

02-May-2006



UN Development Programme Lebanon - Beirut

Award ID: 00013371 LEB97014
Award Title: RURAL DRYLAND DEVELOPMENT THROUGH UNCCD
Start Year: 1998
End Year: 2006
Implementing Partner (Executing Agency):

Budget (US\$) as of 02-May-2006		
Donor	Fund	Amount
UNDP	04000 TRAC (Lines 1.1.1 and 1.1.2)	15,000.00
CEH	30000 Programme Cost Sharing	25,000.00
UNFCCC, BO	30000 Programme Cost Sharing	10,000.00
LEB-GM	30051 Programme cost sharing - IFAD1	50,000.00
UNSO	31900 UNSO2 Cost Sharing Contrib	125,000.00
Total Budget		225,000.00
Total Expenditure		83,930.55
Award Total		308,927.16
Unprogrammed/Unfunded		-3.39

Responsible Party (Implementing Agent): LEB-Ministry Of Agriculture
Revision Type: Substantial Revision 2

Brief Description:

This is a substantive revision of Award ID 00013371 to reflect the recommendations of the last TPR held in September 2005 and discussion held with several stakeholders:

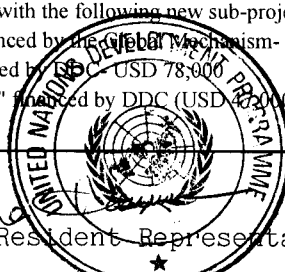
- 1- The title of the Award ID 00013371 has been reformulated
- 2- Sub project 00013371 'NAP for combating desertification', ongoing since 1998 and operationally completed since January 2006, will be financially closed during 2006
- 2- Three new sub components have been added with the following new sub-project ID:
 - a. 00047447 "UNCCD Financing Strategy" financed by the Global Mechanism- USD 50,000
 - b. 00049964 "Enhancing Market Access" financed by IFAD - USD 78,000
 - c. 00051427 "Local Level NAP Implementation" financed by DDC (USD 40,000), Czech Republic (USD 25,000), UNDP TRAC (USD 15,000), UNCCD Secretariat Bonn (USD 10,000)

Agreed by: Mona Hammam, UNDP Resident Representative

Agreed by: Talal Al Sahili, Minister of Agriculture

Agreed by: Al-Fadel Challak, President, CDR

Agreed by:



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Annual Work Plan

Lebanon - Beirut

Award Id: 00013371

Report Date: 2/5/2006

Award Title: RURAL DRYLAND DEVELOPMENT THROUGH UNCCD IMPLEMENTATION

Year: 2006

Project ID	Expected Outputs	Key Activities	Timeframe		Responsible Party	Planned Budget				
			Start	End		Fund	Donor	Budget Descr	Amount US\$	
00047447	UNCCD Financing Strategy	Capacity Building			LEB-Ministry Of Agriculture	30051	LEB-GM	71600	Travel	4,000.00
					LEB-Ministry Of Agriculture	30051	LEB-GM	73400	Rental & Maint of Other Equip	1,000.00
					LEB-Ministry Of Agriculture	30051	LEB-GM	74500	Miscellaneous Expenses	3,500.00
					LEB-Ministry Of Agriculture	30051	LEB-GM	75100	Facilities & Administration	400.00
					LEB-Ministry Of Agriculture	30051	LEB-GM	71300	Local Consultants	6,000.00
					LEB-Ministry Of Agriculture	30051	LEB-GM	72100	Contractual Services-Company	12,000.00
					LEB-Ministry Of Agriculture	30051	LEB-GM	74500	Miscellaneous Expenses	3,000.00
					LEB-Ministry Of Agriculture	30051	LEB-GM	75100	Facilities & Administration	1,100.00
					LEB-Ministry Of Agriculture	30051	LEB-GM	72100	Contractual Services-Company	15,000.00
					LEB-Ministry Of Agriculture	30051	LEB-GM	74500	Miscellaneous Expenses	3,000.00
		LEB-Ministry Of Agriculture	30051	LEB-GM	75100	Facilities & Administration	1,000.00			
TOTAL										
00049864	Enhancing Market Access	EE for Fair Trade			LEB-Ministry Of Agriculture	31900	UNSO	71300	Local Consultants	7,000.00
					LEB-Ministry Of Agriculture	04000	UNDP	71400	Contractual Services - Individ	0.00
					LEB-Ministry Of Agriculture	31900	UNSO	71400	Contractual Services - Individ	9,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	71600	Travel	2,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	72500	Supplies	2,100.00
					LEB-Ministry Of Agriculture	31900	UNSO	73400	Rental & Maint of Other Equip	1,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	74500	Miscellaneous Expenses	6,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	75100	Facilities & Administration	1,900.00
		EE for Market Access			LEB-Ministry Of Agriculture	31900	UNSO	71300	Local Consultants	7,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	71400	Contractual Services - Individ	9,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	71600	Travel	2,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	72500	Supplies	2,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	73400	Rental & Maint of Other Equip	1,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	74500	Miscellaneous Expenses	5,300.00
					LEB-Ministry Of Agriculture	31900	UNSO	75100	Facilities & Administration	1,700.00
		Promoting Dryland Ecotourism			LEB-Ministry Of Agriculture	31900	UNSO	71200	International Consultants	0.00
					LEB-Ministry Of Agriculture	31900	UNSO	71300	Local Consultants	0.00
					LEB-Ministry Of Agriculture	31900	UNSO	71400	Contractual Services - Individ	9,000.00

