALUATION

Monitoring and evaluation of the MSC will be undertaken at two levels:

- internal ARLA monitoring and evaluation by the ARLA Programme Monitoring Consultancy (PMC)'s resident Monitoring and Evaluation Expert (who will be a member of the Steering Committee for all ARLA MSCs);
- external monitoring and evaluation of the MSC as part of the overall ARLA programme. This will be undertaken by periodic visits of independent monitoring and evaluation experts engaged by the EC. This will be the principal mechanism of monitoring the progress and achievements of the MSC.

The MSC contractors are obligated to make available all information reasonably required for the use of the monitoring and evaluation experts in the formats and within the timeframes set by the PMC / External M&E Team. The contractors will be asked to enter information as to the progress of contract implementation in a specially designed ARLA computer database installed by the PMC at the start of the contract.

Appendix 1. Evolution and Legal Framework of Municipal Sector in Lebanon

Evolution of Municipal Sector

Local government in Lebanon originated during the Ottoman period (1517 – 1918) with the formation of administrative Districts or ‘Cazas’ for the purposes of tax gathering and control. A ‘Wilayet’ Municipal Law was promulgated in 1877 to regulate the administration of municipal councils in every town and village. Considerable powers were decentralised to the municipalities but formal authority resided at the District level.

The French administration (1918-1943) instituted a further law in 1922 which returned many decision-making powers to the centre to ensure colonial control over public affairs and to maintain internal security.

During the period following Independence in 1946 the Municipal Law underwent a number of changes which aimed at administrative decentralisation and the improved delivery of essential services by the Municipalities.

The *Taif Agreement* of 1989, which brought the civil war to a close, contained provisions for administrative reforms and the decentralisation of further decision-making authority over financial management to regional and local levels of government. However, less than 5% of national spending decisions are presently made at the local government level, compared with a figure of perhaps 10-20% in similar countries to Lebanon.

Legal Framework

There are five major laws and decrees governing the municipal sector:

Municipality Law 118 (1977) : establishes the municipalities as legal entities with rights of succession. It provides the general rules governing municipal government including the role, structure, and rights of the municipalities. It states that ‘*every work having a public character or utility within the area of a municipality falls under the jurisdiction of the Municipality*’.

Municipal responsibilities include: formulation and adoption of the municipality’s annual budget; determination of taxes and fees to be collected as allowed by law; management of the municipal funds; public health and safety; establishment of slaughterhouses, firefighting and rescue services etc; town planning, roads, public parks etc; infrastructure development including sewerage systems, roads, power and street lighting; services such as public transport, hospitals, and other social services; educational buildings; environmental management and resource use. In addition the municipalities may take responsibility for museums, theatres, markets, and low-cost housing. Under the Local Government Law (1977) any community may elect to become a municipality provided it satisfies the minimum requirements specified in the Law.

The present Law is currently under review to both transfer further authorities to the Municipalities and to strengthen auditing and monitoring from the centre. These amendments will be extensively discussed in public and revised in committee before they are accepted for enactment by Parliament. The focus of this new Law on strengthened municipal management is

one of the reasons for this present project. There are no provisions in the new Law for consolidating the large number of smaller municipalities.

Decree 1917 (1979): establishes the rules for the distribution of moneys to all municipalities from the Independent Municipal Fund (IMF) which comprises all surtaxes collected by the state on behalf of all the municipalities.

Decree 5595 (1982) : establishes accounting principles for the municipalities.

Law 60 (1988): identifies municipal tariffs and fees to be collected directly by the municipalities and the state.

Decree of MoIM 4082 (2000) : defines the roles and responsibilities of the MoIM and its eighteen Directorates. Oversight for the Municipal sector is now the responsibility of the Directorate General of Administration and Local Councils which supervises municipal affairs from the regional and district offices of the MoIM. The Directorate for Local Councils has three sections dealing with technical services, regional/district level administration, and municipal finances. Decree 4082 has over 250 Gazetted municipal sector positions for professional and support staff at central, regional and district levels but currently has less than 20 staff in place in the central MoIM offices.

Appendix 2: Job Profiles

Job Profile Senior Municipal Management Expert: Team Leader

Reporting to Director, MoIM

Job outline: The holder of this post is the Team Leader of the MSC .

Main duties

The Team Leader's principal role is to provide and mobilise the expertise and resources needed for the successful implementation of the project, and provide technical direction for the complex array of tasks in the project. He/she will lead the project staff in the design and implementation of all project tasks and ensure that project tasks are carried out to international standards.

The Team Leader will work closely with the Minister of Internal Affairs and Municipalities in:

- responding rapidly and effectively to policy issues that emerge during the project– in particular to those issues that arise during the amendments to the Municipalities Law 118 (1977) and its implementation.
- developing selection criteria for the municipalities to be included in the project.
- ensuring that the project's central regulatory tasks are integrated with the municipal level implementation tasks.
- establishing the informal working groups and maintaining information flows and minutes.
- coordination with the Ministry in arranging key municipal level meetings.
- procurement of equipment and services as needed.

The Team Leader will carry out the basic project management tasks:

- Direction of the tasks of all other experts in the Project, in particular the Municipal Management Expert.
- Preparing ToRs for the missions of short-term experts (international and local).
- Preparation of work plans.
- Preparation / supervision of the preparation of the reports of the service contract;
- Participation in MSC Steering Committee meetings, and other meetings at the request of the Steering Committee.
- Recommending mechanisms for the effective coordination of various donor inputs into the MSC. It is essential that there should be no duplication of activities, or any sense of "competition" between donor inputs.
- Other policy and implementation advice, and other inputs, as requested by the Steering Committee and the Chairman.

Working relationships

He or she will require a high level of inter-personal skills and will need to work effectively with a wide range of stakeholders, including:

- the Steering Committee and its members;
- MoIM line management, staff and advisers;
- OMSAR, in particular the EU Project Coordinator
- EU Delegation;
- other donor-funded consultants working with the LGMS;

Professional background

Education

- Advanced academic degree in public administration or management, economics, or public policy or equivalent with a minimum of 15 years of post-graduate experience
- Appropriate specialisation in aspects of municipal management policy and reform,
-

Essential Specific experience

- At least ten years of direct experience in municipal management.
- Five years experience in municipal administration and public relations.
- Five years experience in the public management reform process.
- At least five years direct experience in planning and management of urban services.

Desirable Experience

- Experience in urban public services and regulation
- Experience with management of change in public sector institutions
- Provision of high level policy advice at Ministerial level
- Experience with EC procurement and reporting procedures
- Experience as project manager and team leader on EU or internationally-funded consulting projects
- Experience in teaching, coaching and training.

Language skills

Proficiency in written and spoken English (essential), French (desirable), Arabic (very desirable)

Job Profile – Senior Municipal Finance Expert

Reporting to Team Leader

Job outline: The holder of this post is the Leader of the Municipal Finance Tasks.

Main duties

The Municipal Finance Expert's principal role is to provide the expertise in intergovernmental fiscal policies, and municipal budgetary systems. He/she will lead the project staff in the design and implementation of all project tasks related to central and municipal financial management and ensure that project tasks are carried out to international standards.

The Senior Municipal Finance Expert will work closely with the Minister of Internal Affairs and Municipalities and the MoF as necessary in:

- responding to fiscal decentralisation policy issues that emerge during the project– in particular to those issues that arise during the amendments to the Municipalities Law 118 (1977) and its implementation.
- Fine tuning the FIAS and training central staff in analysing fiscal data.
- ensuring that the project's central fiscal regulatory tasks are integrated with the municipal level fiscal and budgetary development tasks.
- establishing the fiscal informal working groups and maintaining information flows and minutes.
- coordination with the different Ministries in fiscal decentralisation matters.
-

The Senior Municipal Finance Expert will carry out the basic project management tasks:

- Direction of the tasks of the Municipal Finance Expert.
- Preparing ToRs for the missions of short-term financial experts (international and local).
- Preparation of financial work plans.
- Preparation / supervision of the preparation of the reports of the financial areas of work.
- Participation in MSC Steering Committee meetings, and other meetings at the request of the Steering Committee.
- Other policy and implementation advice, and other inputs, as requested by the Steering Committee and the Chairman.

Working relationships

He or she will require a high level of inter-personal skills and will need to work effectively with a wide range of stakeholders, including:

- the Steering Committee and its members;
- MoIM line management, staff and advisers;
- OMSAR, in particular the EU Project Coordinator

- EU Delegation;
- other donor-funded consultants working with the LGMS;

Professional background

Education

- Advanced academic degree in public financial management, public sector economics, or public fiscal policy or equivalent with a minimum of 15 years of post-graduate experience
- Appropriate specialisation in aspects of fiscal decentralisation policy and reform,
-

Essential Specific experience

- At least 10 years of direct experience in fiscal decentralisation and municipal finance.
- Five years experience in municipal budgetary systems and procedures.
- Five years experience in fiscal analysis with respect to central policies.
- At least five years direct experience in planning and management of urban services and options would be relevant.

Desirable Experience

- Experience in the design of fiscal information systems
- Experience with management of change in public sector institutions
- Provision of high level policy advice at Ministerial level
- Experience with EC procurement and reporting procedures
- Experience as project manager and team leader on EU or internationally-funded consulting projects
- Experience in teaching, coaching and training.

Language skills

Proficiency in written and spoken English (essential), French (desirable), Arabic (very desirable)

Job Profile - Senior Urban/Municipal Planner

Reporting to Team Leader

Job outline: The holder of this post is the Leader of the Urban/Municipal Planning tasks

The Urban/Municipal Planner's principal role is to provide expertise in urban land use and physical planning, and the systems and procedures required for improved municipal planning, especially in the use of GIS and rapid urban appraisal methodologies. He/she will lead the project staff in the design and implementation of all project tasks related to urban/municipal planning and ensure that the tasks are carried out to international standards.

The Urban/Municipal Planning Expert will work closely with the MoIM and DPW as necessary in:

- Responding to urban land use and physical planning policy issues that may emerge during the project – in particular to those issues that arise during the amendments to the Municipalities Law 118 (1977) and its implementation.
- Design of studies relating to consolidation of municipal boundaries with respect to land use and economic planning.
- Ensuring the coordination of land use plans for the Unions of Municipalities that have been prepared by the different line ministries, especially those prepared by the DPW.
- Ensuring that the individual urban development plans of the municipalities are coordinated within a wider inter-municipal land use framework.
- Assisting in the training of elected councillors in best practice for the management of land use and urban development.
- Coordinating with the DPW on possible revisions to land-use categories and basic municipal mapping policies.

The Urban/Municipal Planner will carry out the following basic management tasks:

- Direction of all urban planning tasks
- Preparation of TORs for all short term urban planning specialists
- Preparation of TORs for subcontracted GIS and socio-economic surveys
- Preparation of Work Plans and schedules
- Review of land use categories and land use plans, and conduct of workshops on future directions of urban development

Working Relationship

He or she will require a high level of inter-personal skills and will need to work effectively with a wide range of stakeholders, including:

- the Steering Committee and its members;
- MoIM line management, staff and advisers;
- OMSAR, in particular the EU Project Coordinator

- EU Delegation;
- other donor-funded consultants working with the LGMS;

Professional background

Education

- Advanced academic degree in urban architecture and land planning, municipal planning with a minimum of 15 years of post-graduate experience

Essential Specific experience

- Appropriate specialisation in GIS mapping for use in municipal planning and management
- At least 5 years of direct experience in socio-economic surveys in relation to municipal development.
- Five years experience in municipal planning and procedures.
- At least five years direct hands-on experience in the management of urban land use

Desirable Experience

- Experience with civic society participatory involvement in land use planning and the management of applications for land use changes/building construction
- Provision of high level policy advice at Ministerial level
- Experience with EC procurement and reporting procedures
- Experience on EU or internationally-funded consulting projects
- Experience in teaching, coaching and training.

Language skills

Proficiency in written and spoken English (essential), French (desirable), Arabic (very desirable)

Job Profile –Municipal Management Expert

Reporting to Senior Municipal Management Adviser

Job outline: The holder of this post is the Field Team Leader of the Municipal Management Tasks of the MSC .

Main duties

The Advisers principal role is to assist the Team Leader (Municipal Management), organise the logistics of field work programmes, ensure the successful implementation of the project, and provide technical direction for the municipal management and systems sub-tasks at municipal level. He/she ensure that project tasks are carried out to international standards.

The Field Team Leader will work as part of the Municipal Management Team under the direction of the Senior Municipal Management Expert and assist in:

- responding rapidly and effectively to policy issues that emerge during the project– in particular to those issues that arise during the amendments to the Municipalities Law 118 (1977) and its implementation.
- developing selection criteria for the municipalities to be included in the project.
- establishing the informal working groups and maintaining information flows and minutes.

The Field Team Leader will carry out the basic project management tasks:

- Direction of the municipal level tasks.
- Assist in the preparation of work plans.
- Participation in MSC Steering Committee meetings, and other meetings at the request of the Steering Committee.
- Assist in policy and implementation advice, and other inputs, as requested by the Steering Committee and the Chairman.

Working relationships

He or she will require strong inter-personal skills and will need to work effectively with a wide range of stakeholders particularly at regional, district and municipal levels, including:

- the Regional and District MoIM offices;
- Municipal mayors and councillors;
- Municipal staff;
- User groups.

Professional background

Education

- Academic degree in public administration or management, economics, or public policy or equivalent with a minimum of 7 years of practical post-graduate experience
- Appropriate specialisation in aspects of municipal management policy and reform,
-

Essential Specific experience

- At least 7 years of direct experience in municipal management.
- Five years experience in municipal administration and public relations.
- Five years experience in the public management reform process.
- At least five years direct experience in planning and management of urban services.

Desirable Experience

- Experience in urban public services and regulation
- Experience with management of change in public sector institutions
- Experience with EC procurement and reporting procedures
- Experience in teaching, coaching and training.

Language skills

Proficiency in written and spoken Arabic (essential), English (essential), French (desirable).

