



## AID DEVELOPMENTS

### **European Investment Bank continues to disburse payments on its various loans**

On 7 January 2009, the European Investment Bank (EIB) transferred to Banque du Liban (BdL) €12 million, the fourth and final tranche of the loan to provide subsidized credit to the private sector. The total loan was for €60 million with the interest subsidized by a grant of €15 million from the European Commission. BdL in turn has provided these funds to small and medium enterprises. This loan is part of EIB's pledge at the Paris III Conference, which totaled \$1,248 million and of which \$708 million is allocated to the private sector.

On 30 January 2009, EIB also disbursed €6 million from the loan for the Lebanese Highway Project, bringing the total disbursements to €18 million. This project is part of EIB's Paris III project support totaling €400 million.

### **The Lebanon Recovery Fund approves \$10 million funding for five projects**

On 23 January 2009, the Steering Committee of the Lebanon Recovery Fund held its tenth meeting to monitor progress on projects under implementation and to review new project proposals for funding. The Steering Committee approved the following projects and funding: Support for Livelihoods and Economic Recovery in War-Affected Areas of Lebanon (UNIDO and Ministry of Industry), \$1.5 million; Supporting Local Socio-Economic Development in War-Affected Areas of South Lebanon (ILO and Ministry of Labor), \$1.5 million; Recovery and Rehabilitation of Dairy Sector in the Bekaa Valley and Hermel-Akkar Uplands (FAO/UNDP and Ministry of Agriculture), \$2.5 million; Hydro-Agricultural Development for Marjeyoun Area (UNDP and Litani Authority), \$2 million; and, Early Recovery of Nahr el Bared Surrounding Lebanese Communities Affected by 2006 and 2007 conflicts (UNDP and Recovery and Reconstruction Cell), \$2.5 million. The Lebanon Recovery Fund was set up by the Lebanese Government with the assistance of the United Nations Development Group to implement donor-funded projects for Lebanon's recovery after the July 2006 war.

### **The World Bank and the Ministry of Finance and CDR signed an extension for the Urban Transport Development Project**

On 22 January 2009, the World Bank Board of Directors approved a loan for \$70 million as additional financing for the Urban Transport Development Project (UTDP). The UTDP aims to improve the Greater Beirut area urban transport infrastructure. The additional financing supports this objective and covers cost overruns, the counterpart contribution as well as additional works, such as three intersections at Dekwaneh, Mucharafieh, and Jal El Dib, and training of the traffic police. The loan was signed by the World Bank and the Ministry of Finance and CDR on 30 January 2009.

### **The European Commission and the Ministry of Interior and Municipalities sign an agreement for €4 million**

On 21 January 2009, the European Commission (EC) and the Ministry of Interior and Municipalities signed a memorandum of understanding for technical and financial support for the June 2009 parliamentary elections, totaling €4 million.



### **Italy transferred €8.8 million to the Council for Development and Reconstruction**

On 8 January 2009, Italy transferred a grant of €8.8 million to the Council for Development and Reconstruction for the implementation of a number of agreed to projects (as detailed in the October 2008 Aid Coordination Newsletter)

### **The Arab Monetary Fund and the Ministry of Finance signed a line of credit for \$45 million**

On 22 December 2008, the Arab Monetary Fund and the Ministry of Finance signed a revolving line of credit of \$45 million to finance oil imports. The loan facility is subject to approval by Parliament and has a maturity of six months.

### **UNDP supports the Ministry of Interior and Municipalities in electoral process through a \$4.2 million project**

On 5 December 2008 the Ministry of Interior and Municipalities (MOIM) and the UNDP signed a project document for electoral process support. The project aims to build the capacity of MOIM through transfer of skills and knowledge and assists MOIM in implementing newly introduced changes to electoral process. The UNDP is in the process of raising funds for this project with \$620,000 committed by Denmark.

## **AID COORDINATION**

### **Continued internal coordination on aid flows**

The Presidency of the Council of Ministers, Council for Development and Reconstruction and Ministry of Finance continue, through regular working group meetings, to monitor aid flows, to exchange information and follow-up on developments, and to resolve emerging issues.