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Annual Work Plan

Lebanon - Beirut

Award Id: 00013371

Report Date: 2/5/2006

Award Title: RURAL DRYLAND DEVELOPMENT THROUGH UNCCD IMPLEMENTATION

Year: 2006

Project ID	Expected Outputs	Key Activities	Timeframe		Responsible Party	Planned Budget				
			Start	End		Fund	Donor	Budget Descr	Amount US\$	
		Promoting Dryland Ecotours			LEB-Ministry Of Agriculture	31900	UNSO	71600	Travel	3,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	73400	Rental & Maint of Other Equip	3,500.00
					LEB-Ministry Of Agriculture	31900	UNSO	74500	Miscellaneous Expenses	4,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	75100	Facilities & Administration	1,500.00
TOTAL										
00051427	Local Level NAP Implementation	Pilot Project-Moujdel			LEB-Ministry Of Agriculture	30000	CEH	71300	Local Consultants	10,000.00
					LEB-Ministry Of Agriculture	30000	CEH	72300	Materials & Goods	12,000.00
					LEB-Ministry Of Agriculture	30000	CEH	74500	Miscellaneous Expenses	1,300.00
					LEB-Ministry Of Agriculture	30000	CEH	75100	Facilities & Administration	1,700.00
		Project Coordination			LEB-Ministry Of Agriculture	31900	UNSO	71300	Local Consultants	5,000.00
					LEB-Ministry Of Agriculture	04000	UNDP	71400	Contractual Services - Individ	15,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	71400	Contractual Services - Individ	27,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	71600	Travel	5,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	73400	Rental & Maint of Other Equip	5,000.00
					LEB-Ministry Of Agriculture	31900	UNSO	74500	Miscellaneous Expenses	1,900.00
					LEB-Ministry Of Agriculture	31900	UNSO	75100	Facilities & Administration	3,100.00
		Third National Report			LEB-Ministry Of Agriculture	30000	UNFCCC, BO	71300	Local Consultants	4,000.00
					LEB-Ministry Of Agriculture	30000	UNFCCC, BO	71600	Travel	1,500.00
					LEB-Ministry Of Agriculture	30000	UNFCCC, BO	74200	Audio Visual&Print Prod Costs	2,000.00
					LEB-Ministry Of Agriculture	30000	UNFCCC, BO	74500	Miscellaneous Expenses	2,500.00
TOTAL										
GRAND TOTAL										
										97,000.00
										225,000.00





UNDP Project Document

Government of Lebanon - Ministry of Agriculture

Dryland Development Centre

United Nations Development Programme

Rural Dryland Development through Innovative Market Approaches, Financing Strategies and Local Initiatives for UNCCD Implementation

The project aims to promote rural dryland development using several parallel sub-projects that target the improvement of the livelihood of the rural dryland communities. The first outcome aims at identifying and strengthening trade opportunities for dryland products, including eco-tourism, through increased marketing, identifying existing prospects within EU trade agreements with Lebanon, supporting fair trade certification; while strengthening national capacity to access international markets throughout the project. The second outcome intends to develop a financing strategy for the implementation of the national action programme to combat desertification that includes innovative mechanisms and new donors, while mainstreaming UNCCD considerations into existing strategies. Finally, the third outcome seeks to ensure smooth and consistent coordination amongst the different project objectives, implement NAP priority local-level pilot projects and continuing resource mobilisation efforts to implement the objectives of the UNCCD.