Job Profile – Municipal Finance Expert

Reporting to Senior Municipal Finance Expert

Job outline: The holder of this post is the Field Team Leader of the Municipal Finance Tasks.

Main duties

The Advisers principal role is to assist the Senior Municipal Finance Expert organise the logistics of field work programmes, ensure the successful implementation of the project, and provide technical direction for the municipal finance management and systems sub-tasks at municipal level. He/she ensures that project tasks are carried out to international standards.

The Field Team Leader will work as part of the Municipal Finance Team under the direction of the Senior Municipal Finance Expert and assist in:

- responding to fiscal decentralisation policy issues that emerge during the project– in particular to those issues that arise during the amendments to the Municipalities Law 118 (1977) and its implementation.
- Fine tuning the FIAS and training central staff in analysing fiscal data.
- establishing the fiscal informal working groups and maintaining information flows and minutes.

The Field Team Leader of the Municipal Finance tasks will carry out the basic project management tasks:

- Direction of the municipal level finance tasks.
- Assist in the preparation of financial management work plans.
- Participation in MSC Steering Committee meetings, and other meetings at the request of the Steering Committee.
- Assist in policy and implementation advice, and other inputs, as requested by the Steering Committee and the Chairman.

Working relationships

He or she will require strong inter-personal skills and will need to work effectively with a wide range of stakeholders particularly at regional, district and municipal levels, including:

- the Regional and District MoIM offices;
- Municipal mayors and councillors;
- Municipal staff;
- User groups.

Professional background

Education

- Academic degree in public financial management, public sector economics, or public fiscal policy or equivalent with a minimum of 7 years of post-graduate experience
- Appropriate specialisation in aspects of fiscal decentralisation policy and reform,
-

Essential Specific experience

- At least 5 years of direct experience in fiscal decentralisation and municipal finance.
- Five years experience in municipal budgetary systems and procedures.
- At least five years direct experience in planning and management of urban services and options would be relevant.

Desirable Experience

- Experience in the design of fiscal information systems
- Experience with management of change in public sector institutions
- Experience with EC procurement and reporting procedures
- Experience in teaching, coaching and training.

Language skills

Proficiency in written and spoken Arabic (essential), English (essential), French (desirable).

Appendix 3. Indicative Person Months of Short Term Specialists

Short Term Specialist Category	Person Months	
	International Experience	National Experience
Municipal Management		52
Municipal Finance		75
Urban/Municipal Planner		57
Municipal Lawyer	4	30
Facilitator/Trainer	2	42
IT Network Specialist	2	3
HRM Specialist	4	6
Urban Economist	7	28
Social Scientist		13
Sociologist	2	
Public Administration Specialist		2
Computer Software Specialist	1	52
Mix of professions	8	20
Total	30	380

Appendix 4. Preparatory Activities for 2001-2 : Establishment of a Fiscal Information Analysis System (FIAS)

The following project has been carried out as a preparatory exercise to the TOR project and will be implemented before the Inception Phase. The FIAS, and an IT Network which will be procured and installed at central, region and district levels of the MoIM, will be used in the Activities A.3 and A.4.

Objective of the project

'improved capacity of the MoIM to regulate and monitor the implementation of municipal sector policies through the operationalisation of a fiscal model and the adoption of key financial indicators for sector performance analysis.'

Expected Outputs

The expected outputs are the design of a Financial Information Analysis System (FIAS) based on a model of intergovernmental budgetary transfers, and municipal revenues and expenditures, and other financial applications from the municipalities. The FIAS will be installed and tested during the assignment on an IT Network linking the central, regional and municipal offices of the MoIM.

Activities

The tasks of the project are as follows:

- i. Review the key fiscal policy issues in the municipal sector regarding economic efficiency, macro-economic stability, inter-regional equity and construct a fiscal model to report and analyse the appropriate information for large, medium and small municipalities.
- ii. Review existing fiscal data for local government and the municipalities and establish the minimum financial reporting standards required at municipal, district, regional and central levels.
- iii. Coordinate with other projects concerned with municipal finance and fiscal decentralisation.
- iv. Prepare a Fiscal Information and Analysis System based on a fiscal model which provides a framework for the data and indicators required for the effective fiscal regulation and monitoring of the municipal sector.
- v. Provide the basic system architecture for application in an IT Network.
- vi. Develop the detail and indicators for this system and test out on five (5) pilot regional and district offices and adjust as necessary.
- vii. Prepare an Operations Manual suitable for general use in the MoIM on how to use the FIAS and interpret the data.
- viii. Train central, regional and district office staff on the effective use of the FIAS and the interpretation and analysis of data.

Appendix 5: Summary of LRDP Activities

This is a summary of the systems developed by the Centre for Legislative Development – State University of New York (SUNY/CLD) that has been implemented in the municipalities by the LRDP. The procedures and systems have been tried and tested in 80 municipalities and software, manuals, and training materials is available in Arabic.

Municipal Budget Preparation

The Municipal Budget Preparation systems and procedures are used to prepare a municipal budget, produce budget scenarios, and allow for analysis and statistical reporting. Two different versions are developed. One for the municipalities under the Government Accounting Office (GAO) jurisdiction and another is for the other municipalities.

Municipal Budget Expenditure

The Municipal Budget Expenditure systems and procedures enable municipalities to issue expenditure requests, Fund reservation, and process corresponding payments. Also issued in two different versions. One for the municipalities under the Government Accounting Office (GAO) jurisdiction and another is for the other municipalities.

Municipal Revenue System

This system computes and generates taxpayer lists. It also generates the payment requests for all municipal applications. It keeps track of each taxpayer account.

Personnel Management System

This system provides human resource management capabilities. It provides statistical reports regarding job vacancies, and employees historical job experience, education, training etc. It also tracks employee rewards, penalties, vacations, sick-leaves etc.

Payroll System

This system is linked to the personnel system and produces all the employees contractors and daily workers salaries and compensations.

Document Tracking System

This system registers each citizens' application and tracks its status until completion. It provides managers with updated information regarding applications that are not processed in due time.

Citizen Complaints System

This system registers all complaints and tracks the status of each of them. This is an important system for municipal presidents in that it updates the problems that citizens are facing. Information provided through the system can be useful for future planning.

Appendix 6. Activities of the PMC in the municipal sector, July 2001 – June 2002

Activity 1: IAP Fiscal Information and Analysis System in Municipal Sector

Tentative time schedule:

- a) Approval of ToR prepared by PMC at end June 2001: August 2001*
- b) Procurement September 2001 – October 2001*
- c) Monitoring of implementation : November 2001 – March 2002*

Est. cost of IAP : E 130 000

See also under Appendix 4.

The IAP would be implemented through a shortlisting of companies, and local tender procedures.

Results of IAP: after 3 months an initial document with main system architecture. This document would serve also as an input for the development of the software for a modem based computer 'network' between the MoIM, 5 muhafez offices and 5 qaza offices (see below). After 6 months a full document would be submitted outlining the fiscal information and analysis system in terms of procedures and formats.

Activity 2: Feasibility Study on IT Network Prepared for MoIM, connecting 5 Muhafez and 5 Cazas

Time schedule: February - March 2001

Final result: 2 detailed ToRs for IAPs in the municipal sector

Under the Law on Municipalities 118 (1977) the 711 municipalities are required to submit a range of requests for budgetary, administrative, capital investment etc approvals up to the District, Regional, and Central levels depending on the size of the approval required. Standard pro-formas are used to process these approval applications at the different government levels. It is the request of the MoIM that an IT system is designed and procured by ARLA to collect and monitor the data from these approval applications so that the centre can track the progress of the municipalities and the effectiveness of regional and district offices in implementing central policies.

This system will have a central server at the MoIM with input-output links to all 5 regional offices (muhafez) and to (at this pilot stage) 5 district offices of the MoIM (one in each region). At these regional and district offices the hardware will comprise a basic computer set-up with a modem link to the central MoIM office. Software will be developed with a standardised protocol that allows immediate access to fiscal data through a secure communication channel. Later, other information data sets may be entered into the network.

A PMC IT specialist is scheduled to complete the following tasks:

- i. Evaluate and prepare cost estimates of the different information technology systems available for central-local government information systems, including systems comprising networks and servers, and web sites accessible from the municipalities.

- ii. Select an information technology system that allows a staged introduction and future expansion of the system, starting with a network linking the central, regional, and district offices of the MoIM.
- iii. Prepare a ToR with technical specification of the hardware to be procured through OMSAR.
- iv. Prepare ToR for the preferred system (initial software specifications) to be implemented through an IAP procured through OMSAR (see under section 2.3 in this Work Plan). This would include the specification for the development of a Municipal Sector web-site accessible to all municipalities. The specification would take into account the basic architecture of the fiscal information and analysis system developed by the PMC expert under activity 2.

Provided office space and a computer are available, the expert should preferably be working in the MoIM.

Activity 3 : Software development, installation and training for Municipal IT network

a) Approval of ToR prepared March 2002: April 2002

a) Procurement: May 2002-June 2002 through local tender

b) implementation: July – January 2002

c) Monitoring of implementation: July – January 2002

Budget: E 136 000

Final result: software and website for fiscal decentralisation installed and running; staff trained

As a follow-up to PMC activity 2 above, the software specification for the IT network hardware would have to be tendered. Once procurement is completed, preferably on the local market, a specialist software company will need to complete the following tasks:

- Prepare software systems to fulfill requirements of fiscal information and analysis
- Install software and train local staff on system

The software company would make use of the document on basic system architecture produced by the IAP 'Fiscal Information and Analysis System, and evaluate whether parts of it can be integrated in the module to be developed.

As with the previous, the PMC would provide the usual services in the procurement process, in subsequent coordination and monitoring, in contract management and finance management.

Activity 4 : Provision of IT hardware to MoIM, 5 Regional and 5 District Offices

a) Procurement: March 2002- April 2002

b) Contract management: May – July 2002

c) implementation: May – July 2002

Budget: E 120 000

Final result: computers and IT network installed

As a follow-up to PMC activity 2, the ToR (technical specification) for the IT network hardware would have to be used for procurement purposes. Once procured through a local tender, a specialist IT company will provide and install the hardware in the central MoIM office, in five regional offices and five district offices.

PMC would provide the usual services in the procurement process, in subsequent coordination and monitoring, in contract management and finance management.

Activity 5 : Equipment Supply Contract: Purchase and Installation of Basic Office / IT Equipment in Municipalities

a) Preparation of technical specification

b) Procurement: January-June 2002

c) implementation: June – August 2002

*Budget: E 700 000 (80 computer sets, 5 LAN systems*4 computers), international tender*

Final result: computers and IT network installed

In preparation of the MSC Local Government and Municipal Strengthening, the equipment needed for the financial management systems to be installed by the MSC in the Municipalities of the Municipal Unions is intended to be procured through a separate open supply tender. At this stage it is foreseen that some 80 municipalities will benefit from a package including one computer set with all accessories, including a desk and chair, etc. In addition, the five pilot municipalities which will benefit from a larger set of activities through the MSC, will receive a LAN. The actual package will be determined by the IT expert and also consulting with the USAID SUNY project which is purchasing and installing computer sets in different municipalities at the same time. The Inception Report of the MSC 'Local Government and Municipal Strengthening' will determine the exact number of the Municipal Unions and municipalities to be addressed, and their location. This is foreseen for around June 2002. Once procured through OMSAR and installed by the company in the various unions, the MSC will install the financial management software and provide basic training, and coordinate closely with USAID SUNY project in order to ensure the standardisation of such systems across all municipalities in the country.

PMC would provide the usual services over this procurement process, in subsequent coordination and monitoring, in contract management and finance management.

Activity 6: Equipment Supply Contract: purchase and installation of Archiving Systems

a) Preparation of technical specification by MSC by end 2002

b) Procurement: January-June 2003

c) implementation: June – August 2003

Budget: E 70 000, local tender

Final result: archiving system installed in 5 demonstration municipalities

A maximum provision of EUR 70,000 has been earmarked under ARLA for the procurement and installation of archiving systems in the five demonstration municipalities. The MSC will provide a feasibility study and specification for the archiving systems to the OMSAR, and OMSAR will procure and install it in a separate supply contract. This provision is not included within the MSC contract budget. The PMC will monitor the production of the technical specification by the MSC, and subsequent purchase and installation by OMSAR / contractor.

Annex D

Schedule of Fees and Expenses

Contract between : *Contracting Authority*) and (*Supplier*)

Project: Assistance to the Rehabilitation of the Lebanese Administration

Contract title: MSC for Ministry of Interior and Municipalities

COSTS	Unit	No. of Units	Unit Rate (EUR)	TOTAL (EUR)
A. FEES				
Long Term Experts (1)				
Municipal Management Expert Internatnl Exp	Person/ month	30	*	*
Municipal Management Expert National Exp	Person/ month	30	*	*
Municipal Finance Expert Internatnl Exp	Person/ month	30	*	*
Municipal Finance Expert National Exp	Person/ month	30	*	*
Urban/Municipal Planner International Exp.	Person/ month	24	*	*
Short-Term Experts (2)				
Senior Experts International Experience	Person/ month	30	*	*
Senior Experts Local Experience	Person/ month	380	*	*
B. DIRECT COSTS				
- Local support staff	Person/ month	36	*	*
- Administrative expenditure (3)	Month	36	*	*
- Local travel (4)	Month	36	*	*
TOTAL A+B				
C. REIMBURSABLE EXPENSES (5)				
Travel (6)				
- Air Travel LT experts	Round trip	*	*	*
- Air Travel (family)	Round trip	*	*	*
- Air Travel ST experts	Round trip	*	*	*
Luggage (accompanied/unaccompanied) (7)	Allowance	*	*	*
Training (8)	Maximum provision	1		100,000
GIS Mapping (8)	Maximum provision	1		200,000
Socio-economic Surveys (8)	Maximum provision	1		50,000
Translation (8)	Maximum provision	1		90,000
Total C				
Contingencies (5% of A+B+C) (10)				
TOTAL CONTRACT				

(1) Including overheads, office charges in Europe, expatriation allowance, accommodation, airport transfers & all other costs not specified.

