

OFFICE OF THE MINISTER OF THE STATE FOR ADMINISTRATIVE REFORM

Proposal for the Simplification of the Procedure for Licensing Classified Institutions

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Introduction

The OMSAR members of the Task Force, in close co-operation with the Directorate of Research and Guidance, have examined the relevant formalities required for the issuing of license for Establishing and to operate a classified institution from the first and second category at the Mount Lebanon's Muhafaza (other Muhafaza may follow different procedures)

The Team has focused on the overall administrative and regulatory framework established for the execution and management of the above mentioned formalities by examining:

The TFSBR after extensive analysis and consultation with the concerned authorities has identified a possible source of regulatory inflation and pollution in the multiplication of procedures and licensing authorities for the classified institutions. The TFSBR has considered more practical to delegate to an inter-departmental technical body (the "Council") located in each Mohafaza, the task of licensing any type of classified institution.

The TFSBR considers such "Council" as an advisory body to the Mofafez who is the actual authority responsible for signing such licenses.

Moreover, the TFSBR has considered the splitting of the licensing into two licenses (to establish and to operate) a time inefficient and redundant procedure. The proposal made by the Task Force has been therefore that of eliminating such duplication and articulating the procedure in a more contained time frame and sequence of steps.

The TFSBR has made specific recommendations for the normative, procedural and structural simplification.

I. General Information concerning the Procedure and the Responsible Institutions

1. Definition of the procedure:

The industrial sector including all the industrial and commercial institutions is divided into categories based on the lists of threats to safety, public health, agriculture, and environment upon their establishment. (Opening a farm, opening an institutions where living animals, opening a joinery factory, opening a carpets factory, hospitals, movie theaters...)

Therefore classified institutions require two permits from the competent authority:

- One for establishing the institution
- One to operate it.

2. Identifying the procedure:

The simplification has started looking at the classified institutions of the 1st and the 2nd category chosen in Mount Lebanon's Muhafaza as a sample. Both categories require the same procedure and the same documents.

3. The competent authority to deliverer the License:

- Art. 18 of the **Decree – Law n° 116** issued in June 12th, 1959 (Reglementation for public administration) states that the Muhafez is the one who delivers the licenses for the classified institutions of the 1st & the 2nd category.
- **Decree n° 9259** dated 16/5/1955 and its amendment stipulates the creation in every Muhafaza of a Health Council, the role of which is to comment on the licenses for the classified institutions. The High Council is formed by the Muhafez as president, a doctor representative from the Ministry of Public Health, a representative from the Ministry of the Social Affairs, representative from the Ministry of Environment, a landscape engineer a health engineer in the Muhafaza, a representative from the Ministry of Industry and petrol. Therefore this Decree has restricted the authority of giving the licenses to the Muhafez and the High Council inside the Muhafaza.

- The **Law n°642** issued in June 1997 creates the Ministry of Industry, Art. 2 of this law states that this Ministry will be responsible of: the license for establishing Industrial Institutions in addition verifying that the conditions required for the license are still available, and control the quality of the work.
So the competent authority to deliver the license is the Mufahaz.

4. The Administrations involved with this procedure:

The file has to pass by referral through various administrations in order to gather all the documents required before getting to the competent authority to deliver the license. The file should pass through essential administrations:

- Muhafaza and the Health council
- Municipality
- Ministry of Environment
- Urban Planning
- Ministry of Electric and Hydraulic resources (depending on the cases) and her interference will be upon the request of the Muhafaza
- Others Ministries as the Ministry of Agriculture and the Ministry of Social Affairs and the ministry of Labor.

5. Regulatory References:

We have collected information defining the Muhafaza's authority to establish and to operate a classified institution.

- **Decree - Law n°21/L** dated 22/7/1932 (classified institution's law)
- **Decree n°1119** dated 4/11/1936 "Reglementary Decree for the Decree - Law n°21/L "
- **Decree n°1120** dated 4/11/1936 (about defining the industries to which the Decree – Law n°21/L dated 22/7/1932 is applied)
- **Decree n°4917** dated 24/3/1994 and its amendment
- **Decree n°9259** dated 16/5/1955 (creation of the Health council in each Muhafaza)
- **Decree - Law n°116** dated 12/6/1959 (Reglementation for public administration)
- **Decree - Law n°118** dated 30/6/1997 (Municipality's Law)
- **Decree - Law n°69** dated 9/9/1983 (Urban Planning's Law)
- **Law n°642** dated 2/6/1997 (creation of the Ministry of Industry)
- **Law n°216** dated 2/4/1993 amended by the **Law n°667** dated 29/12/1997 (creation of the Ministry of Environment)
- **Decree - Law n°107** dated 16/9/1983 organize the profession of the Health control.

- **Lebanese administration's magazine n°3 Autumn 1998** (article written by khalil el Hindi)
- **The committee for simplifying the work's report** about the classified institutions to the council of civil service.
- **Internet:** the OMSAR's website: www.informs.gov.lb

II. Current practice

1. License for establishing a classified institution:

1.1 Documents needed:

- A written request presented by the applicant
- A copy for the identity card of the applicant (if is Lebanese) or of his work permit (if he is a foreigner)
- A Planning and Easement Certificate including:
 - A topographical map
 - A land certificate.
 - A receipt from the Municipality
- The blueprints required for the construction permit measured at 1/100, showing: the building with its floors, the hygienic and electrical networks, and the distribution of the equipment to be used...
- A map of the site measured at 1/1000 or 1/2000
- If the land is not surveyed, the affidavit of the mayor, and the notification, and the topographical maps should be certified by a sworn topographer and from the competent authorities.
- An occupation permit if the building was constructed or an affidavit from the Municipality stating that the construction was accomplished before 1964.
- A technical study about waste water
- All the required maps should be certified by an engineer registered at one of the engineer's syndicates (In Beirut & North) or it should be certified by a sworn topographer if the building was accomplished.