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Section I: Elaboration of the Narrative

Part I - Situation Analysis

In 2003, the **Ministry of Agriculture (MoA) of Lebanon**, with the support of the Drylands Development Centre (DDC), the United Nations Development Program (UNDP), and the German Technical Cooperation Agency (GTZ), elaborated its National Action Program to Combat Desertification (NAP). The MoA, which acts as a focal point for the United Nations Convention to Combat Desertification (UNCCD) currently hosts a CCD secretariat, which is staffed with support from UNDP. The CCD secretariat is currently working on the operationalisation of the NAP into a Local Action Plan (LAP), and is also developing a resource mobilization strategy with the support of the Global Mechanism (GM).

Building on the NAP, UNDP and GM signed a financing agreement in 2005 to develop and implement a resources mobilization strategy for NAP implementation. This agreement will be implemented during 2006 as a sub-project within the project outlined in this project document. The GM sub-project is highly complementary and presents evident synergies with the current project document. More details are presented in Part II to Section IV of this project document.

Currently, the DDC program that targets West Asia and North Africa which is primarily funded by the Government of Finland with core resources of UNDP is in its third phase (2006-2008) entitled "Promotion of Sustainable Livelihoods in the Drylands of the Middle East and North Africa (MENA) – in the context of the Millennium Declaration and the United Nations Convention to Combat Desertification". The program consists of targeted interventions aiming at improving the livelihoods of the dryland poor in the region in the present third phase. Accordingly, extensive research of on-going activities was carried out, national needs analyses were undertaken, and accordingly areas of intervention identified that would to identify areas of intervention that would assist in promoting dryland rural development. Details can be found in Part I o Section IV.

Essentially, it was found that Lebanon does not benefit sufficiently from its **agricultural** - agro-business sector, particularly in relation to existing and recent trade agreements with the European Union. A high potential **EU-Lebanon Association Agreement** will enter into force during the first months of 2006.. The Agreement commits both parties to further liberalization of bilateral trade in various sectors and will result in the complete removal of Lebanese duties on EU industrial and processed agricultural products 12 years after the entry into force (estimated free trade by 2014), while offering Lebanon substantial concessions for its agricultural and processed agricultural exports to EU markets. The European Commission will also provide €17 million in support to small and medium businesses to help them meet the challenge and opportunities offered by the Interim Trade Agreement. Lebanon will immediately benefit

¹ The process is expected to be completed in April 2006, personal communication from the UNCCD Focal point at MoA

² Project Document, National Action Plan to Combat Desertification leb/97/014, Final Draft, Beirut, September 2001

³ More emphasis has been given, since 1998, to building-up a state of the art knowledge and expertise pool on desertification and drylands livelihoods of Lebanon (NAP, national monitoring system, regional early warning system, etc...) more on www.codel-lb.org

⁴ Letter of agreement No. GM2-046 between UNDP and GM, August 2005

⁵ More on the program on <http://www.surf-as.org/DDC/DDCmain.html>

⁶ Zurayk, R and Haidar, M. (2002) The Dryland Predicament, Natural Capital Global Forces, Development Outreach, The World Bank Institute

⁷ <http://www.medobs.org/panorama/rapport2005/Liban/ProfilLIB05.pdf>

⁸ Figure for 2003, up from 0.37% of total governmental spending in 2002 www.medobs.org

⁹ <http://www.idal.com.lb/>

¹⁰ The Lebanon weekly monitor, Audi Bank, week 51 (December 12-17 2005)

¹¹ TORs for a PDF-B project (Project ID 00046808) "Mainstreaming Biodiversity Management Considerations into Medicinal Plants Production Processes" to be launched concurrently with this project

¹² For a clearer idea about the type and volume of demand, one can consult the online trading forum greentrade http://www.greentrade.net/offers/to_buy/500/Medicinal+&+aromatic+plants.html

¹³ http://europa.eu.int/comm/trade/issues/bilateral/countries/lebanon/index_en.htm

¹⁴ Euro-Med partnership, Lebanon, National Indicative Program 2005 – 2006

from market access for its agricultural and processed agricultural products. In addition, other free trade agreements between Lebanon and various countries are also in place, most notably WTO, the Greater Arab Free Trade Zone Agreement (GAFTA) and EFTA.

There is a general feeling however that Lebanon is not benefiting from the concessions offered under these agreements for its products due to several factors such as the lack of adequate capacity, organizational, institutional barriers but most importantly indirect technical barriers to trade such as the burdensome regulatory frameworks as regards health, safety, packaging, book of origins and other regulations which makes it literally impossible for small scale and even medium scale producers to access these markets.

Furthermore, **Fair Trade**, which is a relatively new concept in West Asia and North Africa, is a potential niche for marketing of agricultural products in Lebanon. Fair Trade can be defined as a trading partnership, based on dialogue, transparency and respect, which seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South.