(2) Including overheads, office charges in Europe, per diems and all other costs not specified.

(3) Including report and document production and printing, communication expenditure and small running costs

(4) Expenditure related to local transportation for daily work needs

(5) Payable upon receipt by the Commission of justifying documents.

(6) Travel: air travel by the most economical fare, taking into account the dates of travel;

- original ticket stubs, boarding pass and travel agency invoice; other expenses: original invoices.

- one trip per full calendar year for each LT expert (+ expatriated spouse and depending children) + mobilisation/demobilisation

(7) Weight limits in accordance with Article 96 of the Contract Special Conditions.

(8) Procurement policy (as per Appendix to Annex A) to be followed.

(9) Including costs of travel, per diems for trainees and course expenditures

(10) To be used following express approval by the Contracting Authority and the EC

* to be filled by the bidders

Shadow Budget Estimates

Office of the Minister of State for Administrative Reform (OMSAR)

Project : MSC for Ministry of Interior and Municipalities

Schedule of Fees & Expenses

ITEM	Unit	Unit Rate (EURO)	No. of Units	Amount (EURO)
A. FEES[1]				
<i>Long-term Experts</i>				
A.1 Municipal Management Expert Intl	man-month	14,500.0	30	435,000.0
A.2 Municipal Management Expert Natl	man-month	5,000.0	30	150,000.0
A.3 Municipal Finance Expert Intl	man-month	14,500.0	30	435,000.0
A.4 Municipal Finance Expert Natl	man-month	6,000.0	30	180,000.0
A.5 Urban/Municipal Planner Intl	man-month	13,500.0	24	324,000.0
<i>Short-term Experts</i>				
A.6 Senior Experts - international	man-month	14,500.0	30	435,000.0
A.7 Senior Experts - local [2]	man-month	5,500.0	380	2,090,000.0
<i>Support Staff</i>				
A.8 Administrator	man-month	3,000.0	30	90,000.0
A.9 Accountant	man-month	2,500.0	30	75,000.0
A.10 Secretary	man-month	1,250.0	60	75,000.0
A.11 Drivers	man-month	600.0	150	90,000.0
Total A				4,379,000.0
B. PER DIEM				
B.1 Per diem Short-term Internat. Experts [3]	day	148.0	2,960	438,080.0
B.2 Per diem Local Experts [3]	day	148.0		0.0
Total B				438,080.0
C. DIRECT COSTS				
C.1 Printing & document production	month	2,000.0	30	60,000.0
C.2 Telecommunication	month	1,000.0	30	30,000.0
C.3 Courier	month	500.0	30	15,000.0
C.4 Translation	month	3,000.0	30	90,000.0
Total C				195,000.0
TOTAL A + B + C				5,012,080.0
D. REIMBURSABLE EXPENSES [4]				
D.1 Travel - EU-Lebanon [5]	round trip	1,000.0	50	50,000.0
D.2 Travel in Lebanon	month	10,000.0	30	300,000.0
D.3 GIS + Socio-economic Surveys	budget	50,000.0	5	250,000.0
D.4 Training Facilities [6]	budget	5,000.0	10	50,000.0
D.5 Per diem trainees [7]	day			0.0
D.6 Computers & Specialised Equipment[8]	budget			0.0
Total D				650,000.0
TOTAL A + B + C + D				5,662,080.0

[1] Incl. overheads, home office costs, expat. allowance, accommodation, airport transfers & other costs not specified

[2] Breakdown of Indicative person months in Annex _

[3] As a maximum the official 2001 rates for Lebanon

[4] Estimated. Payable upon receipt by Contracting Authority of justifying documents

[5] Indicative, may vary within the given amount. (Flight: Y class Rail: 1st class)

[6] Each activity to be procured in cooperation with beneficiary and in accordance with EC/ARLA procurement rules.

[7] In a maximum, the official rate for 2001 for the country visited will apply.

[8] Equipment to be procured in cooperation with Beneficiary and in accordance with EC/ARLA procurement rules and

[9] Only to be spent with the prior written approval of the Contracting Authority.

A	B	C	D	E	F	G	H	I	J	K	L
	Description	Type	Person-months & Rate/m		Equipmnt		Others		Total		
			Internl	EUR/m	Natior	EUR/m	Items	EUR	Items	EUR	EUR1000
1											
2											
3											
4											
5											
6	Enhanced Sector Enabling Env										
7											
8	A.1	Strategy for By-Laws Prepared	2	17,500	4	7,000					63,000
9		Mun Mgmnt	1	14,500	2	5,000					24,500
10		Public Admin			2	5,000					10,000
11			3		8				0		97,500
12											
13	A.2	Policy Studies Support Facility	10	13,500	20	5,000					235,000
14			10		20				0		235,000
15											
16	A.3	FIAS Set Up	2	14,500	4	6,000					53,000
17			2		4				0		53,000
18											
19	A.4	Strategy on IT Implemented	1	14,500	2	6,000					26,500
20			1		2				0		26,500
21											
22	A.5	Human Resource Mgmnt Strategy	4	13,500	6	5,000					84,000
23			4		6				0		84,000
24											
25	A.6	Good Practices in Fin Mgmnt	1	14,500	5	6,000					44,500
26			1	14,500	3	6,000					32,500
27			2		8				0		77,000
28											
29	A.7	Manuals of Procedures	2	14,500	4	5,000					49,000
30					2	7,000					14,000
31			2		4				0		63,000
32											
33		TOTAL for Component A	24		52				0		636,000
34											

A	B	C	D	E	F	G	H	I	J	K	L
	Description	Type	Person-months & Rate/m	Equipmnt	Others	Total					
			Internal	Items	Items	EUR1000					
35	B	Support to Unions [5 Unions; 80 municipalities]									
36											
37											
38	B.1	Municipal Development Plan	1	14,500	2	5,000					
39					1	5,000					
40			1		3						
41											
42	B.2	Union Urban Dev & Infra Strategy	8	13,500	12	5,000					
43					5	5,000					
44		Sociologist			5	5,000					
45		Fac/Trainer			5	6,000					
46		Economist	1	14,500	5	6,000					
47			9		27						
48											
49	B.3	Municipal Budget Systems	3	14,500							
50											
51		Munic Fin									
52		Munic Fin	1	14,500	30	6,000					
53		Comptr Spec	2	13,500	12	6,000					
54		Fac/Trainer	6		12	5,000					
55	B.4	Municipal Budget Procedures			54						
56			3	14,500	20	6,000					
57											
58			3		20						
59	B.5	Consolidate Municipal PPB in Union									
60			2	13,500	5	5,000					
61			2	14,500	6	6,000					
62											
63			4		11						
64	B.6	Admin Procedures in Munics	2	14,500	4	6,000					
65			1	17,500	4	7,000					
66					2	5,000					
67			3		10						
68											
69	B.7	Training for Councillors	1	17,500	5	7,000					
70					2	5,000					
71					2	5,000					
72			1		9						
73											
74		TOTAL COMPONENT B	27		134						
75											

A	B	C	D	E	F	G	H	I	J	K	L
1											
2											
3											
76											
77	C	Support to Selected Municipalities	Cost estimate for one (1) municipality								
78											
79	C.1	Municipal Development Plan									
80			1	14,500	1	6,000					20,500
81			1		1	4,500				0	4,500
82			1		2						25,000
83	C.2	Union Urban Dev & Infra Strategy									
84			1	13,500	4	5,000			GIS	40,000	73,500
85			1		2	5,000			S/e Survey	10,000	20,000
86			1		1	5,000					5,000
87			1	14,500	2	6,000					26,500
88			2		9					50,000	125,000
89	C.3	Munic Budgetary Systems									
90			0.5	14,500	2	6,000			Local Tr		19,250
91					2	6,000			facilities		12,000
92			0.5		4				Eur 5000		31,250
93											
94	C.4	Munic Budgetary Procedures									
95			1	14,500	2	6,000					26,500
96					1	5,000					5,000
97			1		3					0	31,500
98	C.5	Management Systems for Services									
99			1	13,500	4	5,000			Local		33,500
100					4	6,000			Training		24,000
101					2	6,000			Facilities		12,000
102					2	6,000					12,000
103					2	6,000			Eur5,000	5,000	17,000
104			1		14					5,000	98,500
105	C.6	Admin Procedures & Training									
106			1	14,500	3	6,000					32,500
107					1	7,000					7,000
108			1		4					0	39,500
109	C.7	Personnel Systems & Payroll									
110			0.5	14,500	2	6,000					19,250
111					2	6,000					12,000
112					2	6,000					12,000
113					1	5,000					5,000
114			0.5		7					0	48,250
115	C.8	Archiving System									
116					2	6,000					12,000
117					2	5,000			System		15,000
118			0		4				equipment	5,000	27,000

[illegible]

A	B	C	D	E	F	G	H	I	J	K	L
1	2	3	4	5	6	7	8	9	10	11	12
	Description	Type	Person-months & Rate/m	Equipmnt	Others	Total					
			Internl	Items	Items	EUR1000					
146											
147											
148	Summary of Costs A, B, C	Euros									
149	Technical Assistance	4,235,250									
150	Equipment	25,000									
151	Training etc	300,000									
152	Support	390,000									
153											
154											
155											
156	Expert Category	Person months	Actual months								
157		Intl Natl	Intl Natl								
158	Municipal Management Intl	21	30								
159	Municipal Management Natl	82	30								
160	Municipal Finance Intl	18.5									
161	Municipal Finance Natl	105	30								
162	Urban/Municipal Planner Intl	20									
163	Urban Planner Natl	57									
164	Municipal Lawyer Intl	4									
165	Municipal Lawyer Natl	30									
166	Facilitator Intl	2									
167	Facilitator/Trainer Natl	42									
168	IT Specialist Intl	1									
169	IT Specialist Natl	2									
170	HRM Specialist Intl	4									
171	HRM Specialist Natl	6									
172	Urban Economist Intl	7									
173	Urban Economist Natl	28									
174	Social Scientist	12.5									
175	Public Admin/Instns Natl	2									
176	Computer Specialist Intl	1									
177	Computer Natl	52									
178	Mix of Profession from A.5	10									
179		20									
180											
181	Total	88.5	438.5								
182											
183											
184											
185	Per Diems	days	Euro/d	Total Euro/d							
186	Short Term Intl Staff	2,690	144	387,418							

[illegible]

Terms of Reference

Consultancy to Assist the Establishment of a Fiscal Information Analysis System (FIAS)

Local Government and Municipal Strengthening Project

Draft July 2001

1. BACKGROUND INFORMATION

The Government of Lebanon intends to strengthen the local government system so that the municipalities can play a more central role in the post-war reconstruction and development effort and provide balanced and equitable development in all the regions of Lebanon. Municipal management and the financial accounting systems were largely neglected during the 1967-91 period.

The Ministry of Interior and Municipalities (MoIM) is presently engaged in revising the Law of Municipalities 118 (1977) both to allow the municipalities greater authority and to ensure that the municipalities are managed properly. Fiscal decentralisation implies an increase of municipal authority over tax, planning and expenditure decisions within an effective regulatory framework established by central government.

These Terms of Reference outline the services required for a consultancy assignment that will assist in the development of a Fiscal Information and Analysis System (FIAS) for the MoIM to enhance present fiscal regulation and to assist in developing the information systems required by the decentralisation reforms. The FIAS will be implemented at central, regional and district level offices of the MoIM.

The FIAS will provide a model to monitor and analyse fiscal information for the local government system as a whole. It will allow applications for budget approvals and other financial data submitted to the district and regional levels by the municipalities to be made immediately available for analysis at the MoIM central office. The project will take into account the different levels of data appropriate to the fiscal regulation of the large, medium and small sized municipalities.

The project will provide a basic fiscal model needed for the design of the software for an IT Network. This Network will be installed through a parallel, equipment supply project, which will link the central, regional and district offices of the MoIM, with a central server at the central office of the MoIM.

The FIAS and IT Network project will be implemented as a preparation for a larger scale EU programme of support to the MoIM and municipalities which is expected to commence in mid-July 2002. The outputs of the FIAS project will be used and amended as necessary by the later project.

2. DESCRIPTION OF THE ASSIGNMENT

2.1 Beneficiary

The main beneficiary of the assignment will be the Ministry of Interior and Municipalities (MoIM), the regional and district offices, and the municipalities.

2.2 Overall Objective

The overall objective of the project is :

'improved capacity of the MoIM to regulate and monitor the implementation of municipal sector policies through the operationalisation of a fiscal model and the adoption of key financial indicators for sector performance analysis.'

2.3 Expected Results

The expected results of the work of the consultants are the design of a Financial Information Analysis System (FIAS) based on a model of intergovernmental budgetary transfers, and municipal revenues and expenditures, and other financial applications from the municipalities. The FIAS will be installed and tested during the assignment on an IT Network linking the central, regional and municipal offices of the MoIM.

2.4 Activities

The tasks of the assignment are as follows:

- i. Review the key fiscal issues in the municipal sector regarding economic efficiency, macro-economic stability, inter-regional equity and construct a fiscal model to report and analyse the appropriate information for large, medium and small municipalities.
- ii. Review existing fiscal data for local government and the municipalities and establish the minimum financial reporting standards required at municipal, district, regional and central levels.
- iii. Coordinate with other projects concerned with municipal finance and fiscal decentralisation.
- iv. Prepare a Fiscal Information and Analysis System based on a fiscal model which provides a framework for the data and indicators required for the effective fiscal regulation and monitoring of the municipal sector.
- v. Provide the basic system architecture for application in an IT Network.
- vi. Develop the detail and indicators for this system and test out on five (5) pilot regional and district offices and adjust as necessary.
- vii. Prepare an Operations Manual suitable for general use in the MoIM on how to use the FIAS and interpret the data.
- viii. Train central, regional and district office staff on the effective use of the FIAS and the interpretation and analysis of data.

The architecture of the FIAS will be produced by month 3 of the assignment for use by a separate project which will design the software for the FIAS, and install this software on an IT Network to be procured by the project.

The specialists will work for a further 3 months to test and amend the system as necessary and to train staff on how to use the system in the five (5) pilot regional and district offices.

