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1. BACKGROUND INFORMATION

1.1. Beneficiary country

Lebanon

1.2. Contracting Authority

Presidency of the Council of Ministers through the Programme Administration Office

1.3. Relevant country background

Since the 1975-90 civil war, Lebanon has rebuilt much of its physical and financial infrastructure by borrowing heavily, mostly from domestic banks. Since then, attempts to reduce the ballooning national debt stalled and public debt continued to grow. Domestic stability rests on the fragile political system split along confessional lines and the country lies at the crossroads of regional tensions. Political authority and office in Lebanon is subject to a complex power sharing system. In 2005, following the assassination of the Prime Minister Rafiq Hariri, the 2006 conflict which led to a period of instability, donors met in January 2007 at the Paris-III Donors Conference ("Paris III") and pledged more than US\$7.5 billion to Lebanon for development projects and budget support, conditioned on progress on Beirut's fiscal reform and privatization program.

Since then, the Paris-III reform agenda has served as a road map for the Lebanese political reforms. However, even though the Paris-III reforms were endorsed by the government, the following 18-month political stalemate and sporadic sectarian and political violence hampered economic activity until the new government was formed in July 2008. To date implementation of the Paris III reform agenda remains below expectations and has not always steered the action of the Government. On the other hand, the July 2011 policy statement of the current government, which gained the Parliament's vote of confidence during the same month, stressed its commitment to this agenda in the frame of the sector policies that will be proposed by the various ministries, leaving hereby the door open to possible reviews. It is also focused on the provision of power for all, addressing traffic problems, promoting water conservation and environmental protection. This is planned to be realised by developing the physical, institutional and legal infrastructure, improving the level of effectiveness of public services and launching sustainable investment programs.

There is room for improvement regarding the macroeconomic situation. As a result of the political and public finance reform standstill, Lebanon stands among the world's most indebted middle-income countries with a debt-to-GDP ratio of 146% in 2009, down from a peak 180% of GDP at the end of 2006, excluding payment arrears and the debt of the Central Bank. Despite the modest improvement in public finances, which is associated with the positive growth rates, the debt relative to GDP is expected to remain at around 124% of GDP in 2013 due to the interest payments on the debt (World Bank 2010). Debt service, civil service salaries and subsidies to the electricity sector account for almost all public expenditures leaving little room for spending for essential social services and public investment, a large part of which is supplied by external aid. In the last decade, progress on the Public Finance Management reforms has been slow. Planned reforms to stabilise the fiscal situation rest on shaky grounds as any negative external economic shock or a deterioration of the political environment can reverse the economic achievements, reducing the growth rate, as well as the deficit reduction measures.

Tourism, banking and construction will remain the key drivers of growth. Tourism indirectly supports about one-quarter of jobs and generates much of the demand that supports the booming construction sector. The main risks stem from the political and security situation, which will also deter the long-term investment in the broader range of economic activities that is required to ensure a more balanced growth path. There are questions about the quality of official GDP data, and timely economic

indicators outside the three key sectors are in short supply. The IMF has forecasted 2010 real GDP growth of 8%, similar to the average over the past three years, which is one of the best performances in the region.

The social situation remains characterised by high inequalities. The Human Development Index (HDI) of 2011 is 0.739 giving Lebanon a ranking of 71 out of 187 countries. According to the 2004-05 Living Conditions and Household Survey and the studies based on it, 28.5% of the Lebanese population lives under the poverty line (USD 4 per capita per day), with 8% living below the extreme poverty line (USD 2.4 per capita per day). Poverty in Lebanon has a strong regional dimension: while Beirut had a rate of extreme poverty of less than 1% in 2004, the share was much larger in the Bekaa (10.8%), the South (11.6%) and the North (17.8%).

1.4. Current state of affairs in the relevant sector

The combination of economic growth, recent conflicts, lack of reform and political standstill is taking a toll on environment. Lebanon is becoming more arid, largely because of poor environmental protection and a gradually warming climate. As a result, there has been an increase in the number of summer forest fires and water shortages. In addition, large-scale, unregulated quarrying is a problem in some areas. The growing number of cars on the road affects air quality (particularly in Beirut), as do a number of archaic industrial plants, with the UN placing Lebanon in the highest risk category for lead poisoning. Unregulated solid waste management and the disposal of sewage and industrial effluents into the sea are common practices. Other sources of marine pollution also include industrial effluents, excessive levels of nutrients and agro-chemical with irrigation waters. According to the Ministry of Environment, the state loses up to US\$ 500 million to pollution annually, US\$ 100 million of which is due to climate change, with the tourism, health and agriculture sectors most affected by the losses. The reform agenda presented by the Lebanese government at the Paris-III of January 2006 did not emphasize environmental concerns in proportion with the current needs. However, the July 2011 policy statement of the current government brings environmental concerns to the political forefront and at the highest political level.