1.2 The Procedure:

The procedure goes through many steps before getting the license, such as:

- The applicant prepares the files, inclusive of all the documents required to get the license for establishing the classified institution; then the request is presented to the registry of the classified institutions inside the health service in the Muhafaza (Art1 of the **Decree - Law n°1119**)
- After checking if all the documents are enclosed, a receipt is attached to the file; (this receipt is prepaid at the Ministry of Finance as a fee to cover the survey that will be done latter on. (Art2 of the **Decree - Law n°1119**)
- After paying the fees at the Ministry of Finance, a circular is sent by the health engineer to the Municipality asking for publishing and informing that a classified institution is going to be established and to give an opportunity to the persons harmed in the village or in the neighborhood to present their objection (for 30 days for a classified institution of the 1st category

and for 15 days for a classified institution of the 2nd category. The purpose of sending this circular is to take the opinion of the Municipal council or of the Mayor's council in the event there is no Municipality. The approval is given formally; any rejection is motivated (**Municipal Law n°118/59 art51**). In case of conflict with the opinion of the Health council, it's the Council of Ministers who settles the question (**Decree – law n°21/L art8**)

- The Municipal council gives its decision, the file is transferred to the Muhafaza (Health service) in order to do a survey and check the conformity of the request. A Health controller makes the survey and suggests the necessary for the approval or the disapproval on the request. In the event that some documents are missing the Health controller gives his remarks as a report for the actions on the field (art 5 of the **Decree Law n°21/L**)
- The Health controller gives his opinion; the file is transferred to the Ministry of environment (Law n°216 amended by the **Law n°667/1997** related to the creation of the Ministry of Environment). Art 4 from the mentioned law states that the Ministry of Environment in collaboration with the concerned administrations precise the “**ecological conditions**” for opening industries, factories, industrial regions, and farms. Therefore the passage of the file to the Ministry of Environment is only limited to précisng the Environmental conditions for these institutions.
- The file has to go back to the Health council in the Muhafaza. The latter is presided by the Muhafez and includes a doctor representing the Ministry of social affairs, a landscape–painter, a health engineer in the Muhafaza. According to art2 of the **Decree Law n°9259**, this Health council gets together upon the request of the president or his vice at least once a month. The health council studies the file and puts his remarks on it.
- It may happen that the file is transferred to the Urban Planning for checking upon the request of the engineer in the Health council.
- In some cases, the nature of the procedure requires sending the file to the ministry of Electric & Hydraulic resources (the Health Council takes the Decision of sending the file for the M. of E. & H.R) to take the opinion of the Environment department, in case the rivers flow are close to the location where the institution will be built, and in case these is a need to take the opinion of the geological department to be informed about where it's forbidden to open any classified institution in order to prevent the pollution of the underground water. In case this department disapproves, the file is rejected.

- The file is sent back for approval to the Health council in the Muhafaza in order to study it after the checking of Urban Planning and the Ministry of Electric & Hydraulic Resources. The file pass through the Health council
- The Muhafez issues the decision license upon the approval given by the various administrations.
- A copy of the Muhafez's Decision is sent to the concerned authorities, another copy is delivered to the applicant and the license's file is kept in the Health service in order for periodical controls.

The main actors in this procedure are: the Health engineer at the Health service in the Muhafaza; the health council in the Muhafaza and the Mufafez.

The health engineer sends the complete file to the ministries. The high council's the only role is to give his opinion about the creation of the classified institutions. Every delegate from the concerned ministry also gives his opinion but the decision of the High Council (approval or disapproval) is not final.

It's **the Muhafez** who has the real authority, if the high council refuses to give the license, the Muhafez is not obliged to take his opinion into consideration therefore he can issue the license.

In this configuration the High Council seems ineffective since it doesn't have any authority and its delegates are just representatives council, which doesn't survey the land nor takes any final decision.