3. EXPERTISE REQUIRED

An IAP consisting of 2 specialists in intergovernmental and municipal finance (one with international experience, one with local experience) are foreseen over a period of six (6) months.

The Team Leader will be responsible for the overall coordination of the work, for the coherence of the results, and for the submission of all reports.

Both experts must have:

- Relevant qualifications – post graduate degree in public administration, business administration or economics;
- Extensive professional experience as consultants in emerging economies including work at a senior level and advising at a ministerial level;
- Full written and spoken command of the English language; command of French or Arabic will be a factor of preference;
- Membership of a recognised professional consultancy association will be a factor of preference.

The Municipal Finance Specialist- Team Leader (6 person-months) with extensive international experience should have the following qualifications:

- At least 15 years of professional experience in the fields of intergovernmental and municipal finance;
- A good understanding of the key policy issues of local government regulation and decentralisation;
- Experience in the theory and practice of fiscal models and policy instruments and developing the associated information systems.
- Field experience working with central, regional and municipal government budgets;

The Municipal Finance Specialist (6 person-months) with extensive local experience should have the following qualifications:

- At least 10 years of professional experience in the fields of intergovernmental and municipal finance;
- A good understanding of the key policy issues of local government regulation and decentralisation in Lebanon;
- Experience developing fiscal information systems for public agencies;

Experience working with the central, regional and municipal government budgetary systems in Lebanon;
A good understanding of the local government law and central ministries concerned with municipal development in Lebanon.

erts should have a high level of professional consulting and inter-personal skills, and for team work and for work with the national staff of the beneficiary organisation.

istry of Interior and Municipalities will provide furnished office space. Other facilities port staff (e.g. translation, secretarial services) if needed to assist the experts should be locally by the contractor.

LOCATION AND DURATION

Location of Assignment

gment will be carried out in Beirut (Lebanon). The consultants will be provided with ace in the Ministry of Interior and Municipalities (MoIM).

Duration of Work

gment will have a total duration of six (6) months.

ected that the two experts will arrive in the Lebanon together to collect basic information re a plan of work. The Team Leader will be responsible for report finalisation.

REPORTING

rts will report to the MoIM and will keep the OMSAR and the EC Delegation informed ss achieved on a monthly basis.

ts required are as follows:

ception Report: to be submitted one month from the start of the field assignment. This report will summarise the teams' initial findings on the requirements of the FIAS based on a review of existing information and interviews with central, regional and district off, and from interviews with municipal officials. It will provide a detailed work plan and schedule of implementation, the administrative arrangements, and identify any changes that may be necessary to the TOR.

ystem Architecture: to be submitted before month 3. This will include a review of the policy issues of concern to the MoIM in its role as sector regulator, the fiscal instruments ed to monitor the implementation of these policies, and the key financial indicators and

other data used for sector monitoring. These indicators will provide the basis of the FIAS architecture.

- Final Report: to be submitted at month 6. This report will include the results of the field tests of the FIAS on the IT network in the five (5) pilot regional and district offices, a description of the final FIAS model, and a description of any amendments made following field tests. In addition, the FIAS Manual will be finalised and submitted as an Annex.

All reports will be submitted in English in seven (7) copies: three copies for the MoIM; two copies for the OMAR; and two copies for the EC (one for EC Brussels and one for the EC Delegation in Beirut).

ARLA PROGRAMME

1LBNB7-4100/IB/97/0687

Document for Discussion and Not Binding OMSAR/PMC and EC

Preparation of TOR for Proposed Municipal Strengthening Project

Prepared by: Simon B Watt

May 11th to July 6th 2001

Programme Monitoring Consultants (PMC)

OMSAR, Starco Building, Beirut, May/June 2001

Contents

This Mission Report comprises a review of findings, analysis of the issues, and conclusions and recommendations for EU support to the municipal sector.

The annexes provide basic Mission data and supporting information, and a summary of cost estimates for the proposed project.

1. Introduction - Background Information
2. Factual Description
3. Analysis
4. Conclusions and Recommendations

Annexes

- A. Terms of Reference for Mission
- B. EU Briefing Note (April 2001)
- C. Report on Local Administration (May 2001) *Fr*
- D. References
- E. Proposal for an FMCU technical Bureau
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- H. People Met.
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1. Introduction - Background Information

Terms of Reference for the Mission are attached in Annex A. They follow the EU briefing note on April 2001 "EU Support to the Rehabilitation of the Local Administration" which states that the EU is committed to providing assistance to the Government of Lebanon with regard to strengthening policy making, planning, management and delivery of municipal services.

EU Technical assistance follows the GoL's commitment to a municipal sector strategy that focuses on the balanced and equitable development of all the regions of Lebanon. The strategy aims to promote competent, more productive and better performing municipal administration that is responsive and accountable.

The EU briefing note, attached as Annex B, suggests a project strategy with "two levels":

- i. Support at the Central Level will be directed towards the Ministry of Interior and Municipalities, reinforcing its capacity of support and its links with the local administrations and developing its functions of harmonisation and as facilitator of services to the Municipalities;
- ii. Support at the Local Level will target Municipalities and Unions of Municipalities, focussing on the strengthening of their management capabilities to support local development and to deliver services at local the level.

The project will aim at improving urban and local governance through the promotion of creative and innovative solutions in the organisation, delivery and financing of municipal services, through an appropriate programme of training and tutoring for the new generation of local administrators and through the reinforcement of the linkages with and the support capabilities of the concerned central authorities .

The EU Briefing Note gave a list of foreseen activities at central and municipal levels.

Before the Mission commenced a Task Force was established by the PMC and made a series of visits to the MoIM and other agencies and donors working in the municipal sector. PMC also contracted a local expert in Local Administration, Ghassan Chehade, to provide a review of the legal and organisational aspects of the municipalities. The report of the latter is given in Annex C.

The Mission was expected to follow up on the preparatory activities of the Task Force and produce two (2) TORs for projects developed in the quality of the format of the EU to be implemented at both central and municipal levels. The TORs were expected to be produced in collaboration and discussion with the main stakeholders, the beneficiary organisations, OMSAR and EC delegation.

The Mission TOR gave a comprehensive list of activities, - many of which would require detailed individual studies. After discussion with the Task Force it was agreed with the Mission Team Leader, Simon Watt, that the emphasis of the Mission was to produce the two TORs for immediate appraisal by the EC delegation, and to develop a consensus on the direction of the projects within the main stakeholders.

The Mission has attempted to build a consensus on future activities to support the municipal sector through regular presentation to the Task Force and Minister of OMSAR, through meetings with the MoIM in the person of Colonel Habre, through meetings with other donors working in the municipal sector – especially the SUNY project, and discussions with the EC delegation.

The Mission's methodology included a review of reports and sector literature, field visits, and dialogue meetings with sector stakeholders to present and discuss work-to-date.

In an early meeting with the MoIM on 21st May attended by the Task Force, EU delegation, Maria Alves, PMC Team Leader, the EU Monitors et al, Simon Watt presented an approach which combined work at the centre with work in the municipalities within the context of an evolving local government sector in Lebanon in which the Municipalities Law is being amended. This meeting discussed an approach in which the Mission should focus on the Unions of Municipalities as municipal implementation sites; an allocation of up to 50% of project funds to support the centre (in total around Euro 5 million on TA and Euro 1.5 million for equipment); and the need to get the project moving as soon as possible. It was also discussed that the actual selection of the municipal unions and demonstration municipalities would be done during the inception phase of the MSC.

The Mission Team Leader, Simon Watt, joined the PMC office on 11th May 2001. Following a two week extension requested by the EC delegation to prepare an immediate project to be carried out through IAP procedures, he departed Lebanon on 6th July 2001.

2. Factual Description of the Municipal Sector

2.1 State of the Municipal Sector

The Mission found that, although there is much existing literature on the municipal sector (see Annex D) hard facts on municipal staffing, populations, budgets, services provided etc are difficult to come by and should be treated with caution. The Task Force initiated a municipal survey in April through the Civil Service Board but to date (8th July 2001) the results of this survey have not been forthcoming. The CERMOC have also carried out a detailed survey of the municipalities and their findings will be published end July 2001; preliminary results suggest that the municipal staff data do not dis-aggregate permanent, temporary and volunteer work by Councillors and that population numbers are not up-to-date.

The MSC TOR contains a summary of the current state of affairs in the municipal sector. This has been included so that bidders may have a picture of the legal, institutional, and financial state of the municipalities. Data has been derived from reports, interviews, and from project research.

This material is summarised below with a brief comment where necessary:

□ **The past continues:** local governance in Lebanon, as in most other aspects of public administration, is subject to the past historical development of laws and social and confessional relationships within Lebanese society, and especially to the highly politicised and sensitive nature of the post-civil war settlement. This settlement, vested interests, and

long neglect means that much essential data on the municipalities is unavailable to policy makers and may remain so in the near future.

□ **Municipalities Law 118 (1977) being amended:** amendments to this Law are currently the subject of public discussion which will transfer further authorities from the centre to the municipalities, and strengthen the auditing and monitoring functions at the centre. The project may assist this process by providing more effective monitoring systems. A proposal by the Mission to implement structured dialogue workshops in the regions, open to central ministry, municipalities and civil society groups on future directions for the sector in the light of the changes to the law, - were considered to be too sensitive by the Task Force and have been taken from the MSC TOR. Of related interest is the impact the amended law will have on fiscal decentralisation concerns and this is the subject of a new MoF Study that has just started (July 2001).

□ **Local Government Administration staffing and High Municipal numbers:** the MoIM has recently absorbed the municipal sector and has yet to develop clear policy guidelines for regulation and facilitation. There are over 250 Gazetted staff positions for the central MoIM Directorate dealing with municipalities but less than 20 in position. Regional and District offices are also not fully staffed. Around 80% of the municipalities are small with few resources and management skills. Job-freezes have kept the sector under-staffed.

□ **Unions of Municipalities:** the project may achieve implementation efficiency by working with the Unions of Municipalities, of which there are 13 existing dating back to the early 1980s, and the medium-sized municipalities as demonstration pilots. Two of the Unions are defunct. Recent proposals by Municipalities to form three new Unions have been rejected by the MoIM on security grounds. The concept of a focus of the MSC on Unions of Municipalities was supported by the MoIM and the Task Force.

□ **Municipal Services are mostly in central agency hands or are contracted out :** the Municipalities Law 118 (1977) gives the municipalities wide powers of competence to deliver services but in practice most services are run by central agencies or are contracted out to the private sector. In-house municipal staff are therefore kept to a bare minimum and municipalities have few resources.

□ **Municipal Finances are a shoe-string operation:** municipal funds are either collected locally or derived from central-government fee and tax collection. The latter comprises potentially the largest source of municipal funds but transfer to the municipalities is very slow and erratic. The municipalities have few resources with which to implement their basic investment programmes or maintain their assets. This is a factor that will limit the impact of any decentralisation reforms to the Law.

2.2 Other Municipal Sector Programmes

The Mission was required to review other municipal development programmes in Lebanon and to make use of the outputs of these wherever possible.

□ **SUNY/ Lebanon Relief & Development Project :** this project has developed a successful approach to the basic building blocks of municipal financial management and has prepared standard implementation procedures and systems for revenues and expenditures; budget preparation; personnel management system; payroll system; document tracking

systems; citizen complaints system. The Mission has visited several municipalities where these systems and procedures have been installed and verifies that they are successfully employed by municipal staff and considered satisfactory by the municipal mayors. The Mission visited other smaller municipalities that were not involved with the LRDP programme and observed that this software has been taken up and used by the municipalities independently of any donor assistance. The LRDP is presently extending its programme to cover further blocks of municipalities on a region by region basis; is expected to provide computer hardware on a wide-spread basis amongst the municipalities; and may provide considerable support to the central office of MoIM. The success of the LRDP demonstrates that the proposed EU project is both feasible and welcomed by the beneficiaries. The MoIM and also the SUNY/LRDP project welcome the intended cooperation between this project and the intended MSC. Initial agreement regarding the modalities of cooperation, use of materials of the SUNY project by the MSC has been reached with the SUNY/LRDP Project Director and funding agency USAID.

□ **World Bank Fiscal Decentralisation Project** : this project is starting in July 2001 and has obvious overlaps with the EU proposed project. It will study intergovernmental fiscal relations and municipal budgetary procedures and systems. The overlap of interests with the present project and the LRDP is obvious.

□ **FMCU**: has four projects in the Balbek Valley working with small municipalities to develop Local Development Plans under a subcontract basis to UNDP. The results of these exercises may be somewhat limited because they do not have any follow-up projects in the municipalities. FMCU is involved with building the foundations of an Association of Local Authorities and this aspect of their work should be encouraged. FMCU's resource base is presently small, but they are able to organise exchanges and staff assistance from European municipalities. The Mission has proposed that the FMCU be involved at an early stage over the next year and provide a limited Technical Bureau to advise the municipalities on request (see Annex E). This proposal was considered unacceptable by the MoIM and by the Task Force because the Technical Bureau was considered to be outside the MoIM's direct responsibility and control.

□ **EU Tyr Solid waste Project**: this project is preparing the municipal management systems and procedures in advance of the delivery of EU funded solid waste equipment. They have developed a simple system of mapping waste collection routes, scheduling staff, and monitoring performance. The experience and systems of the project should be followed by the proposed EU project.

3. Analysis

The MSC TOR also includes a review of the main issues that were considered during the preparation of the project TOR. These issues have been derived from sector studies, reports from donors, and interviews with sector stakeholders at both central and municipal levels. The main concerns analysed by the Mission include:

□ **Policy Responsibilities at the Centre and Local levels are Different**: Policy review and supervision responsibilities of the central agencies for municipal development, administrative, and financial matters are clearly defined in the law but in practice often overlap. The central agencies have different policy concerns relating to national development

issues and coordination between them is often a lengthy process. The Mission proposed the establishment of an Inter-governmental Coordination Committee as an activity in the MSC TOR but this was removed after strong recommendations from the Task Force before a meeting with the OMSAR Minister. The differences of policy concern at the centre and the local level are given in Annex F and show that the centre must establish a clear regulatory framework so that the local levels can operate within national policy parameters. Many municipal and local government regulations are a legacy of the Ottoman era and require updating. They also underlay the design of the proposed project and the contents of the different components at central and municipal levels and the need to link central policy-related project activities to the more practical implementation activities in the municipalities. The Mission observed that these issues are often not addressed in the municipal sector because they are considered sensitive but considers that this concern is not fully justified and that the dialogues on amendments to the Municipalities law 118 (1977) would benefit from a formal recognition of their value.