A number of laws, decrees and ministerial decisions govern environmental management in Lebanon. Chief among them are the laws and decrees establishing the Ministry of Environment (216/1993). This law was first amended by law 667/1997 that reviewed the Ministry of Environment mandate and suggested the establishment the National Environmental Council. These laws were fully revised through the Environmental Protection Law (444/2002) that sets (i) a code for the protection of the Environment that represents a legal framework and (ii) principles based on the concept that the right to a healthy environment is a basic human right, and that the protection of the environment is a public interest issue. The mandate and organization of the Ministry was subsequently revised again by laws 690/2005 and 2275/2009 that suggested new central and regional set up and mandates. At the same time, Lebanon has made significant advances on the road to full compliance with binding international legislation related to the Environment.

In September 2011, the Ministry of Environment presented a 3-pillar work plan for the years 2011-2013 under the following slogan “The Political Environment at the Service of Environmental Policy”. According to the plan, the favourable Political Environment is synonymous of a “Strong, transparent, fair, multi-partner and educating Ministry of Environment” (pillar #1). The Environmental Policy is viewed from two angles: strictness in conserving the natural wealth of Lebanon (pillar #2) and management of environmental risks through prevention and remediation (pillar #3).

In spite of these efforts and significant advances on both the institutional and legal framework, considerable **legal, institutional, technical and financial challenges** remain to be taken up, in particular:

- There is lack of clarity and consistency in legal and regulatory texts. Other sector-specific legislations are fragmented, pending approval and sometimes outdated.

- With regards to the law and institutional framework pertaining to environmental management and protection, roles and responsibilities of the various ministries and government institutions at the administrative level are not clearly defined.
- Most ministries (including the Ministry of Environment) do not conform to their latest legislation in terms of reorganization, decentralization, departmental function and services as well as staffing.
- From the financial prospective, different barriers still impede the implementation for sustainable environmental measures including greening the fiscal system and regulation on the green economy.
- With poor monitoring capabilities and inadequate budget provisions, little of the enforcement function can be performed.

As a result, pressures on Lebanon's natural resources continue to mount due to unchecked urban sprawl fuelled by the lack of adequate urban planning and land use management, speculation, air pollution, poor treatment of wastewater and unresolved management of municipal solid waste.

1.5. Related programmes and other donor activities:

The present project (Support to Reforms – Environmental Governance StREG) is designed based on an exhaustive overview of the various programmes that have been implemented by the Ministry of Environment, together with development partners and line ministries (many of which can be checked on the website of the Ministry of Environment). It specifically complements the following key current initiatives (not exhaustive):

- In the field of environmental law: a small initiative by the United Nations Development Program in coordination with the Ministry of Justice on “rapid assessment for the establishment of an environmental police”, which ended in 2011.
- In the field of environmental administration: a €2.5 million Programme funded by the Italian Cooperation for Ministry of Environment capacity strengthening (both human resources and technical capacity) through twinning, implemented over the 2010-2011 period (extended to 2012), in the framework of the “Integrated Waste Management of Baalbeck Caza” Programme.
- In the field of environmental finance: a task force on “Sustainable Energy Strategy” coordinated by the Ministry of Finance with the participation of the Ministry of Energy and Water, the Ministry of Environment and the Central Bank.
- In the field of environmental policy-making: the second phase of the GIZ Environmental Fund for Lebanon (2010-2012) with a € 4 million grant to mitigate environmental risks on municipal level.

This project will build on all the experiences above and will be a continuation of all of them. The donors working group that has been set up, and managed by the MoE since 2010, will be used as an opportunity to streamline all the initiatives. The institutional set-up of the StREG has been deliberately "embedded" within Government institutional and administrative structures to ensure a better coordination amongst these initiatives and secure sustainable results (see details of the StREG design in section 4).

2. OBJECTIVE, PURPOSE & EXPECTED RESULTS

2.1. Overall objective

The overall objective of the project of which this contract will be a part is as follows:

The **global objective** is to improve the environmental performance of the Lebanese public sector through reforming environmental governance.

The **specific objective** is to create effective capacity specifically at the Ministry of Environment to plan and execute environmental policy, including enforcement and mainstreaming by coordinating with key line-ministries.

2.2. Purpose

The purpose of this contract is to provide the Technical Assistance Team (TAT) that will assist the Supervisor (the Ministry of Environment) in the implementation of the StREG, including the provision of:

1. Technical expertise tasks;
2. Administrative, preparatory and ancillary tasks relating to planning, monitoring, reporting on Programme components. The Technical Assistance Team will also be involved in the development of Terms of References or technical specifications for the procurement of expertise and goods for the project.

2.3. Results to be achieved by the Consultant

The expected results are on the four complementary fronts: **legal, administrative, financial and technical**:

1. **Environmental inspection and enforcement strengthened** through the identification of weaknesses of the current system, the drafting of new inspection and enforcement procedures, the training of key stakeholders (existing and newly recruited staff in particular) as well as assistance in the first phase of implementation of the new procedures.
2. **Ministry of Environment administrative capacity improved** through the establishment of Ministry of Environment regional departments and development of related work mandate, procedures and cooperation modalities with the Governorates as well as the upgrade of the management system at the Ministry of Environment (workflow, archive and equipment inventory).
3. **Environmental fiscal instruments developed and submitted to the Council of Ministers by the Ministry of environment** through the identification of suitable instruments (including but not limited to Clean Development Mechanisms, Climate Investment Fund, etc.) and development of a priority action plan for the introduction of these instruments in the legislative process.