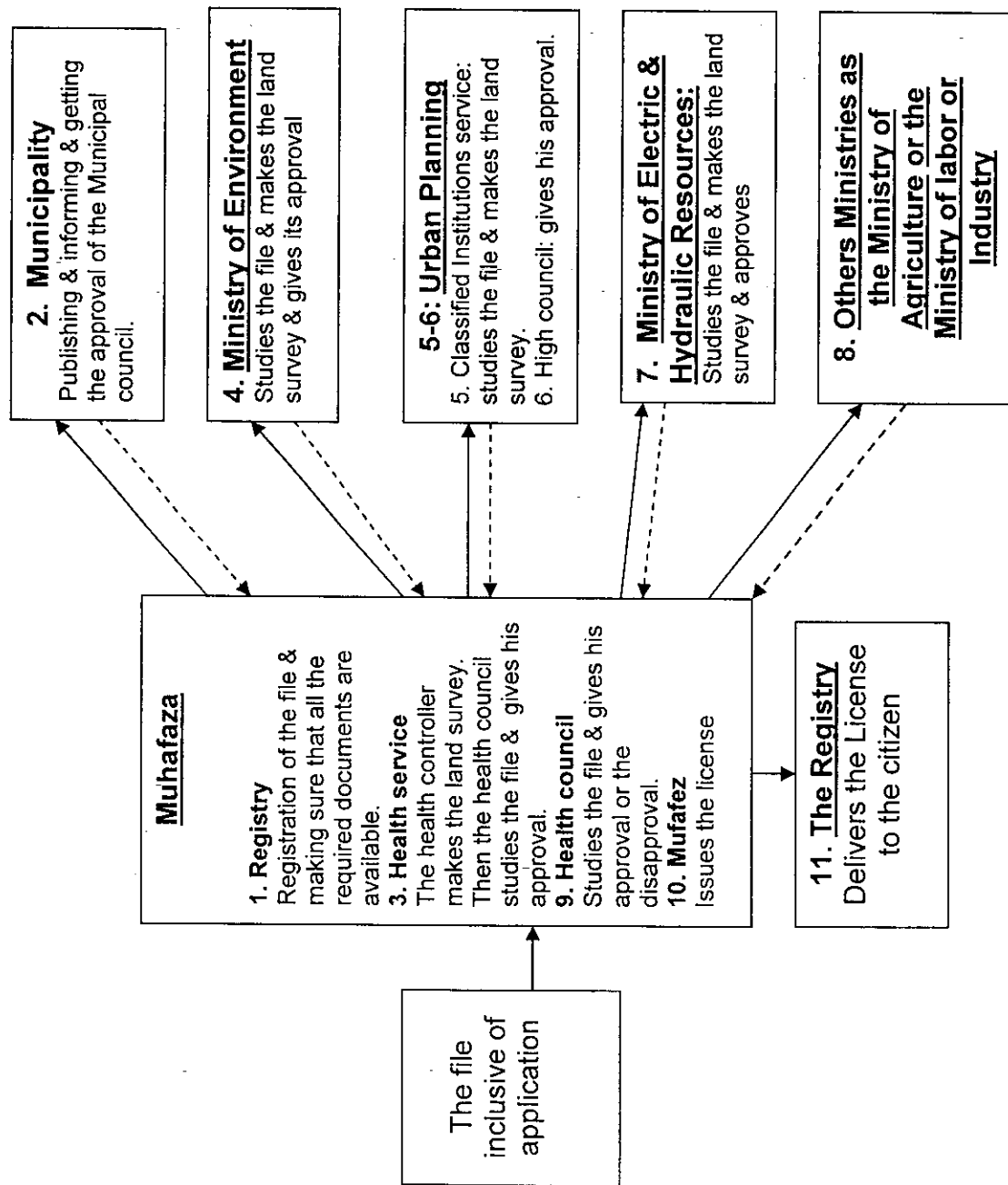
The Health Council takes the Decision of sending the file for the M. of E. & H.R) to take the opinion of the Environment department, in case the rivers flow are close to the location where the institution will be built, and in case these is a need to take the opinion of the geological department where maps showing where it's forbidden to open any classified institution because they could pollute the underground water. Consequently in case this department disapproves, the file is rejected:

- The file is sent back to the Health council in the Muhafaza in order to study it after the checking of Urban Planning & the Ministry of Electric & Hydraulic Resources.
- The Muhafez issued the decision of the License after taking the administrations approval.
- A copy of the Muhafez's Decision is sent to the concerned authorities, another copy is delivered to the applicant and the license's file is kept in the Health service in order to pursue the periodical control.

The following is a chart of transferring the file between the Muhafaza and the concerned Ministries; we should note that:

- The numbers in the charts indicate the steps.
- —→ The file goes from the Muhafaza to the Ministries.
- ----→ The file goes back of the file from the ministries to the Muhafaza.

Chart 1: current practice of the procedure between the Muhafaza & the concerned Ministries:



2. License to operate a classified institution:

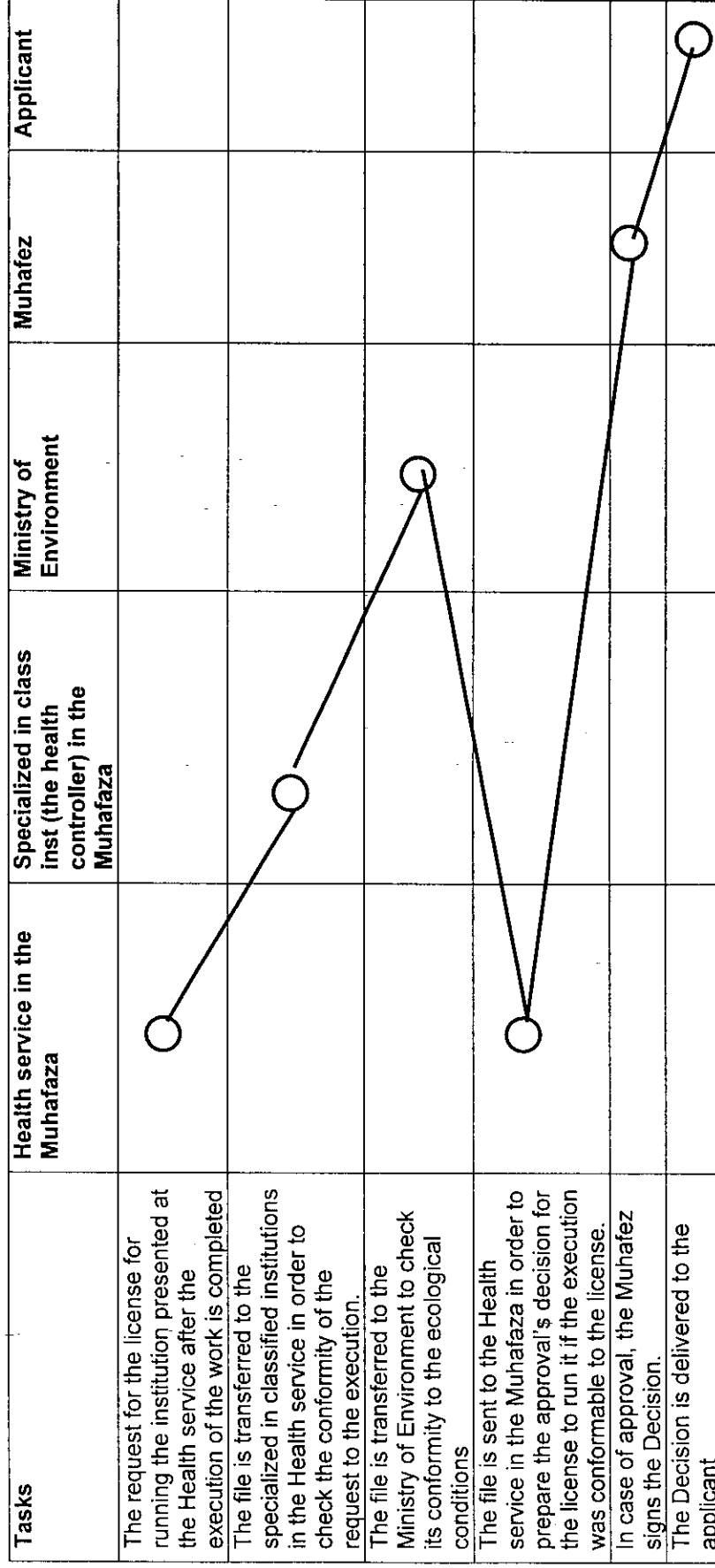
2.1 Documents needed:

- A request confirming that the construction of the institution was finished asking for the license to operate it.
- An occupation permit from the Municipality according to the General Directorate of Urban Planning's approval.
- A permit to use the equipment from the Ministry of work provided that this request was included in the conditions of the license for opening the classified institution. In order to get the permit to use the equipments the applicant should also bring:
 - A request for licensing the equipments filled by the applicant.
 - A copy of the identity card of the owner of the institution or this delegate.
 - A copy of the deed of ownership or of the rent of the location.
 - A copy of the commercial affidavit issued from the commercial registry
 - An acquittance issued from the social security.

2.2 The procedure:

- The request for the license for running the institution is submitted to the Health service after the execution of the works is completed and equipped with the machines that are going to be used.
- The file is transferred to the concerned (specialized in classified institutions) staff in the Health service in order to check the conformity of the request to the execution.
- The file is transferred to the Ministry of Environment to check its conformity to the ecological conditions.
- The file is sent to the Health service in the Muhafaza in order to prepare the approval's decision for the license to run it if the execution was conform to the license.
- In case of approval, the Muhafez signs it, so it is sent to the applicant who sends a copy to the concerned authorities.
- The file is kept at the Health service in order to pursue the control therefore checking if the required conditions are being respected.

Chart 2: procedure for the license to operate a classified institution from the 1st & 2nd category:



3. Interaction among different administration's branches:

- a) There is no formally spelled obligation (through law) for the Mufafez to obtain clearance from various departments.
- b) There are the following provisions (law n°667/1997 for the Ministry of Environment, Decree Law n°9259/1955 for the health council, Decree Law n° 116/1959 for the Muhafez...) indicating the role of each respective office to provide an opinion/clearance.

c) Each ministry has a role of controller concerning the classified institutions:

- **Ministry of health:**

As far as the Ministry of Health is concerned, the Decree - Law n°9259 concerning the creation of a Health Council in each Muhafaza states in its 3rd art that the Health council in the Muhafaza replaces the permanent Health committee mentioned in the Decree Law n° 21/Lof 1932. This Decree – Law eliminated the permanent centralized health committee therefore, the file doesn't pass through the Ministry of public Health anymore.

Therefore instead of passing to the Ministry of Health, the file passes to the health service in the Muhafaza, which has permanent employees whose offices are in the Muhafaza. These employees are assigned to do their mission (as delegates for the ministry of health) inside the Health service but they are related to the Ministry of Health and not to the Muhafaza.

- **Municipality:**

Based on the Municipal law (Decree - law 118/59) and the Decree Law n°21/L the Muhafaza issues a circular addressed on behalf of the Municipalities for publishing and advertisement about the creation of the institution and to take the municipal council or the Mayor's council opinion.

It is to note that many requests are rejected in the Municipalities' councils because of political favoritism without any plausible justification. Moreover, the passage of the file to the municipal council does not add any value to the procedure; it's just a redundant passage contributing to make less cost efficient the whole procedure.

▪ Ministry of Environment:

The law n°216 date 2/4/1993 that creates the Ministry of Environment limitates its authorities to précising the environmental conditions for creating the institution. The passage of the file through the Ministry of Environment is very important because the civil servants there, make a detailed survey and they checks the conformity of the file to the rules. The file passes through the Health service for a detailed checking; nevertheless sometimes it still remains incomplete when arriving at the Ministry of Environment. Moreover, the Ministry of Environment issued several decisions in order to precise the environmental conditions for establishing a classified institution; nevertheless these conditions are disregarded most of the time. The file must be transferred from the Muhafez to the Ministry of Environment in order to precise the environmental conditions imposed to establish the classified institution, but the Muhafez doesn't always transfer it.