□ **The difference between Deconcentration to MoIM offices and Decentralisation to the municipal councils is not well understood.** Current issues concerned with decentralisation of authorities from the MoIM to the municipal councils are not to be confused with the issues of deconcentration of administrative authority to the regional and district offices of the MoIM - which are intended to improve central government efficiency. Decentralisation requires both support to municipal procedures and systems, and also the promotion of attitudinal changes within the municipalities. The matrix table in Annex G, which was presented at the first meeting with the MoIM in May, describes the various generic scenarios for the decentralisation process. This table indicates that the policies underlying the decentralisation process have quite profound implications for the design of municipal capacity-building in terms of approaches to service delivery, local development, citizen participation and the modalities of local political activities. These concerns are regarded as very sensitive in Lebanon but nevertheless have to be considered in any municipal support programme as they suggest that improving municipal services is only one aspect of the changes needed.

□ **Planning and capital investment decisions are made at the centre:** Municipal management is ineffective for historical reasons in many municipalities and as a consequence central agencies have taken over responsibility for most capital investment planning and local resource allocation. Where central decision-making does not involve the municipalities concerned then investment decisions may not be optimal from the local citizens' point of view. Data on regional and municipal finance and capital programming is very weak in Lebanon and the project should review actual data from case studies within the project using the accounting framework generated by the LRDP programme as a basis. The project may also include instruction in the means of carrying out basic planning, programming and budgeting procedures so that they may directly address their needs to the centre.

□ **Municipal revenues are inadequate to fulfill responsibilities under the Municipalities Law:** Municipalities have limited capacities to raise revenues locally, or enforce the collection of surtaxes and surcharges by other government agencies. Municipal revenues are presently inadequate and the municipalities are unable to fulfill their responsibilities. Lack of revenue is one of the major constraints to enhanced municipal performance. Central government transfers to the municipalities are small and often erratic in timing. There are large outstanding arrears in central government allocations to the municipalities. Budgeting and financial accounting procedures also need to be updated in the municipalities. Revisions to the Municipalities Law 118 (1977) have the potential to enhance municipal management

effectiveness but this potential may not be realised without realistic and timely financial transfers from the centre and without specific technical assistance to the municipalities.

□ **Management capacity in Municipalities is weak:** Data on municipal staff capabilities and numbers is inadequate and a strategy on Human Resource Management is absent for the sector. Municipal salaries are relatively low and municipalities do not provide a good career environment for competent staff who may find better salaries elsewhere in the private sector. Management systems require major upgrading, and staff need to be re-trained on how to use them. Regional and district levels of government have a 'line-agency' culture and this provides limited support to the more pro-active management styles which are required for competent municipal management. Basic management procedures and staff schedules for public services are missing and staff performance is weak. The municipalities also need immediate and local access to local training services which they may employ when required. Empty staff places in the municipalities resulting from job-freezes has led to the wide-spread practice of contracting out service delivery to the private sector and this may result in higher costs from price-fixing practices. Revisions to the local government law are expected to allow the municipal mayors to recruit more staff and pay them from local budgets.

□ **Limited physical and economic planning data in the municipalities:** Up-to-date physical planning data on populations, housing, land use, business location etc in most of the municipalities is either weak or missing. Many maps are comprised of data from the French era and a new mapping system is required. Streets are often un-named and house numbers non-existent. Many businesses are thriving but the municipalities have limited data on business performance and tax-potentials. Present land use zoning in the municipalities is based on outdated land use data and these require updating in line with municipal developmental needs. GIS mapping may be considered as expensive and as the 'icing on the cake' but in the context of Lebanese municipalities GIS mapping will make the cake. GIS basic mapping may be carried out to provide basic geographical data and the municipalities may add to this as necessary after the project has been completed at their own expense and in their own time.

□ **Large number of small and uneconomic municipalities:** Lebanon has inherited an uneconomically large number of municipalities as a result of the post-civil war confessional demands. A majority of the newer and smaller municipalities have almost no facilities and many rely on the voluntary work of elected council members to carry out their responsibilities - often working from their own homes. Reform of municipal boundaries and amalgamation of municipalities is not feasible in the short term and administrative arrangements to share services and management skills are required. In the longer term the amalgamation of municipalities will be necessary but this is preferably to be achieved through an organic process over time based on local demand rather than from central edict. The issues are highly political in all societies because they involve shifts of power. One option includes the consolidation of the municipalities within the Caza level boundaries, but this may not be advisable in decentralisation terms as Caza level municipal government risks handing over municipal authority to the MoIM line agency rather than elected councils. In the short term, the sharing of management skills and resources may be accomplished through the 'joint service' concept or through the existing Unions of Municipalities. The Unions of Municipalities are an important concept because, with their tax and council representation aspects they represent nascent large-scale municipalities. Based on experienced advice within the sector about 5 of the 13 Unions are working effectively and should be considered

for selection in the project. The Mission has understood that the LRDP programme will not include Union' municipalities in its next phase of work.

4. Conclusions and Recommendations

The project presented in the Terms of Reference was designed after extensive discussion with the various stakeholders at central and local government levels in Lebanon.

The support that will be provided comprises: i) Technical Assistance from experts in local government concerns; ii) municipal management training assistance; and iii) the basic equipment and facilities to necessary to carry out the project.

The design of the proposed project is based on basic principles of institutional development for local government and municipal strengthening adopted in most countries embarking on decentralisation programmes.

4.1 No Road Map, No Grand Architecture for Decentralised Governance

The Mission concludes that is no universal 'road map' and no 'best' methodology for achieving effective decentralisation of local governance in Lebanon, although the fiscal, institutional and legal issues that must be addressed are common to all countries. The processes of local government reform is slow and must be adjustable over time, be adaptable to changing political circumstances, and flexible enough to allow for differences in resource attributions of the different municipalities. A 'grand architecture' approach whereby the 'solution' of local government is conceived and implemented from the centre is therefore unlikely to be successful because it applies legal and technocratic answers to what are fundamentally social and political questions.

Central government has, however, the responsibility for formulating general policies which direct the overall strategies of municipal development in Lebanon. The project is designed to facilitate a constant dialogue between key staff in the centre and the local levels through informal working groups, seminars, workshops etc. Project offices and project staff will be located in both the central MOIM and the individual Municipalities selected by the project and will coordinate activities closely.

Recommendations :

- i. *The project should take an 'action-feedback' approach whereby policies at the centre are interpreted through the concrete lessons of actual practice in the project municipalities. This approach also allows a bridge to be built between the different management cultures of traditional administrative line agencies (based on formal rules, following standard procedures, with limited staff initiatives), - and modern municipal management (which adopts a pro-active style, procedures adjusted to suit the circumstance, and recognition of the need for local initiatives).*
- ii. *The strong recommendation of the Task Force to remove the proposed series of Dialogue Workshops on directions for the municipalities should be reconsidered with the Minister of MoIM.*

4.2 Need to Balance Central and Local Government Relationships

The central MOIM and the municipalities have different but essentially complementary policy concerns towards central-local relationships. The centre must ensure that policy concerns regarding national security and nation-building, macro-economic stability, socio-economic distribution and sector investment, are attended to. Whereas the municipalities are more concerned with the most effective ways to manage public services, to pursue local economic development, to promote active citizen participation, and to provide a forum for the local political articulation of public interests in municipal affairs.

Central government policies are traditionally translated through procedures and regulations to direct local government activities in the public interest, but the diverse nature of local government stakeholders means that the regulatory regime must operate through a variety of actors and use a variety of instruments. Traditionally, the centre has relied on a 'command and control' approach to local government regulation through its line agencies, but effective decentralisation implies that the municipalities should be given more leeway in decision making – perhaps by being given ranges of standards to work between rather than strict targets to achieve.

Recommendations:

- i. *Local By-laws and procedures, revised and prepared within the legislative competence of the municipalities and in close collaboration of the centre, can provide the essential fabric of improved municipal management in that they clarify the day-to-day behaviour expected from the municipalities.*
- ii. *The project should act as a facilitator within the extant legal framework and assist in the development of the regulatory regime whose parameters may be tested and revised through the project activities at municipal level.*

4.3 Central Ministries and Agencies : Overlapping Concerns in Local Government

The project will be implemented through the MoIM but other ministries and agencies are also involved in local government affairs either in a supportive or a partially controlling role. The project will not be involved in the on-going institution building processes of these other central entities but will include them in the project as part of a Steering Committee and involve them through the *informal working groups* comprising senior staff drawn from the different ministries. This will help coordinate the process of policy development in common areas of interest.

Recommendations:

- i. *Understanding the complex issues, constantly changing environment and interrelation of factors and interests of the central agencies in municipal development is a difficult task. A flexible and responsive approach will be provided by the project in the form of a Policy Studies Support Facility that will provide consultancy resources to review, amongst other things, critical policy issues as they arise during the project. These items should be agreed through the proposed informal working groups.*

4.4 Develop the Means for Meaningful Management Capacity-Building in the Municipalities

A key principle for the proposed project will be to develop a strong sense of ownership by the municipalities so that they become actively involved. Staff training and management development tasks will be identified with the participation of the municipal staff in the form of Union Office and Municipal Action Plans. In this way, the municipalities will be able to identify the immediate pay-offs from the project.

Training focuses on enhancing individual competencies and skills acquisition, while organizational development focuses on the performance of the entire organization. Combinations of the two normally achieve the most effective capacity-building approaches. A supportive legal and institutional framework establishes a foundation and provides incentives for increasing management capacity. Training will be project-based, practical and carried out using 'hands-on' approaches using local training facilities in the regions concerned.

Community participation and direct involvement will also significantly increase the ability of the municipalities to ensure that services are delivered and problems are resolved in response to real citizen demand. The municipalities in the project will be assisted to develop clear policy guidelines on the rights of individual families to use the services under the law and the establishment of user representation.

Recommendations:

- i. *The project will prepare an overall strategy for management capacity building and human resources management for the whole municipal sector. This will review organisation structures and real staffing needs.*
- ii. *Effective local government requires the presence of managers who can provide clear leadership and a sense of trust amongst municipal staff and the community alike. Leadership skills are different from management skills. Leaders "innovate and do the right thing" whereas managers tend to "administer the status quo and do things right." A 'top leaders' programme was included in the project for both municipal and MOIM staff to allow top leaders to see 'good practice' elsewhere in the world but was removed on the strong recommendation of the task Force. This decision should be reconsidered.*

4.5 Need to Provide Maximum Project Coverage in the Municipalities

The many small municipalities in Lebanon have many urgent developmental needs that must be addressed and the project will assist as large a number of municipalities as possible. Amalgamation of municipal boundaries is not feasible in the short term.

Recommendations:

- i. *The project should work with a selected number (five is recommended) of Unions of Municipalities to build up the basic financial and administrative systems in all of the constituent municipalities, and build effective management systems at the Union office*

level. In this way scarce management skills may be shared between all the municipalities which are expected to number around 80.

- ii. The Technical Bureaux of the Unions may be assisted to prepare development plans for inter-municipal infrastructure and services covering the entire geographic area of the Union. The fully functioning Unions will act as a demonstration to the other Unions in Lebanon and further promote the concept of 'joint service councils' whereby individual may join to share resource endowments.*
- iii. More comprehensive planning and management development assistance should be provided for a number (5 municipalities are proposed) of selected medium sized municipalities within the Unions to both assist in their real needs and to provide a demonstration to other municipalities on what may be achieved.*
- iv. The outline budget for the proposed project is shown in Annex I. The proposed project will allocate 15% and 85% of project resources to central and municipal levels respectively.*

4.6 Make Optimum Use of Existing Modalities and Procedures

There are a number of very practical interventions currently ongoing in the Lebanon to assist the municipalities and the project will review the achievements of these and adapt the successful modalities and procedures wherever feasible.

Recommendations:

- i. The LRDP procedures and systems may be adapted with the minimum of effort, but this must be agreed with the MoIM before the project is appraised.*

4.7 Second TOR - Immediate Project Activities

In response to concerns that the project may take up to one year to tender, and that momentum may be lost, the project designed a series of immediate interventions that may be tendered by different mechanisms. The Second TOR has abstracted MSC TOR tasks concerned with the preparation of a Fiscal Information Analysis Systems and the associated IT network of equipment for inclusion. Software and equipment procurement have in addition been programmed into the PCM Work Plan for 2001-2.

Following the preparation of the second TOR a request from the MoIM was made to include other items from the MSC TOR.

Recommendations:

- i. The project has been designed as a mutually supportive whole and the abstraction of individual outputs may unravel the essential linkages between activities. Further expansion of the second TOR should be looked at rather carefully.*

4.6 Further Work on the draft TORs

The draft TORs produced by the Mission are somewhat elaborate in order to explain the basic concepts behind the project design. These may be edited after the basic content is substantively agreed. The TORs also may require some changes to fit in with the evolving EU MEDA contents.

Recommendation:

- i. Circulate the draft TORs for comment on the substantive issues and components – together with the cover note that I have attached;*
- ii. Ensure that the essential policy related activities of the project are agreed by all stakeholders;*
- iii. Obtain current EU MEDA TOR contents and edit the MSC –TOR accordingly for submission to EU.*

Annex A: Terms of Reference – Short Term Intl Local Government Expert.

Background Information

As outlined in the briefing note on *"EU support to the rehabilitation of the Local Administration"*, the EU is committed to provide assistance to the Government of Lebanon with regard to strengthening policy making, planning, management and delivery of municipal services. At the same time the Minister of Interior and Municipalities has recently expressed his interest to work with OMSAR and ARLA, with a view to strengthening structures and skills at the level of municipalities and expanding the capacity of his Ministry to provide guidance and support.