4. **Environmental policy enhanced** through updating of the National Environmental Action Plan¹ and initiating the mainstreaming of environmental policies (which will have a direct impact on priority issues of the Ministry of Environment and the environment sector at large, such as the sustainable management of land, the protection of air quality, solid waste management, etc.), as well as equipping the Inter-Ministerial Climate Change Coordination Unit with a mitigation and adaptation action plan.

3. ASSUMPTIONS & RISKS

3.1. Assumptions underlying the project intervention

- A general assumption in Lebanon is a stable security and political situation during the project implementation.
- It is also assumed that the framework in which the actual government operates keeps the environment at the forefront.
- Ownership to the project is assumed to be ensured by the fact that the project is included in the action plan of the Ministry of Environment, which has consultation and mainstreaming as one basic aspect. It is therefore critical to properly undertake this coordination, which will contribute to an overall consensus and awareness among stakeholders, guaranteeing support in the longer term.
- Finally, it is also assumed that strengthening the capacity of the Ministry of Environment will contribute to the preparation of the environment sector for more innovating approaches by donors in the future like sector support, which in turn will ensure better sustainability.

3.2. Risks

The risks that could face the project if the assumptions above fail are the following:

- Resources are not reallocated in concerned Ministries;
- Internet and other communication means are not made available at the Mohafazats;
- Joint working groups between different ministries are not set up;
- The Council of Ministers does not approve the recruitment of staff and/or the allocation of the necessary budget.

4. SCOPE OF THE WORK

4.1. General

4.1.1. Project description

The design of the StREG project follows a twofold approach: helping Lebanon to make significant progress towards the implementation of the EU-Lebanon Action Plan as well as the Ministry of Environment Programme in line with the 2011 Ministerial statement.

¹ The 2005 NEAP covered 8 chapters: Population, Water, Wastewater, Solid Waste, Air, Natural Heritage, Land Use, and Transport. The main reasons behind the need for an update are the following:

- Change in the baseline data since 2005; the newly released “State and Trends of the Lebanese Environment” will serve as a basis for updating the NEAP
- Emergence of new sector strategies, e.g.: water and wastewater (expected in final form in 2012); solid waste (Council of Ministers' decision of 1 September 2010); and SDATL (Schéma d'Aménagement du Territoire Libanais) (adopted in 2009)
- Absence of key chapters, such as Energy.

The EU-Lebanon Action Plan, signed in January 2007, includes good environmental governance by strengthening administrative structures and procedures to ensure strategic planning of environmental issues and strengthen administrative capacities for enforcement and inspection. The different sub-committees on "Transport, Energy, and Environment" provided a framework for a deeper dialogue between the EU and Lebanon on environment issues and allowed to define priorities for action. The StREG also builds on the different generations of "Support to Reforms" programmes, focusing on institution building and sector support.

The Government of Lebanon took, through its July 2011 policy statement, a clear strategic choice by bringing the environment to the forefront of its policy. The Ministry of Environment's two year Action Plan (2011-2013) indicates a renewed attention for the sector on the national level.

More specifically, the StREG aims at addressing the main legal, institutional, technical and financial issues raised in section 1.4 above by creating effective capacity in the Ministry of Environment to plan and execute environmental policy, including enforcement and mainstreaming by coordinating with key ministries. The strategic focus of the StREG is "Environmental Reform", which will be tackled simultaneously from four complementary angles, as summarized in the chart below (figure 1) and further detailed in the following section.

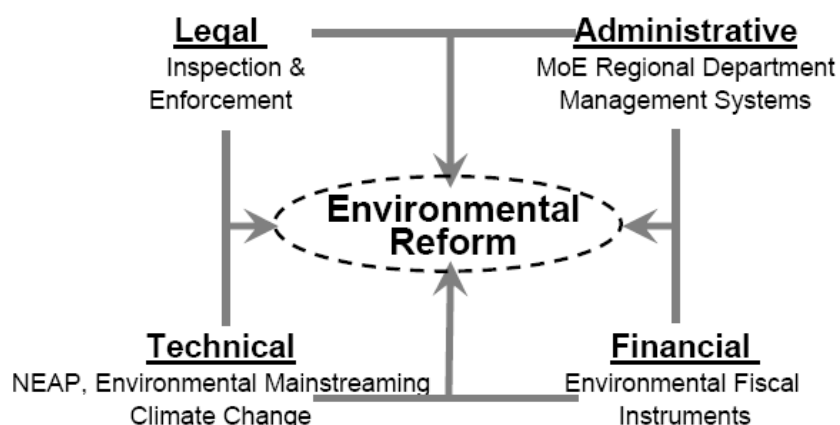


FIGURE 1: Schematic of the "Support to Reform – Environmental Governance Programme"

It is expected that the StREG will have an impact on all 3 pillars identified in the Ministry of Environment Programme as indicated below:

- 1- Pillar 1: Activation of the role of the Ministry of Environment through:
 - Strengthening MoE capacities
 - Clarifying MoE prerogatives
 - Activating environmental compliance
 - Consolidating MoE partnership with the various organizations
 - Promoting environmental education
- 2- Pillar 2: Strictness in conserving the natural wealth of Lebanon
 - Strict application of the quarrying masterplan, including rehabilitation
 - Activation of the national strategy for the management of forest fires
 - Follow up the implementation of the national plan for reforestation towards combating desertification
 - Promotion of natural sites and reserves and biodiversity
 - Activation of the environmental management of water basins
- 3- Pillar 3: Management of environmental risks through prevention and remediation
 - Implementation of policies and plans established for municipal solid waste management

- Support of sanitation projects to ensure the safety of the environment
- Development of an integrated program for abatement of point source pollution
- Planning for urbanization and reducing its environmental implications
- Reconciliation between energy projects and environmental considerations

4.1.2. Geographical area to be covered

The StREG project will benefit the whole Lebanese territory. The central coordination of the project will take place from Beirut where the Ministry of Environment is located.

4.1.3. Target groups

Two categories of stakeholders are concerned:

1. National institutions in charge of policy developments and management of the sector; e.g.:
 - Ministry of Environment, Ministry of Interior and Municipalities, and Ministry of Justice for strengthening inspection and enforcement
 - Ministry of Environment and the Office of the Minister of State for Administrative Reform for administrative quality management
 - Ministry of Environment and Ministry of Finance for environmental fiscal reforms
 - A number of ministries for updating the NEAP
 - The Inter-Ministerial Climate Change Unit
2. Final beneficiaries benefiting from a reliable/transparent environmental legal framework.

4.2. Specific activities

Expected Result 1: Environmental inspection and enforcement strengthened.

It is expected that capacities of the line Ministries (Ministry of Environment and Ministry of Interior and Municipalities in particular) to inspect and investigate environmental offenses under a variety of laws in such areas as cleanliness, prevention of water source and marine pollution, industrial and vehicular pollution, noise pollution, hazardous substances will be beefed up. Dedicated entities will also provide for more effective legal enforcement, especially with regard to the right to detain suspected offenders, carry out judicial orders and seize and confiscate equipment involved in environmental offenses. After agreeing on a new set of procedures for inspection and enforcement, additional officers will be trained. In parallel the technical specifications for the necessary inspection equipment will be prepared; these will be contracted under a separate contract.

Activities:

- Activity 1.1: Study on best regional and international practice and option paper for the joint Ministry of Environment/Ministry of Interior and Municipalities/Ministry of Justice working group;
- Activity 1.2: Draft seven new inspection and enforcement procedures in the sectors of (i) industries; (ii) classified establishments; (iii) quarrying; (iv) hospitals; (v) import of wastes/ goods – customs; (vi) spills/ threat to water sources; (vii) threats to biodiversity through:
 - o the identification of respective roles of Ministry of Environment and Ministry of Interior and Municipalities (and Ministry of Justice) as well as staffing implications;
 - o development of procedures for communication and reporting between line ministries and respective legal responsibilities;
 - o development and implementation of laboratory sampling and testing procedures for better scientific assessment of pollution cases;
- Activity 1.3: In relation to the procedures developed under Activity 1.2, train at least 25 inspectors at the Ministry of Environment and at least 25 inspectors at the Ministry of Interior and

Municipalities and other parties based on the review of European curricula and adaptation to Lebanese conditions;

- Activity 1.4: Identify equipment needs for evidence gathering for Ministry of Environment and Ministry of Interior and Municipalities (such as air quality and noise monitoring equipment, related IT equipment, etc.), prepare the technical specifications for these equipment and support the procurement process if need be, knowing that these equipment will be contracted under a separate contract;
- Activity 1.5: Implement the new set of procedures.

Expected Result 2: Ministry of Environment administrative capacity improved

The goal of this component is to strengthen the administrative capacity of the Ministry of Environment, both at central and regional level to fulfil its duties through improved IT and Management systems. On similar lines to Quality Management Systems (such as ISO 9000 or QBase) or of an Environmental Management System, it is expected that this management system will provide a set of procedures that will streamline operational processes in all the tasks performed by the Ministry of Environment such as (i) improved risk identification and management, (ii) development of pollution prevention tools, (iii) avoiding breaches of local, regional and national environmental laws, and consequent costs, (iv) increased local and export opportunities to some markets around the world. It is also expected that the Ministry of Environment will also be more reactive to any breach of law and will enhance its credibility.

Activities:

- Activity 2.1: Establish Ministry of Environment regional departments through:
 - o devising administrative framework;
 - o developing staff profiles and recruitment selection criteria
 - o developing training needs and training delivery for 25 administrative staff
 - o designing/implementing an IT-based workflow integration for national/regional levels (incl. specification of software and hardware requirements, procurement of software and hardware, development of the system, training on the use and operation of the system).
- Activity 2.2: Upgrade the management system of the Ministry of Environment (workflow, archive and equipment inventory) through:
 - o review and simplification of procedures;
 - o design of the management systems;
 - o specification of software and hardware requirements;
 - o support the procurement of software and hardware equipment if need be, knowing that these will be contracted under a separate contract;
 - o development of the systems;
 - o training on the use and operation of the systems.

