

This new newsletter will provide monthly updates on aid to Lebanon, both loans and grants, and information regarding aid policy, mobilization and donor coordination. The Aid Coordination Newsletter is issued by the Donor Coordination Unit at the Ministry of Finance to increase transparency and enhance communication with donors and national stakeholders by making public all available information.

COM approves \$20 million project grant from Turkey

On October 27, the Council of Ministers approved a grant of Turkey to Lebanon of \$20 million for building a hospital specialized in dealing with war injuries. The Council for Development and Reconstruction will sign a memorandum of understanding with the Turkish Government on behalf of Lebanon. The hospital is expected to be built in Saïda.

Slovenia grants €100,000 to the Lebanese Government

On October 31, Slovenia transferred a grant of €100,000 to the Lebanese Government for budget support, thereby fulfilling its Paris III pledge.

UAE transferred \$200 million to the Lebanese Government

On November 7, the first tranche of \$100 million was received from the UAE. The second tranche of \$100 million was transferred on November 29, 2007. These transfers are part of a soft loan of \$300 million pledged at the Paris III Conference.

Kuwaiti Fund for Arab Economic Development and CDR sign agreements worth \$60 million

On November 8, the Kuwaiti Fund and CDR signed agreements to fund 13 projects worth \$60 million. These agreements are part of a grant of \$300 million from Kuwait to Lebanon, made after the July 2006 war, and include infrastructure and economic development projects.

France and the Ministry of Social Affairs sign protocol in the amount of €500,000

On November 8, France and Minister of Social Affairs, on behalf of the Lebanese Government, signed protocol agreement to create a Social Development Fund for an amount of €500,000 to accompany civil society initiatives and provide support to six socio-economic projects in rural areas of South Lebanon.

COM approves a new AFD Group establishment agreement

On November 10, the Council of Ministers approved a new establishment agreement for the Agence Française de Développement Group which covers PROPARCO in addition to the Agence Française de Développement. The agreement allows PROPARCO to provide credit to the private sector in Lebanon. PROPARCO is a development finance institution specializing in capital investment, loans and guarantees. This agreement replaces the previous one signed in 1999 which included only Agence Française de Développement.

Italy and CDR signed cooperation agreements for 69 million Euros

On November 19, Italy and CDR signed two Cooperation Agreements. The first agreement is for a soft loan of €39 million to finance a five-year project for the construction of a wastewater treatment plant and associated collection network in the caza (district) of Jbeil. The second agreement is for a €30 million grant pledged in Paris III. The grant will be allocated as follows: €10 million for three specific projects with the Lebanese Government; €10 million for projects undertaken by UN agencies; €1 million for technical assistance; and, €9 million to re-finance, for one additional year, the ROSS Program managed the Italian Embassy.

Oman and the Ministry of Finance signed grant agreement for \$10 million

On November 27, Oman signed a grant agreement with the Ministry of Finance – acting on behalf of the Lebanese Government – for \$10 million. The grant is for debt reduction and fulfils Oman's pledge made at the Paris III Conference.

Agence Française de Développement and CDR sign a grant agreement for €500,000

On November 28, grant agreement signed between CDR and AFD in favor of Department of Antiquities for an amount of €500,000.

Update on Aid Monitoring and Reporting System at the Ministry of Finance

After completion of the financial reporting requirements and the Request for Proposals, the Ministry of Finance launched a "Request for Expression of Interest (EOI)" to competitively identify a vendor for developing an aid monitoring and reporting system. The deadline to receive EOIs was November 29, 2007. Following an evaluation of submitted EOIs, the best qualified vendor will be provided with the RFP and the terms of reference to this assignment. Vendors will be selected in accordance with the World Bank procedures based on "Consultants' Qualifications".



For further information please contact:

Ministry of Finance

UNDP Project

Tel: 961 1 981057/8

Fax: 961 1 981059

E-mail: infocenter@finance.gov.lb

Website: www.finance.gov.lb