▪ The General Directorate of Urban Planning:

Art 2 of the Urban Planning's Law n°69/1983 states that the high council for Urban planning gives his opinion on the plans for the organization of the cities, villages and the plans for classifying the regions; consequently it's not allowed for the GD of UP to beyond its competences and deliver licenses to open classified institutions through its high council.

The passage of the through the GD of UP is not only to get the license for opening the classified institution (from the Muhafaza) but also to get first a construction permit and then an occupation permit (from the GD of UP) therefore the approval of the Upto the license to open it doesn't mean that the citizen has obtained a construction permit, in fact the passage of the file inside the GD of UP and to the High council is to take their opinion only. The license for opening the classified institution as mentioned above is delivered by the Muhafez.

It is to note that the passage of the file to the Municipality is not just to study it but only for it's approval, this passage

doesn't bring anything new to the file except for publishing the creation of the institution.

If the file is transferred to the GD of UP without the opinion of the Ministry of Environment on it, the GD of UP transferred it to the Ministry of Environment before sending it to the high council; which proves that the opinion of the Ministry of Environment is very important even if its not mandatory.

In order to reduce the obstacles and the burden which delay the process of the procedure and is time consuming because of its passage through several administrations, the GD of UP suggested to:

- Create a permanent service in the Muhafaza like the one for Health, this service will have delegates related to the GD of UP but located to the Muhafaza.
- Create other services permanent including delegates from the other Ministries involved.
- Thus a committee autonomous/ independent from the Heath council is created. It includes specialists in the Health, Engineering and environment sectors, and all the specialists that would eventually be concerned by this procedure. The committee's role would be to make the survey and to prepare its report based on which the decisions are taken latter on.
- There's another suggestion: that the Muhafez transfers the file to the involved administrations simultaneously in order to study it and give their approval or disapproval in the same time; therefore avoiding time consuming.

4. Delays:

The time needed in order to obtain the license to establish a classified institution all in all is not know for sure. But some employees could give an idea:

- Inside the Muhafaza approximately 25 days to 1 month
- Inside the Ministry of Environment approximately 15 days and an administration circular was delivered in this perspective in order to precise the delay.
- Inside the Ministry of Hydraulic and electric resources approximately 15 days
- Inside the GD of UP: within 20 days the file arrives to the high council in order to settle the question.

When the execution of the work is over the applicant presents a request to obtain the license to operate the institution in the Muhafaza. It takes between 15

days and a month to get license according to its kind. Therefore it takes approximately 80 days to get the license to establish the institution after the execution of the work (within a 2 years), it takes a month to obtain the license to operate the institution.

Most probably these delays are not respected in some administrations.

III. Suggestions for Simplification:

The TFSBR considers the existence of special procedures for every category of the classified institution constitutes a regulatory burden, contrary to the objectives of simplification and administrative efficiency. The TFSBR therefore recommends establishing a common basic procedure responding to common standards, procedural phases and steps for all the classified institutions from the 1st and 2nd category, and standard documentary requirements. In pursuing this approach targeted at simplification and standardization the different nature and scope of the institutions to license is not to be the cause of multiplication of procedures (regulatory inflation). The difference in scope and type of the institution is to be considered by the licensing authority only for the introduction of specific controls this is done by setting only specific technical requirements without over burdening substantially the standardized procedure.

The TFSBR considers the recourse to two separate types of licensing, namely:

The one for establishing a classified institution and the one to operate it upon its establishment, a redundant and time consuming exercise. The TFSBR considers it possible to rationalize the management of the various phases of the procedure in view of ensuring fast licensing within the limits imposed by the existing health and environmental protection, safety at work, urban development regulations etc...

The TFSBR considers merging the different processes which are currently leading to two separate licenses (to establish and to operate) into a single one where the authorization to establish includes a provisional license also to operate till verified compliance with all standards set by law. Consequently the process takes place in two phases:

- Authorization to establish and provisionally operate a classified institution
- Confirmation of the already granted authorization.

The TFSBR has considered a priority the simplification of the phases of the procedure, the documents required by the procedure and the institutional setting in charge of the procedure.

1. Proposal for Simplification of documentary Requirements:

Phase 1: Authorization to establish and provisionally operate a classified institution

Documents to be Obtained from Applicant
<ul style="list-style-type: none">▪ The written request: could be replaced by a more comprehensive application submitted by the citizen.▪ The blueprints required for the building permit.▪ The map of the site where the building is located.▪ The affidavit from the Mayor if the land is not surveyed and the certified topographical maps.▪ The technical layout of the wastewater facilities if the building is to be built ex novo.▪ Technical specifications of the equipment to be installed.▪ Technical description of all solutions planned for compliance with the enforced environmental protection regulations.▪ Technical description of all solutions planned for compliance with Health safety standards.▪ Technical description of all solutions planned to ensure safety at work.
Documents to be obtained from other branches of the Public Administration
<ul style="list-style-type: none">▪ The planning and easement certificate.▪ When the premises are already in place copy of the construction permit.

Documents no longer required
<ul style="list-style-type: none">▪ Certified maps from a recognized engineer registered at the syndicate of engineer (see report n.1 on Simplification of construction permits)▪ The affidavit that the construction has been achieved.