Expected Result 3: Environmental fiscal instruments developed and introduced to legislative process

It includes all instruments of fiscal nature meant to provide incentives to shift from environmental harmful activities towards cleaner and more sustainable alternatives. More specifically, this will cover (i) taxes and charges levied on goods directly or indirectly linked to polluting activities as they intend to influence consumer/producer behaviour by setting a price on polluting activity and (ii) subsidies accorded directly or through the tax system to encourage the use of goods with environmentally favourable features. Under this component, a comprehensive review of the prevailing system will be undertaken, and a priority Action Plan will be prepared (included draft legislations). In addition, innovative sources of funding for the Government and line ministries will be identified as they will contribute to generate additional revenues that could be used to promote better environmental practices and behaviour.

Activities:

- Activity 3.1: Identify suitable instruments through the preparation of a background study on environmental fiscal reforms (international and regional experience), including new “innovative” sources of funding from the Ministry of Environment (such as Clean Development Mechanisms, Climate Investment Fund, new market mechanisms, Nationally Appropriate Mitigation Actions (NAMAs), etc.). This study will also include the following:
 - o review of existing legislation and options for reform and amendments proposal to at least two laws: taxes and social security;
 - o preparation of a financial and environmental benefit analysis of the various options to be presented to a Ministry of Environment and Ministry of Finance working group;
- Activity 3.2: Develop a priority action plan for the introduction of these instruments in the legislative process through assistance in drafting the Action Plan.

Expected Result 4: Environmental policy enhanced

This component will aim at completing and/or updating the existing policy and legal framework regarding environmental policy. It specifically relates to the incorporation of environmental costs into decision making and to the use of economic instruments and policies to pursue sustainable development through the incorporation of environmental costs in the decisions of producers and consumers, in economic activities to reverse the tendency to treat environment as a 'free good'. This will also include, wherever appropriate, the use of market principles in the framing of economic instruments and policies to pursue sustainable development. In that respect, the revision, update of the existing National Environmental Action Plan (NEAP) will be instrumental in achieving these objectives. In addition, a broad dissemination of findings, existing tools, good practices both at all national (e.g. line ministries, Inter-Ministerial Climate Change Coordination Unit) and regional (e.g. Municipalities) will also be undertaken under this component.

Activities:

- Activity 4.1: Update the draft National Environmental Action Plan (which will have a direct impact on priority issues for the Ministry of Environment and the environment sector at large, such as the sustainable management of land, the protection of air quality, solid waste management, etc.) based on:
 - o synopsis of existing draft NEAP;
 - o preparation of a background paper on latest environmental policies trends (international and regional);
 - o inventory of reports, studies etc. issued between 2005 and 2012;
 - o provision of support to national hearings/stakeholder consultations;
 - o revision of NEAP chapters - including update of baseline data;
 - o publication and dissemination to relevant stakeholders (Public/Private, Chamber of Commerce, Municipalities, Universities...etc).
- Activity 4.2: Initiate the mainstreaming of environmental policy (with at least 10 sectors concerned: Energy and Water, Public Works and Transport, Industry, Agriculture, Tourism, CDR, Finance, Justice, Interior and Municipalities, Public Health), through:
 - o assistance to line ministries in transposing NEAP priorities to Action Plans
 - o development of a toolkit for municipalities for promoting sustainable development.
- Activity 4.3: Equip the Inter-Ministerial Climate Change Coordination Unit with a mitigation and adaptation action plan (with at least 5 sectors are concerned: Energy and Water, Public Works and Transport, Industry, Agriculture, Tourism), based on:
 - o review and analysis of mitigation options;
 - o review and analysis of adaptation options;
 - o economic analysis, including investment needs and international support mechanisms
- Activity 4.4 (optional): On the UNFCCC related carbon mechanisms (CDM PoAs, post CDMs New Market Mechanisms, NAMAs, etc) the role of the Ministry of Environment, which has been designated as the Designated National Authority, could be tuned into a catalyst of:
 - o awareness raising and capacity development;

- projects development facilitation by providing up to date pertinent information, advice, contacts, publication of updated information;
- assistance and support role for the development of public carbon financing;
- international resources mobilization for national capacity building in new market mechanisms;
- preparation of bankable prioritised NAMAs, and creation of NAMA registry at MoE.

The Consultant shall propose a scheme to optimize sustainability based on the following:

- For many of the activities, their nature guarantees sustainability e.g. activities which entail the formulation of draft laws, decrees, decisions or those which deal with establishing new units/structures or developing new management systems.
- For the remaining activities, sustainability should be secured through an increase of human and financial resources allocated to the Ministry of Environment

The Consultant shall also ensure proper dissemination of all activities by promoting the project's activities, ensuring that information reaches out the largest and most relevant possible population. This includes but is not restricted to the establishment of a communication and visibility action plan, contracting visibility/communication expertise, organisation of workshop, seminars, etc. The Communication and Visibility Manual for EC External Actions should be followed at all times

4.3. Project management

4.3.1. Responsible body

The Contracting Authority shall be the Presidency of the Council of Ministers (PCM) and on its behalf, the Project Administration Office (PAO). The final beneficiary and Project Manager shall be the Ministry of Environment who will be responsible for managing and monitoring the implementation of the project on behalf of the Contracting Authority.

