

## UPDATE ON STOCKHOLM CONFERENCE FOR LEBANON'S EARLY RECOVERY December 21, 2006

This note is an update on the results of the Stockholm Conference for Lebanon's Early Recovery. It is a follow-up on the document titled "Stockholm Conference for Lebanon's Early Recovery" published on the Ministry of Finance's website in October 2006.

### Major Results

A secretariat comprising of representatives from the Office of the Prime Minister, Ministry of Finance, and Council for Development and Reconstruction, was created to monitor and follow-up on pledges. Based on the information received to date, the estimated total pledged in Stockholm remains approximately \$900 million (\$781 million in grants and \$120 in loans)

**Table 1.** Stockholm Conference – Summary of Pledges

US\$	<i>Pledges</i>	<i>Percent</i>
Grants	780,706,879	87%
Soft Loans	120,314,000	13%
<b>Total</b>	<b>901,020,879</b>	<b>100%</b>

*Source: Received data as December 20, 2006*

### Update on Follow-up:

1. Total funds raised are estimated at \$901 million. Available details are listed in Table 2 below.
2. Of the total funds pledged, \$120.3 million are in loans from the Arab Fund for Economic and Social Development (\$103.7 million) and France (\$16.6 million). AFESD has signed an agreement with CDR detailing the terms of the loan and its uses. The French loan is a reiteration of a loan facility agreed to prior to the war but has not been withdrawn yet.
3. The grants component of the pledges can be grouped into five main categories based on the channel being used by the donor:
  - a. The largest percentage of pledges is expected to be received by beneficiaries directly estimated at \$487 million. This category includes

Qatar, UAE, United States (through USAID), EC (partially), Germany, Italy (partially), UK, Korea, and Cyprus. Each donor has chosen a method to reach the beneficiaries, including sponsoring villages, building bridges and rebuilding schools.

- b. Some donors opted to give funds, technical assistance or supplies to the Lebanese Government. This is estimated at \$122 million and includes Saudi Arabia, EC (partially), AFESD, Turkey, Egypt, China and Slovakia (partially).
  - c. NGOs were another channel used by donors, estimated at \$65 million. Donors choosing this channel include EC-ECHO, Italy (partially), France (partially), Belgium, Ireland, Austria, Slovakia (partially), and Iceland (partially)
  - d. The United Nations and the Lebanon Recovery Fund (LRF) created in conjunction with the UNDG are also other channels used by donors, for a total estimated at \$50 million. These donors include Italy (partially), Spain, Sweden, Netherlands, Japan, Finland, Australia, Brazil, New Zealand, and Iceland (partially).
  - e. \$57 million in donations are yet to be determined, some of which are allocated for future years.
4. Of the total grants pledged, \$644 have been committed. These commitments include grants that have been received by the channels chosen, projects started (such as bridges), or signed agreements with government agencies.
  5. Approximately \$262 million of grants have been fulfilled. These include \$183 million that were donated by Arab countries. Qatar, which had pledged \$300 million, has opened its own offices and is in process of giving housing compensation to victims and rebuilding four villages in the South. As of the November update provided to the government, a total of \$36 million has been paid. UAE has rebuilt / rehabilitated damaged schools. Saudi Arabia has transferred the funds to an account at the Central Bank. Egypt has provided equipment to the Ministry of Energy. Other donors include EC, EC-ECHO, Sweden, Spain, Australia, Austria, Brazil, New Zealand, Slovakia and Iceland have transferred their donation to the channel chosen.
  6. It is worth noting that the Stockholm pledges were not translated into funds to the Government of Lebanon. Only a total of \$70 million was received in cash, which are from Saudi Arabia and the Arab Fund for Economic and Social Development.

**Table 2. Donations Details**

Donor	Grant Amount Pledged (in US\$ million equivalent)	Loan Amount Pledged (in US\$ million equivalent)	Committed (in US\$ million equivalent)	Paid-in commitments	Fulfilled commitment (received by government or by other agencies)	Recipient of the Grant					Description of Grant financing
						NGOs	UNDG Trust Fund	UN Agencies	Direct Beneficiaries	GoL	
Qatar	300.00		300.00		36				300		Adopted villages in the South
AFESD	10.38		10.38	10.38	10.38					10.38	3M KD a grant to support the Recovery Needs. The Grant Agreement was signed on 12 September 2006, and sent to the Council of Ministers for approval and issue of decree
AFESD		104									30 M KD a Soft Loan (3% interest rate with 10 years Grace & 20 years Repayment Duration), for Reconstruction of Damages in 3 Sectors: Transportation 70% of the amount of the Loan, Electricity 10% , Water 10% & contingency 10%. The loan Agreement was signed.
EC	72.62		14.01		14.01				42	31	Some of the funds are part of the 2006 EU budget for Lebanon. Euro 10 million in technical assistance, Euro 11 million in repatriation of 3rd party nationals. Euro 14 million for "support for reform program"
UAE	70.00		70		70				70		Fixed public schools in the south (7 heavy damage, 59 light damage and 70 minor damage) and 64 private schools.
KSA	60.00		60	60	60					60	Housing and infrastructure
USA	53.40		43.10						53.4		Part of \$230 million pledge (\$90 million for security and \$86 million humanitarian) mudeirij bridge (\$28.9)-oil spill (\$6)-homes (\$1.2)-Schools (\$7.00) Balance early 2007 (\$10.3)