Phase 2: Confirmation of the already granted authorization:

Documents to be Obtained from Applicant
<ul style="list-style-type: none">▪ Application to proceed to inspection of the institution inclusive of:<ul style="list-style-type: none">- Address of the institution.- Reference of authorization to establish.- Declaration that the construction of the institution was finished and reference to the issued construction permit

from Municipality.

- Request to confirm the authorization to operate.

The expected outcome of the inspection to be conducted by the concerned branches of the administration is the confirmation of the authorization to occupy and use the inspected facilities for the use and scope already agreed with authorization to establish (phase 1). The inspection is intended to ascertain the compliance with all regulations and requirements set for such institutions as a precondition for the issuing of the final authorizations.

2. Proposals for simplifying the Institutional framework:

The TFSBR upon examination of the existing institutional framework and its functioning has considered a possible scenario which takes into account also the best practice of some Mohafaza.

From observing the working method in use in the Muhafaza of Nabatiyé where the file arrives to the Muhafaza in 4 copies with the application to obtain a license for establishing the institution. The health service in the Muhafaza studies the file and sends it simultaneously a copy for all the concerned administrations (Urban planning, Environment...) the copies are sent back to the Muhafaza with the opinions. The Muhafaza sends the documentation back to the Health Council for study and approval, then the license is delivered by the Muhafez in case of approval, According to the civil staff interviewed, if the file is complete, the procedure doesn't take more than a month. In consideration of this encouraging practice the TFSBR therefore proposes the following:

- The TFSBR considers a relevant achievement the attribution of responsibilities to the Muhafaza for licensing classified institutions as a step towards constructive decentralization of services. To this effect it recommends to improve the functioning of the technical services responsible to provide support in the decision-making processes established to provide the licensing here under review.
- The Health Council in the Muhafaza responsible for processing the licenses does not seem to be the most appropriate institution to deal with this procedure. An organ with broader and clearer mandate is deemed to be required in order to effectively carry out the licensing procedures. A High Council or a High Committee for licensing classified institutions from the 1st and 2nd category formed by representatives from: the Ministry of Health, the Ministry of Industry, the Ministry of Social Affairs, the Ministry of Labor, the Ministry of Electric and Hydraulic Resources, the

Ministry of Agriculture, the Ministry of Environment and the General Directorate for Urban Planning; is to be established and regularly convened.

- We therefore have two suggestions for defining the role of the high council:
 - The first suggestion is to make the muhafez obligated by the opinion of the high council. When the high council votes for approving or not the issuing of the license, the muhafez is a member of the high council who votes with the other members. In case of approval, he certifies the decision and/or signs it. In case the issuing of the license is rejected, he rejects it.
 - The second suggestion is for the high council to have an advisory opinion. After the return of the delegates with the opinions of their respective ministries (within the defined time limit) concerning the procedure, they give an advisory opinion for the muhafez who is not obligated by it. In the end, he is the one who decides whether or not to issue the license.

The TFSBR prefers the first suggestion since it is more effective and gives a meaning to the role and technical opinion of the members of the council who are acting on behalf of the Public interest. The TFSBR feels that a simply advisory role for the Council without any mandatory capacity attributed to its decisions is an unnecessary administrative burden with limited meaning and effectiveness in terms of protection of Public interests.

- The "Council" (or Committee) is to be chaired by the Muhafez. The participation of one representative from the Municipality concerned with the licensing of a classified institution is to be ensured. The participation of representatives from the Ministry of Interior is not considered to be necessary due to the exclusively technical role assigned to such Council (Committee). The participation of the Ministry of Interior would not add any technical quality to the work of control and inspection of the other members of the Council.
- The Health council as such won't have a role any more so an amendment of the Law (Decree Law n° 9259) will be required in order to reorganise it. Consequently, an amendment of the decree law (Decree Law n°116 date 12/6/1959) establishing the "Council"

along with the setting of tasks and appropriate rules and procedures will be needed.

- The screening and decision of the Ministry of environment are to be made mandatory and the consequent clearance from such Ministry a condition "sine qua non" for the issuing of the license.
- It is recommended that the Council' main function as a secretariat for the Muhafaz who is to be recognized as the legal issuer of the license.
- It is also recommended that the role of the Council be that of assessing the applications for establishing the classified institutions, referring for specific processing to the respective ministries and departments concerned with this type of licensing, providing the appropriate technical support and approval for the clearance (Phase 1) inspecting the completed establishments and providing the technical opinion for licensing (Phase 2)
- Decisions within the high council are to be taken by Simple Majority for every procedure, in order to prevent from the Muhafez's eventual arbitrary decisions and to guarantee the approval of more than one administration on the procedure on condition that the required technical conditions are respected. Every rejection must be justified.