4.3.2. Management structure

The PAO will support the day-to-day coordination as well as administrative, contractual and financial management on behalf of the Presidency of Council of Ministers, while the implementation of the project will be carried out by the Ministry of Environment to ensure ownership.

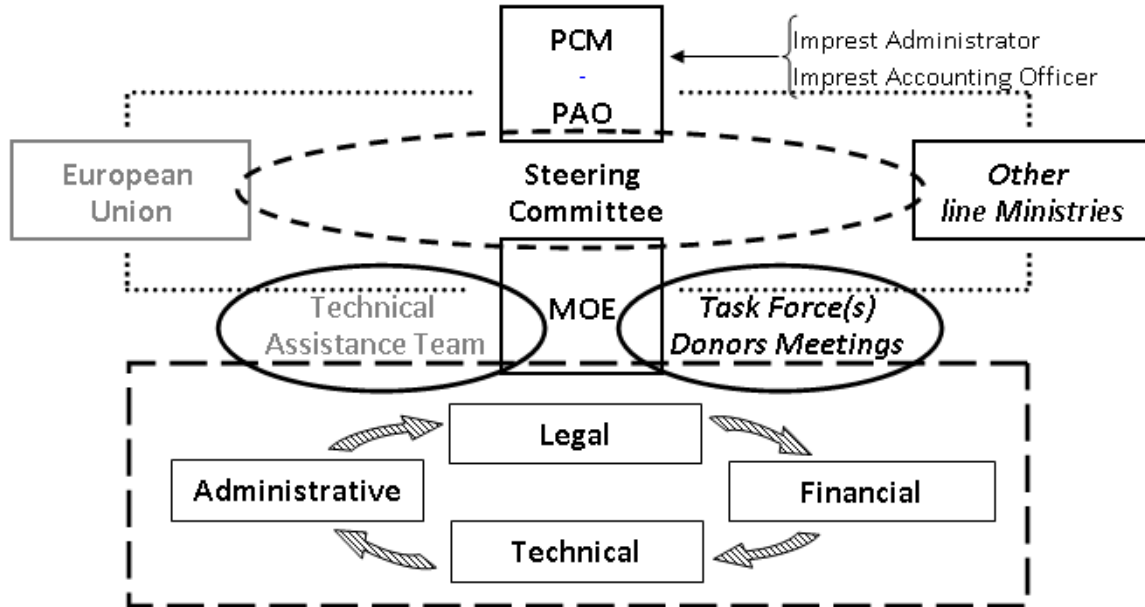
The Programme implementation will be overseen by a Steering Committee chaired by the Ministry of Environment who will ensure the secretariat work as well. The steering committee is set up to oversee and validate the overall direction and policy of the project. It shall meet on a bi-annual basis. It shall be responsible for verifying the proposed programme drawn up by the Technical Assistance Team and supervising the project' implementation. It shall provide guidance and policy direction to the project and will be chaired by the Programme Administration Office. The Steering Committee shall have a consultative and supervisory role and ensure the overall direction of the Programme.

The Project steering committee shall be made up of:

- The Ministry of Environment (chair) represented by the Minister of Environment or his/her representative;
- A representative of the Presidency of the Council of Ministers (co-chair);
- A representative of the Ministry of Interior and Municipalities;
- A representative of the Ministry of Justice;
- A representative of the Ministry of Finance;
- A representative of the Ministry of State for Administrative Reforms or an OMSAR representative;
- The Head of the EU Delegation or his representative (as observer);
- Representative(s) of other major stakeholder(s), including the representatives of the broader civil society;

- Representatives of supervisory or control bodies with a regular statutory involvement in the Programme may also sit on the Project Steering committee;
- A representative of the Consultant.

In function of the agenda other stakeholders may be invited. The overall project management set up is presented below:



4.3.3. Facilities to be provided by the Contracting Authority and/or other parties

The experts will be located in the premises of the beneficiary body in order to ensure a high-level of day-to-day interaction. The Beneficiary will provide for adequate office space, including office furniture of a reasonable standard, access to (but not the user costs of) international telephone lines and internet connections, in order to accommodate the key experts, the short-term experts, and the support staff of the project.

The Consultant may undertake to place some of the experts at other places, such as the premises of sub-beneficiaries, in consultation with the Beneficiary.

5. LOGISTICS AND TIMING

5.1. Location

The StREG programme will benefit the whole Lebanese territory. The central coordination of the Programme will take place from Beirut where the Ministry of Environment is located.

Key experts may carry out missions to other parts of the country.

5.2. Commencement date & Period of implementation of tasks

The intended commencement date is April 2013 and the period of implementation of the contract will be 36 months from this date. Please refer to Articles 4 and 5 of the Special Conditions for the actual commencement date and period of implementation.