A Task Group comprising representatives of the Ministry of Interior and Municipalities (MoIM), OMSAR and Programme Management Consultancy (PMC), and with regular attendance from the side of the EC Delegation has started functioning since early April. A Local Expert, with extensive experience in the Ministry of Interior and Municipalities has been assigned the task to gather information and do a preliminary needs assessment. Presently, at the end of April, the process is sufficiently far ahead to invite an expert to write one or more ToRs for assistance packages to the sector. Informal / verbal go ahead for this has been given recently by Mr Ficarelli of the EC Delegation (26 April).

The Short Term International Local Governance Expert proposed here has been justified and budgeted for in the July 2000 - June 2001 Work Plan as represented in the corresponding budget under Component PM, Project AM-2 (Preparation of a strategy for rehabilitation of local administration)

Proposed specific objective of the mission

The specific objective of the proposed assignment is to follow up on the work conducted by the Task Group, and the information gathered and analysed by the PMC local expert Local Administration. This follow up should lead to two draft Terms of Reference for projects developed in the format and of the quality acceptable to the European Union. At this stage it can be assumed that one project proposal will be focusing on institutional aspects of the Ministry of Interior and Municipalities (and its connection/relationship with municipalities, and the other on aspects of service delivery by municipalities. Whereas the first project will have MoIM as main counterpart, the second is foreseen to directly deal with municipalities.

Main activities to be undertaken

Under the supervision of the Team Leader, in cooperation with the National Local Governance Expert and in consultation with the Task Force mentioned above, the International Local Governance Expert's main activity will be to prepare for the drafting of two Terms of Reference documents concerning the sector of local administration; and the subsequent drafting of these ToR, and including preliminary discussions with the main stakeholders: the beneficiary organisations, OMSAR, and EC Delegation. More in detail, the International Local Governance Expert's activities will include the following:

1. analyzing the current functions and procedures of the Ministry of Interior and Municipalities with regard to municipal management and public services delivery;
2. analyzing the involvement of other ministries and public institutions at the municipal level;
3. analyzing the activities of other donors in respect with assistance to MoI&M in the field of policy making, planning, management and delivery of municipal services;
4. identify the nature and scope of services provided to citizens by municipalities of different sizes and in the different parts of the country;
5. analysing in detail the possibilities for founding a project (component) on the model used currently by the Lebanon Relief and Rehabilitation Project funded by USAID, which focuses on assistance in financial management and / revenue generation within municipalities, as well as assistance to the procedures regarding service delivery transactions. This model has been tested by the USAID project in 82 municipalities, and will be in a next phase starting June 2002 extended to some 250 other municipalities. The further extension of the model, possibly in adapted form, to other municipalities (there are around 700 in Lebanon), should be considered, including such questions as which (type of) municipalities, and which region(s).
6. Investigating possibilities for improving the communication between the MoIM and the municipalities, through computer networking or any other means.
7. analysing possibilities for involvement of the various Unions of Municipalities in Lebanon in the project(s), and the Federation Mondiale des Cites Unis (FMCU).

8. Analysing the responsibilities of municipalities vis a vis their inhabitants, actually performed, mandatory according to law, and preferred, and arguing for priority areas of intervention in the light of the conclusions
9. Analysing the possibility of assistance to the development by Municipalities of Municipal Plans for Local Development
10. Analysing the possibility of assistance to the reformulation of the organigrammes of municipal administration and government.
11. Studying the following additional sources of information: recent studies and reports available with MoIM, EC Delegation; the USAID project mentioned above; FMCU; the Centre de Recherche du Moyen Orient (CERMOC) and their recently completed tabulations from a questionnaire issued to some 600 municipalities; and possibly, if available, preliminary findings of a questionnaire issued by the Civil Service Board to the Municipalities at end April.
12. Completing a needs assessment in technical assistance, equipment, studies and surveys, and training;
13. drafting the ToR for one or more projects, based on findings of the analyses listed above, and based on prior discussions with stakeholders such as the EC Delegation and the Ministry of Interior and Municipalities (next to PMC/OMSAR).

Location

OMSAR offices and other locations as deemed necessary.

Profile of the expert

The Short Term International Local Governance Expert will have an advanced degree in economics or management or related field with a minimum of 12 years profound knowledge and experience in local governance, municipal capacity building, municipal and regional development, administrative modernization, deconcentration and decentralization policies.

Expected duration & start date

6 weeks starting as soon as possible.

Expected outputs

Two Draft Terms of Reference for projects to be funded by the European Union.

Reporting arrangements

The expert is expected to submit required ToR in English language following the guidelines for mission reports of Short Term Experts, excerpts of which will be incorporated in the reports submitted by the PMC at the end of the reporting periods.

**Annex B: Briefing Note (April 2001) – “EU Support to the Rehabilitation of the
Local Administration”**

Annex C: Report on Local Administration (May 2001)

Municipalités et Unions des Municipalités

Reference: Preparatory paper in the frame of the Term of Reference to be developed for the municipal sector. PMC WK 27/4/2001

Source d'information:

- Les textes de lois et de règlements en vigueur régissant les activités du ministre de l'Intérieur et des Municipalités.
- Les archives et les documents du MOI et M qui ont rapport avec les Municipalités et leurs activités.
- Plusieurs études et rapports sur les collectivités locales au Liban présentés par des académiciens et des experts d'autres donneurs.
- Des informations émanant des observations, expériences, et études personnelles.
- Les minutes des réunions tenues au siège d'ARLA au Starco avec M.Batlouni du USAID le 11/4/2001 et au centre culturel français avec des responsables de la Fédération Mondiale des Cites Unies (Ms.Mencara et Adaimi) et avec des responsables du CERMOC le 25/4/2001 .

Profil légal de la Municipalité:

La municipalité est définie par la loi comme une administration locale qui exerce, sur son territoire, les prérogatives qui lui sont accordées par la loi. Elle est dotée de la personnalité morale et jouit de l'autonomie financière et administrative. En outre, la loi municipale définit les attributions du conseil municipal par toute activité publique ou d'utilité publique dans le domaine administratif de la municipalité.

Competences du conseil municipal :

La loi des-municipalités énumère, à titre non exhaustif, ces compétences (art. 49 et 50) qui mentionnent l'élaboration du budget, le transfert et l'ouverture des crédits, le recours aux prêts pour l'exécution des projets, la fixation des taux des taxes municipales dans les limites autorisées par la loi, l'élaboration des cahiers des charges pour les marchés d'équipements, de travaux publics et des services, l'acceptation des dons de biens, les programmes généraux des travaux publics, de la voirie, des affaires sanitaires, les projets d'eau et d'éclairages, la dénomination des rues, la planification des routes, des places publiques et des jardins publics, la planification urbaine, et le plan directeur en collaboration avec la direction de l'urbanisme, la création des marchés, des stades, des hippodromes, des hammams, des H.L.M. des hôpitaux, des dispensaires, des musées, des théâtres, la tarification du transport, l'aide aux nécessiteux, aux handicapés, aux associations sociales, sanitaires, culturelles, sportives, et semblables. L'élaboration des statuts du personnel de la municipalité (fonctionnaires, journaliers, contractuels...),

imposer aux citoyens qui bénéficient d'un projet de développement municipal dont l'étude est terminée de participer aux frais de son exécution. le conseil municipal doit approuver a priori :

- Le changement du nom de la municipalité et de son territoire administratif.
- Les projets de réaménagement des routes nationales et du plan directeur d'urbanisme dans le domaine de la municipalité.
- La création des écoles publiques et des hôpitaux et des dispensaires publics.

- Les mesures concernant l'assistance publique les demandes de permis d'exploitation des ateliers et magasins classés, des restaurants, des piscines, des cafés, des lieux de distraction, des boîtes de nuits, et des hôtels.

Les attributions du président de la municipalité :

Le président de la municipalité, à l'exception de la municipalité de Beyrouth, exerce le pouvoir exécutif de la municipalité c.à.d. il exécute les décisions du conseil municipal et le représente devant les tribunaux et en général assure la gestion du personnel et des biens de la municipalité et exécute son budget (art. 74).

Le nombre des municipalités :

Le nombre s'élève aujourd'hui à 711 municipalités sur un total de 1425 localités recensées par le MOI et M. On peut repartir ce nombre en trois groupes suivant les recettes annuelles, l'étendue géographique et le nombre des habitants (inscrits sur les registres d'état civil de la municipalité).

Premier groupe : les grandes municipalités de Beyrouth, Tripoli, Saida et Zahlé.

Deuxième groupe : les municipalités dites moyennes qui ont des ressources annuelles de plus de 6000\$ et de 4000 habitants par municipalité : 20% des 707 municipalités.

Troisième groupe : dites les petites municipalités qui représentent la majorité (80% des 707).

Profil légal de l'union de municipalités :

L'union de municipalité est constituée de plusieurs municipalités, elle est dotée de la personnalité morale et jouit de l'autonomie financière et administrative.

L'union est formée par décret du conseil des ministres sur proposition du ministre de l'intérieur et des municipalités à la demande des municipalités qui formeront l'union ou par initiative du MOI et M.

Le conseil de l'union est formé des présidents des municipalités membres et constitue le pouvoir de décision.

Le président de l'union est élu par les membres et constitue le pouvoir exécutif de l'union.

Le cadre des fonctionnaires de l'union comprend :

- Un département administratif et financier.
- Un département de génie et de santé.
- Un département de police municipale.

Un fonctionnaire de grade de directeur est nommé à la tête de ces départements.

Compétence du conseil de l'union :

Le conseil délibère et décide dans les sujets suivants :

- Les projets publics, à utilité commune dont profitent toutes les municipalités membres ou certaines d'entre elles et qui englobent plusieurs unions comme les routes, les égouts, la voirie, les abattoirs, les pompiers, les coopératives, les marchés...
- Les plans directeurs, les expropriations, et l'élaboration des cahiers de charges pour les projets.
- La coordination entre les municipalités membres.
- Le vote du budget de l'union.
- L'approbation du statut du personnel et ses cadres.
- La gestion de l'immobilier public situé dans le domaine des municipalités de l'union.
- Négocier et approuver des prêts à moyen et à long terme pour l'exécution de certains projets dont les études ont été faites.

Les compétences du président de l'union :

Le président exerce le pouvoir exécutif de l'union et exécute les décisions de l'union et assure la gestion du personnel et représente l'union devant les tribunaux.

Le nombre des unions :

Le nombre de ces unions (ou fédérations) est actuellement de l'ordre de 13 qui englobent 176 municipalités.

Les finances municipales :

Les sources des revenus municipaux :

Les municipalités du Liban jouissent de sept sources de revenus qui leur permettent de financer leurs activités :

- Les taxes collectées directement par les municipalités.
- Les taxes collectées par l'Etat, les établissements publics et les administrations publiques pour le compte des municipalités auxquelles elles sont reversées directement.
- Les taxes collectées par l'Etat pour le compte de l'ensemble des municipalités.
- Les aides financières et les prêts.
- Les revenus des biens municipaux.
- Les amendes.
- Les dons et les legs.

La plupart des municipalités comptent généralement sur les trois premières ressources qui sont les plus importantes pour couvrir leurs dépenses.

Les finances de l'union des municipalités :

Les ressources des revenus de l'union sont :

- 10% des revenus effectifs des municipalités membres.
- Un pourcentage supplémentaire des revenus des municipalités membres qui profitent d'un projet commun fixé par le conseil de l'union en fonction du coût du projet.
- Les aides et les prêts.
- Les revenus accordés par la caisse municipale autonome.
- Les dons et les legs.

L'implication du pouvoir central dans les activités municipales :

Les relations des municipalités avec le pouvoir central se situe aux niveaux suivants :

- **Le pouvoir de la tutelle (centrale) administrative incarnée par :**

- Le ministre de l'intérieur et des municipalités.
- Le mouhafez (préfet).
- Le quaimmaquam (sous préfet).

En relevant que le mouhafez ou le quaimmaquam a le pouvoir de convoquer le conseil municipal et d'assister à ses séances reconnaissons que le pouvoir de tutelle administrative est tel que l'écrasante majorité des décisions du conseil municipal doit être agréée (approuvée) pour être exécutoire.

La tutelle administrative porte sur la plupart des décisions du conseil municipal.

La tutelle administrative presque illimitée constitue une entrave à la bonne marche de l'action municipale, il suffit d'imaginer le grand nombre de décisions que le responsable de la tutelle peut sanctionner.

S'ajoute au pouvoir de la tutelle administrative le contrôleur financier exercé par un fonctionnaire « le contrôleur général » nommé par décision du conseil des ministres sur proposition du ministre de l'intérieur et des municipalités. Les attributions du contrôleur général ressemblent à celles du contrôleur financier de l'administration publique.

- Le ministère des finances :

La relation entre le ministère des finances et les municipalités s'effectue par l'intermédiaire de la caisse autonome des municipalités créée en vertu de l'article 87 de la loi des municipalités (décret – loi 118/77) et réglementée par le décret 1917/1979 qui a défini les modalités de distribution des taxes collectées par l'Etat pour le compte de toutes les municipalités. Cette distribution s'effectue selon les pourcentages suivants :

25% des recettes pour les unions des municipalités.

52% des recettes en fonction du nombre d'habitants de la municipalité et de la somme des taxes collectées l'année qui précède l'année de la distribution

23% pour les projets de développement des municipalités notamment les projets ruraux.

Ces pourcentages ont été amendés par le décret 7425/95 de façon à permettre au pouvoir central (conseil des ministres) de contrôler 75% des revenus de la caisse autonome afin d'exécuter des projets communs pour toutes les municipalités, et depuis l'amendement promulgué en l'an 2000, des projets communs pour certaines municipalités (Sukleen par exemple).

- Le conseil de la fonction publique :

Les municipalités qui sont chef lieux du mouhafaza (au nombre de 6) sont sous l'autorité du CFP.