3. Proposals for Procedural Simplification:

The TFSBR proposes to introduce the following elements of procedural simplification:

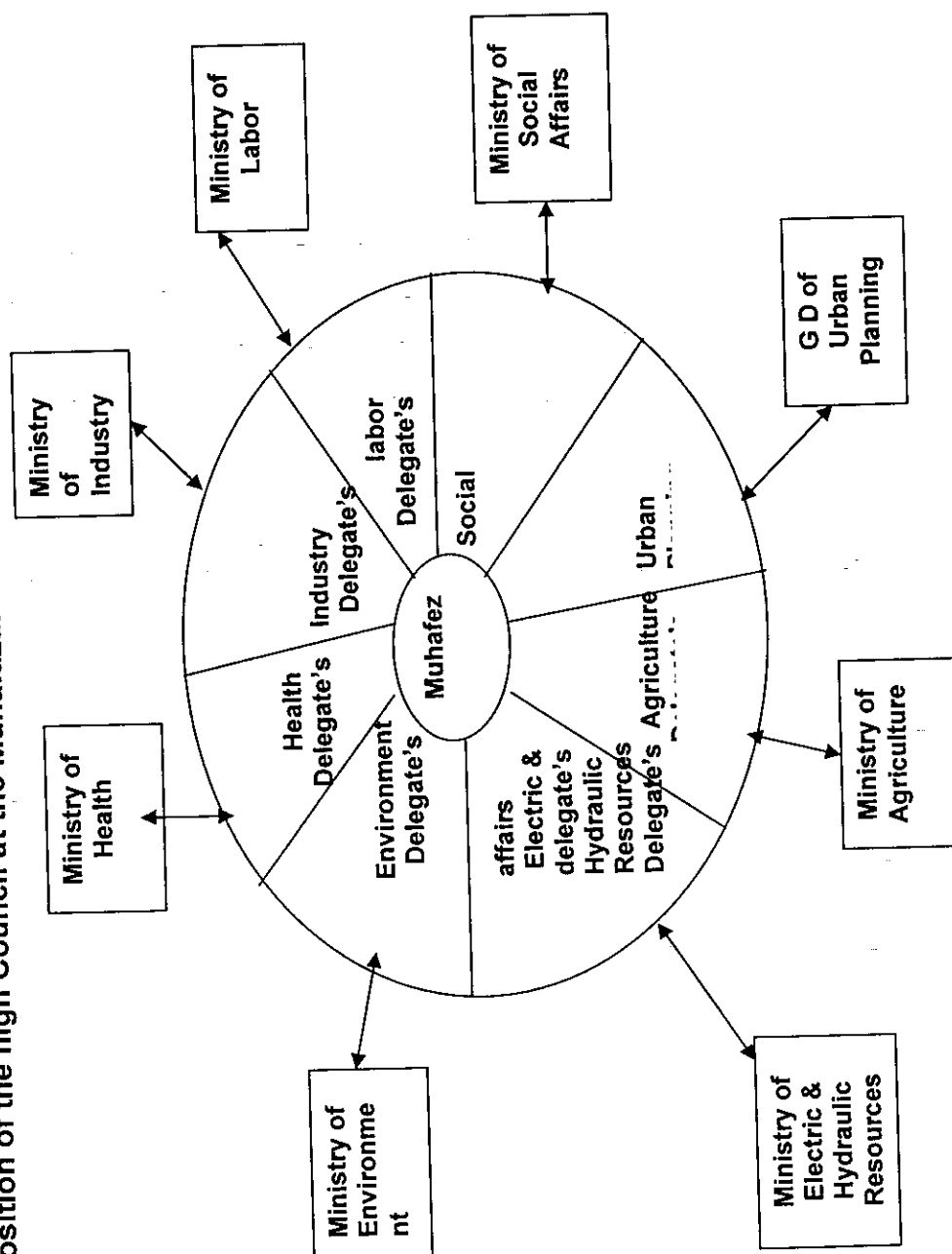
- Only one single final license mainly concerning the terms and conditions for the operations of the classified institutions is to be issued.
- The current license to establish the institution is to be substituted by a preliminary clearance to start the works inclusive of the approval of the layout of equipment and other conditions for the health and environmental safety.
- A clearance from the competent authority may be obtained even in absence of premises, which need to be built. In this event a construction permits is to be requested and included as part of the clearance to establish the institution. Consequently the citizen starts the execution of the works according to the delivered clearance.

- Upon completion of the works of construction or refurbishment or rehabilitation of the premises the citizen informs the Muhafaza that the execution of the works is over so he presents a request to obtain the license to operate the classified institution.
- The High council issues a decision for sending experts in order for them to make sure that the execution of works, was conform to the terms indicated in the clearance previously issued
- After the conformity of the execution of the works is checked, a license to operate the classified institution is issued.

This procedural approach needs some adjustments in the institutional setting responsible for the administrative work leading to the licensing. In particular normative and institutional adjustments are recommended. Such changes can be contained within the limits of simple amendments of the existing regulations. Above all:

- a) The "Council" should have the authority to deal with the classified institutions from the 1st and 2nd categories.
- b) The most concerned Ministries (especially Industry) should be members of the "Councils".
- c) No new laws, which would modify substantially the present institutional responsibilities, should be written. Instead, appropriate amendments to the existing regulations should be introduced for the purpose of increasing the technical character of the "Councils", involving ministries so far excluded (i.e. industry) and limiting the not strictly technical role of others (i.e. Interior). This containment of new normative production would contribute to overall simplification by avoiding regulatory inflation and regulatory pollution.
- d) The clearance from the Ministry of Environment to become mandatory.

Chart: composition of the high Council at the Muhafaza:



4. Considerations concerning the normative framework and proposals for its simplification

The TFSBR finds that the normative definition of the procedure setting the roles and responsibilities of the different offices of the Public Administration concerned with this procedure is inadequate.

On the one hand there is no specific and detailed regulation establishing how the procedure is supposed to articulate, the mandatory steps to be undertaken by each participant agency and the margins of discretionary power attributed to both the Muhafez and the Health Council.