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EC-ECHO	38.22		25.48		25.48	38.22					Humanitarian
Italy	38.22		38			19.11		12.74	6.37		15 M euro will be implemented via Italian NGOs, 10M euro for UN Agencies, 5M euro for rebuilding Sofar Bridge. Agreement signed
Spain	34.40		12.74		5		5				Euro 10 are expected to be deposited in the UNDG Trust Funds, the remaining in the future
Sweden	20.00		17		17		10	7			\$10 will be deposited in the UNDG Fund, \$7 million UNDP on projects to be executed in Lebanon
Germany	12.74		12.74						12.74		Education: technical and vocational: \$4,000,000 Electricity: \$5,000,000 Water: \$4,000,000
France	8.05		2.77			2				2.05	Euro 2.05 million for civil security Euro 1.5 million for 9 NGOs for decentralization (2007) Euro 0.5 million for NGOs (2006) Euro 1.5 million for building public libraries in the south and north Bekaa Euro 1 million yet to be determined from the MAE Euro 0.06 million for the shores Euro 0.16 million for the shores Ministry of defense - TBD Ministry of Agriculture - TBD
France		16.56									An existing loan not withdrawn



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Turkey	10.00		10		10					10	Prefabricated schools and two mobile hospitals
Netherlands	7.64		7.01					6.37			Euro 1,000,000 to UNICEF for water and sanitation. Euro 4,000,000 to UNMAS for mine clearance. Euro 500,000 TBD
Belgium	6.37		2.55		2.55	2.55					Euro 2 million old contribution (1 million CICR- 500,000 UNRWA- 500,000 PAM/logistics) funds to be transferred directly to those NGOs once conventions are signed. No decisions taken for remaining Euro 3 million but disbursement is this year.
Egypt	6.00		6		6					6	Sent equipment for electricity to Ministry of Energy and Water
Japan	5.00		2.00					2			2,000,000: Social & economic empowerment of mine-affected communities thru UNDP and UNMAS 3,000,000: international organization
Republic of Korea	5.00								5		Mission reviewing a proposal for the construction of 3 schools (Tebnin, Fekha, & Britel)
Finland	3.82							3.82			Focus of the projects will be on Mines and UXOs and the health sector.
Greece	3.19										
Denmark	3.00										



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China	2.53		2.53							2.53	The Council of Ministers Decision No.47 dated 09/11/2006 approved the China Grant of 20 M Yuan and authorized the CDR President to sign the Grant Agreement.
UK	2.28		2.28						2.28		Part of a total 22.3 million pounds including UN Emergency Response Fund. All committed to water and sanitation, health and medical care, disposal of mines, emergency shelters, restoration of livelihoods and bridging. (Steel Bridges)
Australia	1.54		1.54		1.54			1.54			
Poland	1.27		1.27		1.27	1.27					Humanitarian Aid, medical equipment and took 33 Lebanese children to "recovery holiday" in Poland
Ireland	1.27		1.27			1.27					Amount pledged will be disbursed directly to Irish Aid partners' agencies and NGOs. Specific partners are not determined yet. Decision will be made later in the month upon receipt of funding proposals / clarifications
Romania	0.64		0.50		0.5		0.5				
Austria	0.51		0.51		0.51	0.51					International Red Cross: Euro 325,000 via Vienna or Geneva Caritas: Euro 87,500 Hilfswerk (German NGO): Euro 87,500
Brazil	0.50		0.5		0.50			0.50			



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New Zealand	0.46		0.46		0.46			0.46			Funds have already been transferred to UNICEF for their use in southern Lebanon.
Slovakia	0.56		0.56		0.56	0.03				0.41	Euro 107,000 to Higher Relief Committee in Aug 06 (relief materials), Euro 26,500 to local NGO from Slovak NGO Sept-Oct 06 (distribution of materials to South Lebanon), Euro 311,200 to HRC (materials) presently being disbursed.
Iceland	0.34		0.34		0.34	0.16		0.2			USD 29,000 - World Council of Churches (ACT). USD 129,000 - International Red Cross. USD 100,000 - World Food Program. USD 100,000 - World Health Organization.
Czech Republic	0.28										-
Luxemburg	0.19										
Bulgaria	0.13										Awaiting for a decision from the Council of Ministers.
Cyprus	0.10								0.10		The Cypriot Council of ministers approved the scholarship aid for technical training.
Malta	0.03										
Estonia	0.03										
<b>Total</b>	<b>781</b>	<b>120</b>	<b>643</b>	<b>70</b>	<b>262</b>	<b>65</b>	<b>15</b>	<b>35</b>	<b>487</b>	<b>122</b>	



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