6. REQUIREMENTS

6.1. Personnel

6.1.1. Key experts

All experts who have a crucial role in implementing the contract are referred to as key experts. The profiles of the key experts for this contract are as follows:

Key expert 1: Team Leader (726 working days)

Tasks:

- Planning of activities and inputs of key-experts and non-key experts, coordination of tasks and responsibilities between experts, monitoring technical outputs of experts;
- Support to the promotion of the project objectives and communication in coordination with the Minister's office;
- Timely reporting as required by the present contract;
- Supervision of administrative, financial and logistic support of the project, as far as they are related to the tasks of the Consultant and coordinating them with the daily work of the Ministry of Environment;
- Providing advice and guidance to the services, departments and units of the Ministry of Environment on a day-to-day basis on environmental policy and legislation, management and administration, in line with EU best practices;

Qualifications and skills

- Education: Masters degree in environment (engineering or sciences or economics or law-policy);
- Language Requirements: English (French and/or Arabic are assets), good reporting skills (writing);
- Communication: Proven strong communication skills and ability to communicate with people at all levels;
- Computer literacy: text processing tools, spread sheet tools, financial and planning tools.

General professional experience

- Minimum 15 years of experience in environmental management, either with the public sector and/or private sector organizations and/or international organizations and/or civil society organizations;
- Team leader for at least 1 equivalent project (topic, duration, budget).

Specific professional experience

- Experience as team leader in at least one EU funded project or funded by a similar international organisation;
- Past experience in the regions an asset.
- Experience in EU projects is an asset.

Key expert 2: Quality Management Expert (726 working days)

Tasks:

Implementation of activities related to improving administrative capacity (activities 2.1 and 2.2)

Qualifications and skills

- Education: Masters degree in public administration or management systems or business administration;
- Language Requirements: English and Arabic (French is an asset), good reporting skills;

- Communication: Proven strong communication skills and ability to communicate with people at all levels;
- Computer literacy: text processing tools, spread sheet tools;

General professional experience

- Minimum of 10 years of experience in management systems, preferably with the public sector and/or private sector and/or international organizations and/or civil society organizations;
- Contributed to projects dealing with quality management system, work flow, archiving, equipment inventory and management, intra and extranet communication.

Specific professional experience

- Past experience in the region is required;

Key expert 3: Environmental Policy Expert (726 working days)

Tasks:

Implementation of activities related to enhancing environmental policy (activities 4.1 - 4.4) and support to activities related to strengthening inspection and enforcement (activities 1.1 - 1.5).

Qualifications and skills

- Education: Masters degree in environmental policy-making or environmental management or environmental governance;
- Language Requirements: English and Arabic (French is an asset), good reporting skills;
- Communication: Proven strong communication skills and ability to communicate with people at all levels;
- Computer literacy: text processing tools, spread sheet tools.

General professional experience

- Minimum of 10 years of experience in environmental management, preferably with the public sector and/or private sector and/or international organizations and/or civil society organizations;
- Contributed to projects dealing with environmental planning and programming, legislation development and application (inspection and enforcement).

Specific professional experience

- Past experience in the region is required

Key expert 4: Environmental Fiscal Reforms Expert (60 working days)

Tasks:

Implementation of activities related to advancing environmental fiscal reforms (activities 3.1-3.2)

Qualifications and skills

- Education: Masters degree in environmental economics or environmental taxation or environmental fiscal management;
- Language Requirements: English or French (Arabic is an asset), good reporting skills;
- Communication: Proven strong communication skills and ability to communicate with people at all levels;
- Computer literacy: text processing tools, spread sheet tools;

General professional experience

- Minimum of 10 years of experience in environmental economics, preferably with the public sector and/or international organizations;
- Participated in projects dealing with environmental fiscal reforms.

Specific professional experience

- Past experience in Clean Development Mechanisms is required.

Note that civil servants and other staff of the public administration of the beneficiary country cannot be recruited as experts, unless prior written approval has been obtained from the European Commission.

6.1.2. Other experts, support staff & backstopping

CVs for experts other than the key experts should not be submitted in the tender.

The Consultant will provide **2265 working days** of Non Key Experts

The Consultant shall select and hire other experts as required according to the needs. They must indicate clearly which profile they have so it is clear which fee rate in the budget breakdown will apply. All experts must be independent and free from conflicts of interest in the responsibilities accorded to them.

The selection procedures used by the Consultant to select these other experts shall be transparent, and shall be based on pre-defined criteria, including professional qualifications, language skills and work experience. The selected experts shall be subject to approval by the Contracting Authority.

Note that civil servants and other staff of the public administration of the beneficiary country cannot be recruited as experts, unless prior written approval has been obtained from the European Commission.

Non-key expertise can cover, but is not limited to the following specialized profiles in environment in the field of:

- Legal Public and Administrative law, with focus on environmental law;
- Environmental Management (brown: industrial pollution, quarrying, waste management, oil spills, etc.; green: biodiversity & protected areas, reforestation, etc.);
- Information Technology Expert;
- Procurement Expert;
- Local Development expert;
- Climate Change/Air Quality expert;
- etc.

All experts provided by the Consultant shall perform a standard working week not exceeding five working days and shall invoice the contracting Authority accordingly. Working days shall be from Monday to Friday from 8:00 to 17:00, according to the arrangements with the beneficiary. However, and only in exceptional cases, when required by the nature of some services, or upon request from the beneficiary, the experts can work (and claim) more than five days per week, if approved by the beneficiary and the Contracting Authority in advance. The Consultant cannot invoice the Contracting Authority for work on public holidays, announced and officially approved by the Lebanese government, except for the purpose of completing certain tasks and services with the prior consent of the beneficiary and prior approval of the Contracting Authority.