Peuvent être aussi soumises à son autorité d'autres municipalités par décret pris au conseil des ministres (elles sont actuellement au nombre de 25).

L'autorité du CFP se traduit par son contrôle sur toutes les formalités en rapport avec la gestion du personnel (nomination, avancement, licenciement) et en général le statut du personnel municipal et ses cadres.

- La Cour des Comptes :

La loi de comptabilité publique et le décret de finances municipales soumet au control financier préalable les municipalités dont le budget atteint une certaine somme, et soumet toutes les municipalités au contrôle de la Cour à posteriori.

- Le ministère des travaux publics :

Les relations entre ce ministère et la municipalité passent par le canal de la direction générale de l'urbanisme : Les compétences du conseil municipal, comme mentionnées plus haut, couvrent l'urbanisme, l'aménagement urbain et les plans directeurs. Les décisions concernant ces attributions sont prises en accord avec la direction de l'urbanisme, et en cas de désaccord c'est le conseil des ministres qui tranche.

- Le ministère de l'environnement :

Les municipalités demandent avis au ministère de l'environnement en ce qui concerne les projets municipaux touchant à la protection de la nature et tout ce qui a rapport à l'environnement.

L'électricité du Liban, les offices autonomes des eaux et le département du téléphone collectent les taxes dues aux municipalités pour les leur reverser, ce qui cause beaucoup de problèmes, entre les offices et les municipalités.

- Le conseil exécutif des grands projets de Bevrouth :

Ce conseil autonome est chargé par le texte qui l'a créé, d'étudier et d'exécuter les grands projets qui lui sont soumis par le conseil des ministres sur proposition du conseil municipal de Beyrouth.

- Le conseil de développement et de reconstruction :

Ce conseil est chargé par le conseil des ministres d'étudier et d'exécuter les projets communs entre plusieurs municipalités financés soit par la caisse autonome municipale ou par les prêts des Caisses ou Banques Mondiales ou Régionales.

Les problèmes majeurs qui entravent l'action municipale:

L'expérience a montré que la plupart des municipalités se sont montrées incapables d'assurer les besoins de leurs administrés que ce soit sur le plan de développement économique et social ou sur le plan des services. La plupart d'entre elles se sont trouvées dans l'impossibilité de promouvoir des projets d'infrastructure, de santé ou des projets sociaux susceptibles d'améliorer le niveau de vie.

Les municipalités n'ont réussi ni à se transformer en embryon de collectivité locale, ni à appliquer de manière raisonnable le régime de décentralisation administrative. La plupart des municipalités sont peu étendues, leurs ressources sont très limitées, ce qui les rend incapables d'entreprendre des projets, certaines dépensent toutes leur ressources en salaires et en charges sociales.

En revanche la plupart des municipalités qui ont assez de ressources sont incapables de dépenser leurs revenus, de planifier et d'exécuter des projets de développement et de services.

Une analyse minutieuse de cette situation dans laquelle se trouve les activités municipales montre qu'elle résulte de plusieurs problèmes dont les plus importants sont:

- Un problème institutionnel découlant d'une loi municipale qui donne au pouvoir central un droit de tutelle hégémonique qui étouffe l'activité municipale.
- Un problème lié à la situation politique libanaise et au climat socio-politique qui fait des municipalités le théâtre d'un jeu politique local plus que des centres locaux de

développement; s'ajoute à cela la mentalité semi-tribale, partisane, sectaire de beaucoup d'élus.

- Un problème lié au bas niveau éducatif et culturel – presque inalphabétique- de beaucoup d'élus.
- Un problème lié au manque flagrant de personnel qualifié ou même l'inexistence de ce personnel tout court.
- Un problème lié au manque d'équipements même rudimentaire, ou l'inexistence de tout équipement.
- Un problème lié à l'état minable du local de la municipalité ou même à l'inexistence du local.
- Un problème financier: Les revenus de la plupart des municipalités sont limités, de la longue liste des taxes municipales citées par la loi 60/88 seules deux sont importantes: La taxe sur la valeur locative (habitation et commerce) et la taxe sur les permis de construire. Le mode d'évaluation des taxes municipales est primitif et lent, d'autre part à cause de la détérioration de la livre libanaise, la valeur des taxes est devenue minime , beaucoup de municipalités continuent de tenir la comptabilité des impôts sur un cahier. L'absence d'ordinateur empêche de collecter, de traiter et de moderniser les informations.

Les activités des principaux donneurs dans l'action municipale:

A noter d'abord qu'il y a des donneurs qui traitent directement avec certaines municipalités sans passer par le ministère de l'Intérieur et des Municipalités, et faute de données, il est difficile d'énumérer et d'analyser leurs activités municipales, mais on peut affirmer que leur assistance n'est pas de taille et on peut par conséquent l'outrepasser (on peut citer comme exemple de ces donneurs la délégation apostolique qui assiste certaines municipalités dans l'installation des stations d'assainissement d'eau) .

S'ajoutent à cette catégorie de donneurs les NGO qui interviennent elles aussi directement sans passer par le ministère, et dont le domaine d'intervention est tellement vaste, mais pas assez important, qu'on ne trouve pas utile de décrire dans le présent papier.

Des autres donneurs il est impératif de retenir les deux plus importants:

- La Banque Mondiale
- Le USAID

Tous deux implantés depuis un certain temps sur le terrain municipal, et qu'on va décrire brièvement leur activité.

-Un projet pour le traitement des déchets solides: SWEMP

- Coût: 55 millions de dollars.
- Bénéficiaires: toutes les municipalités.

-Un projet pour l'infrastructure (les routes, murs, canalisation, réseaux d'éclairage, eau potable, waste water...)

- Coût: 80 millions de dollars.

- Bénéficiaires: toutes les municipalités.

-The United States Agency for International Development. USAID.

L'agence a développé des programmes d'aide dans les domaines de simplification de formalités et de procédures, d'organisation de structure, de Budget municipal, de revenus municipaux, de formation et d'amélioration des ressources humaines, d'amélioration des rapports avec le public.

Cette assistance technique a couvert 80 municipalités dont deux prototypes: Chouefat et Jounieh.

L'agence a récemment présenté un rapport proposant d'étendre leur assistance à d'autres municipalités.

Il sera utile de se référer au rapport de l'agence daté le 26/4/2001.

Options proposées pour types d'assistance éligibles à être supportées par ARLA

En exposant les problèmes importants qui paralysent les activités municipales on réalise vite leurs besoins énormes d'assistances dans tous les domaines, notamment les domaines institutionnels, d'équipement, d'assistance technique et informatique, de financement des projets de ressources humaines (recrutement des employés municipaux administratifs et techniques, leur préparation à la fonction qu'ils vont occuper, la formation des employés en poste, la formation des élus), de la simplification des formalités de façon à mieux servir le citoyen et plus vite, d'améliorer les services municipaux etc...

Mais en tenant compte du genre d'assistance supporté par ARLA, on peut focaliser sur les domaines suivants ou certains d'entre eux :

- Elaborer un projet de formation municipale qui englobe les élus et les employés municipaux après avoir fixé les sujets de la formation pour les élus et pour chaque catégorie d'employés : administrative, financière, technique ... et élaborer un calendrier pour que la formation s'adresse à toutes les municipalités et s'effectue au centre des cazas.

(Workshops de deux jours pour les élus et session d'un mois pour les nouveaux employés et de deux semaines pour les employés en poste).

- Une assistance technique qui consiste à standardiser l'action municipale : les décisions municipales (du conseil et du président) les demandes des services municipaux, les documents et les informations demandés avec la demande, les comptes municipaux le budget, sa préparation, son exécution

Cette standardisation est nécessairement suivie d'une formation du corps municipal à l'utilisation des nouveaux standards.

- L'équipement des municipalités ou de certaines par du matériel informatique (PC et autres) et les connecter (Network) avec les mohafazats et les caimaqams et le ministère de l'intérieur et des municipalités.
- Connecter les municipalités par Internet et assurer un site pour chaque municipalité sur Internet.

- Equiper le ministère de l'Intérieur et des municipalités avec des PC et assurer la formation de son personnel.
- Assurer une assistance technique pour développer l'archivage municipal et former les employés dans ce domaine.
- Développer un système géographique d'Information GIS pour les grandes municipalités et former les employés pour la gestion du système.
- Il est intéressant aussi de se référer aux propositions de Dr.Sati Arnaout:
 - MFA2: Municipal Project Management Capacity Building
 - MFA3: Improving the Management of Municipal Finance
 - MFA4: Training Programs for Municipal Managementdans son rapport Local Government in Lebanon (1995)

Annex D: References

1. Civil Service Board (2001) 'Questionnaire to all Municipalities for MSC-LGD Project'
2. EuropeAid (12/2000) 'Official Proforma for Project TORs'
3. Chahade, G.H (2001) 'Municipalites et Unions Des Municipalities' Working Paper for the Mission
4. SUNY/LRDP Papers (2001)
 - Financial Basis of Municipal Work
 - Formalities Guide for the Municipality of Jounie
 - Municipal Income System
5. USAID (1999) 'Emerging Themes in Local Governance in Post-Election Lebanon'
6. EC (1999) 'Assistance to the Rehabilitation of the Public Administration (Municipalities)
7. PMC (2001) 'Social Protection and Social Security in Lebanon'
8. FMCU (2001) 'Promoting Concerted Municipal Action'
9. USAID (1995) 'Local Government in Lebanon'
10. LCPS (1994) 'Administrative Decentralisation in Lebanon: Problems and Recommendations.
11. Cites Unies (2001) 'Plan Municipal de Developpment Local
12. CERMOC (2001) 'Questionnaire des Municipalities'
13. LRDP (2001) 'Manual on Budgetary Procedures' (arabic)
14. LRDP (2001) 'Manual on Administrative Procedures' (arabic)

Annex E: Proposal to form a Technical Bureau for the Lebanese Association of Municipalities (June 18th 2001)

The PMC Municipal Project Task Force meeting of June 18th discussed the need for a Technical Bureau to provide *immediate* advice to the Municipal mayors over the next year. This Bureau would comprise a resource of experienced municipal technical and financial management advisers who could provide short term technical assistance to the municipalities.

The need for such assistance was discussed with the EU Delegation representative Mr Georges Ficarelli during a recent meeting in Tyre. The Association of Lebanese Municipalities is an emerging independent professional association formed to represent the interests of the municipalities in a research, advisory and advocacy capacity. As a non-profit entity the Association is funded from within but is able to seek funds from external sources.

The Association is developing a network of member municipalities in Lebanon and has a current membership of 69 of the larger municipalities.

Funded through the ARLA the Technical Bureau would complement the existing municipality Technical Bureaus who presently are under-staffed and under-funded. Funds would be provided in the form of a technical assistance facility whereby member Municipalities would identify their specific technical assistance needs. Based on this an assistance package would be formulated and implemented by the Bureau.

Funds would be provided directly to an account managed by a non-profit contractor appointed by *direct award* by the ARLA project. The contractor will then provide technical staff as requested by the municipalities and as agreed with the Association's Board. No equipment will be provided.

The tasks of the Technical Bureau would be:

- i. Review the scope and need for immediate technical assistance with the Association of Lebanese Municipalities and the mayors.
- ii. Establish the criteria for prioritising technical assistance packages to the municipalities and their costs and benefits.
- iii. Select and make preliminary designs for specific technical assistance packages, prepare an implementation programme, and prepare individual TORs for the packages.
- iv. Procure technical advisers to undertake the work required in the municipalities and implement sub-projects of assistance.
- v. Monitor progress and amend procedures as necessary.

As a first estimate, a staff resource of 15 person-months international and 30 person-months national staff time would be made available over a period of one (1) year. Office accommodation and transport to be provided by the Association. Counterpart staff and all equipment and local costs to be carried by the municipalities receiving the technical assistance. The contractor to pay technical assistance consultants direct with an overhead rate of 10% to cover administration.

Costs for this technical assistance are estimated at Euros 275,000. TOR to be prepared.