On the other hand there is a sequel of portions of different regulations governing the functioning of ministries and other administrative offices indicating that they may have a role in the procedure here under review.

The TFSBR feels confident in saying that the existing way of defining the role of technical departments in the licensing process is inadequately regulated, thus leaving a broad margin of discretionary power to the Muhafez. . There is no evidence confirming that the procedure is to articulate as portrayed in the chart 1(p 10). It is possible to affirm that there is a latent regulatory vacuum and uncertainty about the applicable standards and procedure that is why the whole procedure needs to be re-regulated.

The TFSBR considers of paramount importance the definition of the role and responsibilities of the technical departments in this licensing process as well as the obligatory steps and technical clearances needed for the various types of classified institutions. The whole matter needs to be revised with the objective of setting order and transparency in the procedure.

The TFSBR therefore strongly recommends to consolidate all existing rules contained in the above listed regulations into a single normative Act with the intention not of subverting the existing order or reinventing new procedural options but to rationalize the procedure itself. This would result in more consistent requirements and certainty about the applicable rules, transparent management of the procedure, and reduced discretionary decisions.

5. Recommended Delays and time frame for the management of the procedure

The procedure as implemented now is estimated to last between 2 and 3 Months. Such lengthy delay, thanks to the simplification proposed in this

report can be contained within a much shorter period of time. The procedure, for Phase 1 (Clearance to authorize the establishment of a classified institution) can be managed within a maximum delay of 30 working days.

The applications should be submitted to the Mohafazah every 10th of the month. The "Council" should be convened every 20th of the month, after having examined the submitted documentation, to express an opinion on the opportunity to issue or not a clearance to establish a classified institution. During such session it may be decided to request further information and documentation from the applicant or the competent ministries. In this case the "Council" should postpone the decision for a maximum of 30 days. Only when all possible technical issues are clarified (within no more than 30 days from the first meeting of the Council) the clearance is to be issued to the applicant.

The rule of Silent consent should be applicable to this procedure. In case no reply would reach the applicant within 60 days from the date of submission of the application to the Mohafazah, the clearance (completion of Phase 1 of the procedure) is to be considered as granted. The issuing authority however may exercise the administrative and technical controls any time during the execution of the works needed to establish the institution and revoke the clearance till verified compliance with the administrative and technical standards set for the establishment of classified institutions.

Suggestions for amending the procedure of the Classified Institutions

Actions Requiring Ministerial Regulatory Initiative	Actions requiring council of Minister's Decision	Actions Requiring Legislative initiative
<p><u>Delays</u> The competent authority should issue a ministerial decision stating the Delays that should be respected as far as the classified institutions are concerned. The procedure, for Phase 1 (Clearance to authorize the establishment of a classified institution) can be managed within a maximum delay of 30 working days.</p>	<p>1. <u>Obtaining the License:</u></p> <ul style="list-style-type: none"> ▪ Amend the Decree Law n°21/L date 22/7/1932 in order to establish a common basic procedure responding to common procedural phases and steps, and standard documentary requirements. ▪ Amend the Decree Law n° 1119 date 4/11/1936 in its art 1 and 14 about the license to establish the classified institution (art1) and the license to operate it (art 14) in order to merge the different processes which are currently leading to two separate licenses (to establish and to operate) into a single one where The current license to establish the institution is to be substituted by a preliminary clearance to start the works inclusive of the approval of the layout of equipment and other conditions for the health and environmental safety. The authorization to establish includes a provisional license also to operate till verified compliance with all standards set by law, then the License is delivered. 	<p>Consolidate all existing rules contained in the report (the listed regulations) into a single normative Act with the intention not of subverting the existing order or reinventing new procedural options but to rationalize the procedure itself. This would result in more consistent requirements and certainty about the applicable rules, transparent management of the procedure, and reduced discretionary decisions.</p>

	<p>2. <u>Creation of the High council:</u></p> <ul style="list-style-type: none"> ▪ Amend the Decree law n°9259 date 16/5/1955 and its amendment in order to reorganise the Health Council because it won't have a role any more. ▪ Amendment of the Decree law n°116 date 12/6/1959 in order to make the Decision of the council mandatory to the Muhafez (if its decision is mandatory) & reorganizing the "Health Council" along with the setting of tasks and appropriate rules and procedures will be needed, it will be a for licensing the classified institutions from the 1st & 2nd category formed by representatives from: the Ministry of Health, the Ministry of Industry, the Ministry of Social Affairs, the Ministry of Labor, the Ministry of Electric and Hydraulic Resources, the Ministry of Agriculture, the Ministry of Environment and the General Directorate for Urban Planning. 	
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	<p>3. Required documents:</p> <ul style="list-style-type: none"> ▪ Amend the Decree Law n° 1119 date 4/11/1936 by introducing the pre-printed multipurpose Application Form to proceed to inspection of the institution inclusive of: <ul style="list-style-type: none"> - Address of the institution. - Reference of authorization to establish. - Declaration that the construction of the institution was finished and reference to the issued construction permit from Municipality - Request to confirm the authorization to operate. ▪ There has to be an agreement between the ministries in order to have a permission to go through and exchange the essential required documents in the classified institutions file such as: <ul style="list-style-type: none"> - The planning and easement certificate. - Copy of the construction permit, 	<p style="text-align: right;"> Republic of Lebanon Office of the Minister of State for Administrative Reform Center for Public Sector Projects and Studies (C.P.S.P.S.) </p>
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	When the premises are already in place.	
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