6.1.3. Support staff & backstopping

Backstopping and support staff costs must be included in the fee rates of the experts.

6.2. Office accommodation

Office accommodation of a reasonable standard and of approximately 10 square meters for each expert working on the contract is to be provided by the Ministry of Environment.

6.3. Facilities to be provided by the Consultant

The Consultant shall ensure that experts are adequately supported and equipped. In particular it shall ensure that there is sufficient administrative, secretarial and interpreting provision to enable experts to concentrate on their primary responsibilities. It must also transfer funds as necessary to support its activities under the contract and to ensure that its employees are paid regularly and in a timely fashion. The following office operating costs (electricity, work related phone calls, and internet) will be secured by the Ministry of Environment.

If the Consultant is a consortium, the arrangements should allow for the maximum flexibility in project implementation. Arrangements offering each consortium member a fixed percentage of the work to be undertaken under the contract should be avoided.

6.4. Equipment

No equipment is to be purchased on behalf of the Contracting Authority / beneficiary country as part of this service contract or transferred to the Contracting Authority / beneficiary country at the end of this contract. Any equipment related to this contract which is to be acquired by the beneficiary country must be purchased by means of a separate supply tender procedure.

6.5. Incidental expenditure

The Provision for incidental expenditure covers the ancillary and exceptional eligible expenditure incurred under this contract. It cannot be used for costs which should be covered by the Consultant as part of its fee rates, as defined above. Its use is governed by the provisions in the General Conditions and the notes in Annex V of the contract. It covers:

- Purchasing of documents
- Translation of documents
- Logistics for training, including translation
- Printing of training materials and others
- Project supplies: stationery, etc.
- Transportation outside Beirut
- Mission allowances

The Provision for incidental expenditure for this contract is EUR 190,000.00. This amount must be included without modification in the Budget breakdown.

Any subsistence allowances to be paid for missions undertaken as part of this contract must not exceed the per diem rates published on the Web site:

http://ec.europa.eu/europeaid/work/procedures/index_en.htm at the start of each such mission.

6.6. Expenditure verification

The Provision for expenditure verification relates to the fees of the auditor who has been charged with the expenditure verification of this contract in order to proceed with the payment of further pre-financing instalments if any and/or interim payments if any.

The Provision for expenditure verification for this contract is EUR 20,000.00. This amount must be included without modification in the Budget breakdown.

7. REPORTS

7.1. Reporting requirements

Please refer to Article 26 of the General Conditions. Interim reports must be prepared every six months during the period of implementation of the tasks. They must be provided along with the corresponding invoice, the financial report and an expenditure verification report defined in Article 28 of the General Conditions. There must be a final report, a final invoice and the financial report accompanied by an expenditure verification report at the end of the period of implementation of the tasks. The draft final report must be submitted at least one month before the end of the period of implementation of the tasks. Note that these interim and final reports are additional to any required in Section 4.2 of these Terms of Reference.

Each report shall consist of a narrative section and a financial section. The financial section must contain details of the time inputs of the experts, of the incidental expenditure and of the provision for expenditure verification.

To summarise, in addition to the documents, reports and output which could be specified under the duties and responsibilities of each key expert above the Consultant shall provide the following reports:

Name of report	Content	Time of submission
Inception Report	Analysis of existing situation and plan of work for the project – maximum 12 pages	No later than 1 month after the start of the implementation
6 month Progress Report	Short description of the progress (technical and financial) including problems encountered; work programme and staff mobilization in addition to the planned activities for the ensuing 6 months accompanied by an invoice and the expenditure verification report.	No later than 1 month after the end of each 6 month implementation period
Draft Final Report	Short description of achievements including problems encountered and recommendations	No later than 1 month before the end of the implementation period.
Final Report	Short description of achievements including problems encountered and recommendations; a final invoice and the financial report accompanied by the expenditure verification report.	Within 1 month of receiving comments on the draft final report from the Project Manager identified in the contract.

7.2. Submission & approval of reports

3 copies of the reports referred to above must be submitted to the Project Manager identified in the contract. The reports must be written in English with an Executive Summary in Arabic. The Project Manager is responsible for clearing the reports prior to the approval of the Contracting Authority.

8. MONITORING AND EVALUATION

8.1. Definition of indicators

Indicative Quantitative Indicators – to be fine-tuned during the inception phase:

- Increase in the number of infractions registered; Increase in the number of fines and prosecutions
- Increase in the number of procedures for inspection and enforcement
- Increase in the number of staff
- Website counter statistics
- Reduction of response time; increase in the number of files/requests processed
- Increase in the number of procedures for archiving, maintenance, inventory, etc.
- Savings in equipment maintenance cost
- Increase in the number of proposed laws and decrees

Indicative Qualitative Indicators– to be fine-tuned during the inception phase:

- Training evaluation forms
- Citizens' feedback
- Workflow schematics and description
- Updated NEAP
- Environmental sections of sectoral and municipal plans
- Climate change mitigation and adaptation analysis reports

8.2. Special requirements

None