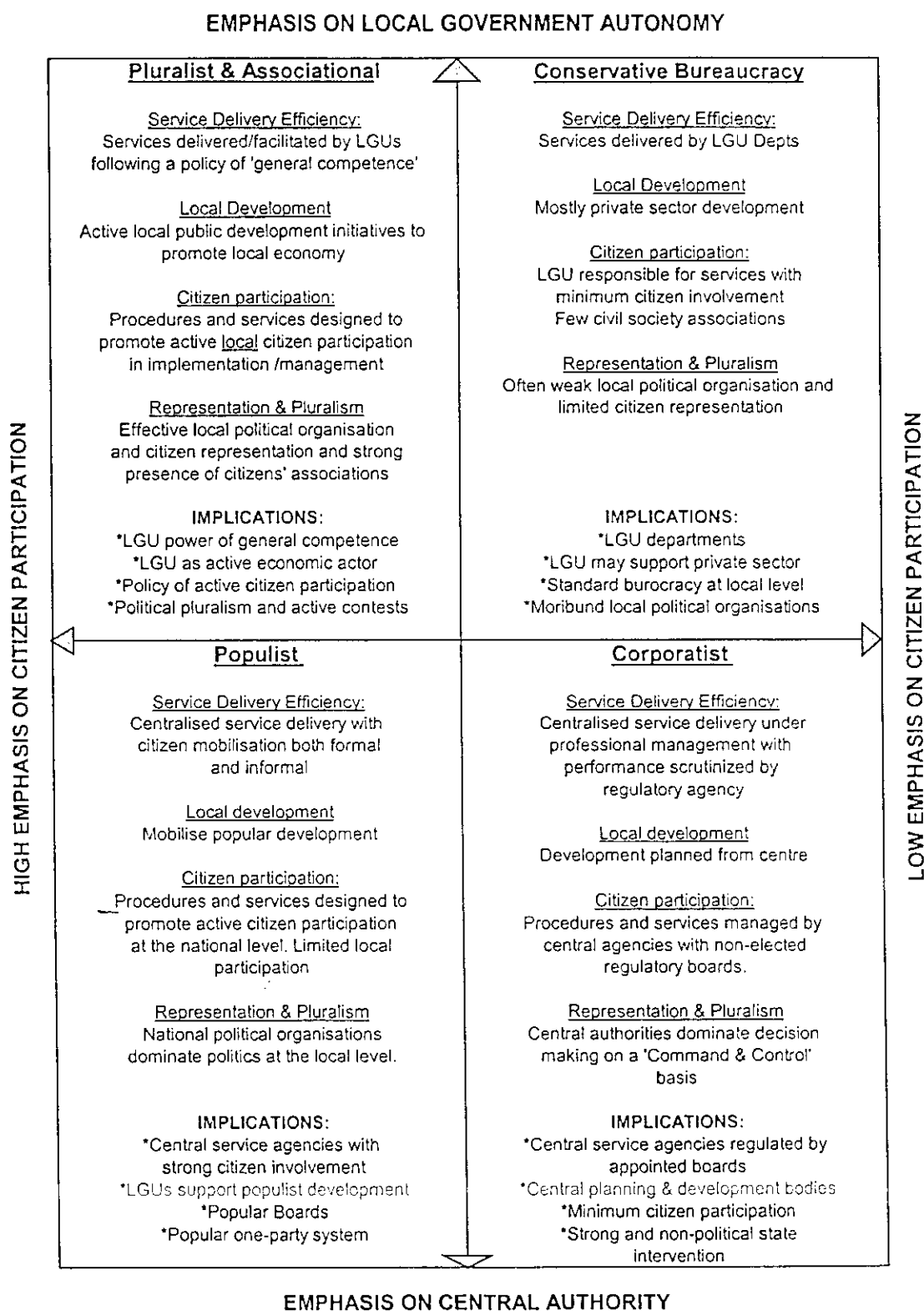
Prepared by Mission TL

Annex F: Generic Policy Concerns at the Centre and the Local Levels

LEVEL OF GOVERNMENT	POLICY CONCERNS
<u>CENTRAL GOVERNMENT</u>	
State-Building/ Security	<ul style="list-style-type: none"> <input type="checkbox"/> Coherence of and common development strategies towards local communities <input type="checkbox"/> Unified legal and regulatory systems <input type="checkbox"/> Rational administration at Muhafez & Caza levels to support effective municipal development
Macro-economic stability	<ul style="list-style-type: none"> <input type="checkbox"/> Sector and municipal Investment priorities follow national development strategy <input type="checkbox"/> 'Hard' budgets followed for balanced budgets <input type="checkbox"/> Local revenues to meet cost recovery targets
Social & Economic Distribution	<ul style="list-style-type: none"> <input type="checkbox"/> Regional economic disparities reduced <input type="checkbox"/> Poverty reduction in war-damaged areas <input type="checkbox"/> Role of women enhanced
Investment Resource Allocation	<ul style="list-style-type: none"> <input type="checkbox"/> Investments follow national sector priorities <input type="checkbox"/> Adequate database for each municipality <input type="checkbox"/> Effective planning, programming and budgeting <input type="checkbox"/> Effective design of administrative policies for services
<u>MUNICIPALITIES</u>	
Service Delivery & Administration	<ul style="list-style-type: none"> <input type="checkbox"/> Clear procedures and standards available <input type="checkbox"/> Effective administration structures for municipalities <input type="checkbox"/> Systems for effective and efficient service delivery <input type="checkbox"/> Adequate budgets from local taxes and timely transfers from the centre to support local services <input type="checkbox"/> Local oversight of centrally delivered services
Economic/Local Development	<ul style="list-style-type: none"> <input type="checkbox"/> Local planning possible with up-to-date information on population, incomes, land use, economic potential etc <input type="checkbox"/> Effective linkages for regional and intra-municipal economic planning
Local Political Articulation	<ul style="list-style-type: none"> <input type="checkbox"/> Complete electoral registers <input type="checkbox"/> Open citizen representation in municipal elections
Active Citizenship	<ul style="list-style-type: none"> <input type="checkbox"/> Active public participation to enhance cost-recovery and accountability <input type="checkbox"/> Transparency and openness in municipal affairs

Annex G: Scenarios for Local Government Decentralisation

FIG 2.1 : Scenarios for Decentralized Local Government



Annex H: People and Organisations Visited

Task Force

MoIM	Raja Marsouri Farid Haddad Ghasan Chehade
OMSAR	Roula Kabbani Hid el Khatib
PMC	Walter Kolkma Adnan Iskander

MoIM Colonel Habre

EU Delegation

Maria Alves
Giorgio Ficarelli
Sami Arnaout
Paul Tibbs
T Papakonstantinou
A Georgiadis
W Euchner

MoF Jihad Atour
Samir Atallah

Municipalities

Bekaa Muhafazet	M El Kharah
Kesrouary Union	Nouhad Naufel Pres
Jouinie Munic	A Boukaram Pres Fouad Boueri
Hermel	
Tabouleh	I Goudhan Pres H Khalil
Tallia	F Abouhaidak Pres
Tyr	Rita Ricci EU Project
Zhale	n/a

Others Maroun Dascade Prof LAU
M El-Khawad HRM GTZ

SUNY/LRDP Mahmoud Batlouni
Peter Sulloun

FMCU Bechir Odeimi

Annex I: Summary of Costs of Proposed Project

	A	B	C	D	E	F	G	H	I	J	K	L
1												
2		Description	Type	Person-months & Rate/m			Equipmnt		Others		Total	
3				Internl	EUR/m	Nation	EUR/m	Items	EUR	Items	EUR	EUR1000
4												
5	A	Enhanced Sector Enabling Env										
6												
7												
8	A.1	Strategy for By-Laws Prepared	Mun Law	2	17,500	4	7,000					63,000
9			Mun Mgmt	1	14,500	2	5,000					24,500
10			Public Admin			2	5,000					10,000
11				3		8			0		0	97,500
12												
13	A.2	Policy Studies Support Facility	Mix of Profns	10	13,500	20	5,000					235,000
14				10		20			0		0	235,000
15												
16	A.3	FIAS Set Up	Munic Fin	2	14,500	4	6,000					53,000
17				2		4			0		0	53,000
18												
19	A.4	Strategy on IT Implemented	IT Specialist	1	14,500	2	6,000					26,500
20				1		2			0		0	26,500
21												
22	A.5	Human Resource Mgmt Strategy	HR Specialist	4	13,500	6	5,000					84,000
23				4		6			0		0	84,000
24												
25	A.6	Good Practices in Fin Mgmt	Munic Fin	1	14,500	5	6,000					44,500
26			Economist	1	14,500	3	6,000					32,500
27				2		8			0		0	77,000
28												
29	A.7	Manuals of Procedures	Munic Mgmt	2	14,500	4	5,000					49,000
30			Munic Law			2	7,000					14,000
31				2		4			0		0	63,000
32												
33		TOTAL for Component A		24		52			0		0	636,000
34												
35												
36	B	Support to Unions (5 Unions; 80 municipalities)										
37												
38												
39	B.1	Municipal Development Plan	Munic Mgmt	1	14,500	2	5,000					24,500
40			Facilitator			1	5,000					5,000
41				1		3			0		0	29,500
42												
43	B.2	Union Urban Dev & Infra Strategy	Urban Pln	6	13,500	12	5,000					158,000
44			Sociologist			5	5,000					25,000
45			Fac/Trainer			5	5,000					25,000
46			Economist	1	14,500	5	6,000					44,500
47				9		27			0		0	262,500
48												
49	B.3	Municipal Budget Systems	Munic Fin	3	14,500					Local Trg		43,500
50			Munic Fin			30	6,000			Euro5000		180,000
51			Compt Spec	1	14,500	12	6,000			per Union	25,000	111,500
52			Fac/Trainer	2	13,500	12	5,000					87,000
53				6		54			0		25,000	422,000
54												
55	B.4	Municipal Budget Procedures	Munic Fin	3	14,500							43,500
56			Munic Fin			23	6,000					120,000
57				3		20			0		0	153,500
58												
59	B.5	Consolidate Municipal PPB in Union	Urban Plnr	2	13,500	5	5,000					52,000
60			Munic Fin	2	14,500	6	6,000					65,000
61												0
62				4		11			0		0	117,000
63												
64	B.6	Admin Procedures in Munics	Munic Mgmt	2	14,500	4	6,000					53,000
65			Munic Lawyer	1	17,500	4	7,000					45,500
66			Facilitator			2	5,000					10,000
67				3		10			0		0	158,500
68												
69	B.7	Training for Councilors	Munic Law	1	17,500	5	7,000					52,500
70			Sociologist			2	5,000					10,000
71			Fac/Trainer			2	5,000					10,000
72				1		9			0		0	72,500
73												
74		TOTAL COMPONENT B		27		134			0		25,000	1,175,500

PMC Short Term Mission Report : Local Government & Municipal Strengthening Project

	A	B	C	D	E	F	G	H	I	J	K	L
77	C	Support to Selected Municipalities	Cost estimate for one (1) municipality									
78												
79												
80	C 1	Municipal Development Plan	Munic Mgmt	1	14,500	1	6,000					20,500
81			Facilitator			1	4,500					4,500
82				1		2			0		0	25,000
83												
84	C 2	Union Urban Dev & Infra Strategy	Urban Plnr	1	13,500	4	5,000			GIS	40,000	73,500
85			Social Sc	2	14,500	2	5,000			Site Survey	10,000	49,000
86			Fac/Trainer			1	5,000					5,000
87			Economist	1	14,500	2	6,000					26,500
88				4		5			0		50,000	154,000
89												
90	C 3	Munic Budgetary Systems	Munic Fin	0.5	14,500	2	6,000			Local Tr		19,250
91			Computers			2	6,000			facilities		12,000
92										Eur 5000		
93				0.5		4			0		0	31,250
94												
95	C 4	Munic Budgetary Procedures	Munic Fin	1	14,500	2	6,000					26,500
96			Fac/Trainer			1	5,000					5,000
97				1		3			0		0	31,500
98												
99	C 5	Management Systems for Services	Urban Plnr	1	13,500	4	5,000					33,500
100			Munic Mgmt			4	6,000			Local		24,000
101			Economist			2	6,000			Training		12,000
102			Munic Fin			2	6,000			Facilities		12,000
103			Comptr Spec			2	6,000			Eur 5,000	5,000	17,000
104				1		14			0		5,000	98,500
105												
106	C 6	Admin Procedures & Training	Munic Mgmt	1	14,500	3	6,000					32,500
107			Munic Law			1	7,000					7,000
108				1		4			0		0	39,500
109												
110	C 7	Personnel Systems & Payroll	Munic Mgmt	0.5	14,500	2	6,000					19,250
111			Comptr Spec			2	6,000					12,000
112			Munic Fin			2	6,000					12,000
113			Fac/Trainer			1	5,000					5,000
114				0.5		7			0		0	48,250
115												
116	C 8	Archiving System	Munic Mgmt			2	6,000	System				12,000
117			Computers			2	5,000	equipment	5,000			15,000
118				0		4			5,000		0	27,000
119												
120	C 9	Training for Councilors	Lawyer			1	7,000					7,000
121			Facilitator			1	5,000					5,000
122			Sociologist			0.5	5,000					2,500
123				0		2.5			0		0	14,500
124												
125	C 10	Citizens Complaint & Tracking	Munic Mgmt	0.5	14,500	2	6,000					19,250
126			Munic Law			1	6,000					6,000
127			Computer			1	6,000					6,000
128				0.5		4			0		0	31,250
129												
130		TOTAL COMPONENT C x 1		9.5		53.5			5000		55000	500,750
131		C with five (5) Municipalities		48		268			25,000		275,000	2,503,750
132												
133												
134		Support Staff										
135			Administrator			30	4,000					120,000
136			Accountant			30	3,000					90,000
137			Secretary x 2			60	1,500					90,000
138			Onvers x 5			150	600					90,000
139						270						390,000
140												
141												
142		TOTAL COMPONENTS A, B, C		99		724			25,000		300,000	4,705,250
143		Including support staff										
144		Notes										
145		Staffing estimates above are for the execution of the individual sets of activities and do not include the necessary costs of admin/procurement etc										

	B	C	D	E	F	G	H
147							
148	Summary of Costs A, B, C	Euros					
149							
150	Technical Assistance	4,380,250					
151	Equipment	25,000					
152	Training etc	300,000					
153	Support	390,000					
154							
155							
156	Expert Category	Person months			Actual months		
157		Intl	Natnl		Intl	Natnl	
158	Municipal Management Intl	21			30		
159	Municipal Management Natnl		82			30	
160	Municipal Finance Intl	18.5			30		
161	Municipal Finance Natnl		105			30	
162	Urban/Municipal Planner Intl	20					
163	Urban Planner Natnl		57				
164	Municipal Lawyer Intl	4					
165	Municipal Lawyer Natnl		30				
166	Facilitator Intl	2					
167	Facilitator/Trainer Natnl		42				
168	IT Specialist Intl	1					
169	IT Specialist Natnl		2				
170	HRM Specialist Intl	4					
171	HRM Specialist Natnl		6				
172	Urban Economist Intl	7					
173	Urban Economist Natnl		28				
174	Social Scientist	2	12.5				
175	Public Admin/Instns Natnl		2				
176	Computer Specialist Intl	1					
177	Computer Natnl		52				
178	Mix of Profession from A.5	8	20				
179							
180							
181	Total	88.5	438.5				
182							
183							
184							
185	Per Diems	days	Euro/d	Total Euro/d			
186	Short Term Intl Staff	2,690	144	387,418			
187	Local Experts	0					
188							
189	Direct Costs	Item	per m	Total Euro			
190	Telecommunications	36 m	1,000	36,000			
191	Courier	36m	500	18,000			
192	Translation	36m	2,000	72,000			
193							
194	Re-imbursable	Item	Unit	Total Euro			
195	Travel EU-Lebanon	50	1000	50,000			
196	Transportation in Lebanon	36 months	2500	180,000			
197	Training Facilities			0			
198	Per diems for Trainees			0			
199	Report Production	30	2000	60,000			
200	Specialised Equipment			0			
201							
202							