Flagship products that may be studied for possible marketing strategies include **Medicinal and Aromatic plants (MAPs)**. MAPs and particularly essential oils are currently “en vogue” and in high market demand around the world, mostly for therapeutic applications in alternative medicine as well as the cosmetics industry and SPAs. An on-going UNDP/GEF preparatory project on this topic is currently underway. Its expected outputs include a production and marketing assessment study of MAPs, on which this project can build solid basis to pilot a certain product for actual trade cycle.

Finally, **Eco-tourism** is another sector which directly influences communities in dryland areas and has potential growth opportunities. There is a growing need for setting the national standards for eco-tourism industry and to make the programs offered more “people centered” instead of the primarily “landscape centered” programs that are offered now. Several large eco-tourism projects of relevance to this project exist and on which further capacity development and promotional interventions may be built.

¹⁵ “EU-Lebanon: entry into force of the Interim agreement on March 1 2003” quoting Chris Patten, EU Commissioner for External Relations in the inauguration press release”... http://europa.eu.int/comm/external_relations/lebanon/intro/ip03_300.htm

¹⁶ Lebanon is still in the process of accession to WTO, despite that it was one of the founding members of the General Agreement on Tariffs and Trade (GATT) in 1945 and has been an observer in WTO since 30th of January, 1999.

¹⁷ Switzerland, Liechtenstein, Norway and Iceland

¹⁸ <http://www.economy.gov.lb/MOET/English/Panel/Projects/OrganicCertificationAndDevelopment.htm>

¹⁹ <http://www.economy.gov.lb/MOET/English/Panel/Projects/ProtectionOfGeographicalIndications.htm>

²⁰ TORs of the present study and personal communication by Mr. Fadi Makki, former Director General of the Ministry of Economy and Trade.

²¹ The study was conducted within the context of the integrated assessment of the social, economic and environmental impact of the Association Agreement with the EU on select sectors in the Lebanese economy.

Middle East Intelligence Bulletin, Vol 5 #10, October 2003

²³ Euro-Med partnership, Lebanon Country Strategy Paper 2002 – 2006

²⁴ <http://www.un.org/csa/agenda21/natinfo/countr/lebanon/eco.htm>

Personal communication from Dr. Bashir Osmat, Project manager. For more information about the project and its outputs www.arla-municipal.com

²⁶ Research shows that there are only 3 fairtrade certified companies in Morocco, Egypt and Palestine. Electronic research shows that the concept is kicking off rather significantly in Jordan and Egypt but is not connected to the worldwide certification and regulatory bodies such as FLO and IFAT

²⁷ BAFTS (British Association of Fair Trade Shops) 2004

²⁸ Personal communications by Ms Rania Touma, Executive Director of the Health Basket and Mr. Kamal Mouzawak, Slow Food activist and President of the Lebanese Branch of the Slow Food movement.

²⁹ More about the Healthy Basket on www.ecosystems.org/healthybasket

³⁰ “Group Campaigns to Protect Local Foods from Extinction” by Raed El Rafei, the Daily Star, 16/08/2005

³¹ Synthesis of conversations with Mr. Paul Ariss, Head of the Lebanese Restaurants Association and owner of La Reerve Afqa project and Mr. Nidal Ghorayyeb, Leading tour organizer and owner of Esprit Nomade Tour Operator www.esprit-nomade.com

³² www.discoverlebanon.com and www.ikama.com for example

³³ More about Al Jord and Sister NGO Mada can be found on www.aljord.com

³⁴ Beirut I follows Paris I and Paris II donors conferences which were held in 2000 and 2003 respectively.

³⁵ By Raed El Rafei, Daily Star, Tuesday, January 31, 2006

Part II – Strategy

The project draws on the previous and ongoing work undertaken by the Government of Lebanon, Ministry of Agriculture for the implementation of the United Nations Convention to Combat Desertification (UNCCD) and more particularly the ongoing work to operationalise the National Action Program (NAP), and goes hand in hand with the anticipated resource mobilization strategy for the implementation of NAP by UNDP GM. Furthermore, it meets the DDC programme for 2006 – 2008 on “Promotion of Sustainable Livelihoods in the Drylands of the Middle East and North Africa (MENA)”.

The project aims at increasing implementation of the UNCCD objectives of combating desertification to ultimately promote the sustainable livelihood of the dryland poor; an objective which works towards achieving environmental sustainability – Millennium Development Goal (MDG) 7 and alleviating poverty – MDG 1.

Furthermore, this project is linked to UNDP Lebanon’s corporate priority to assist the Government in complying with International Conventions as set out in the Multi-Year Funding Framework (MYFF) for 2004 – 2007.

Project Objectives

The overall objective of the project is rural/dryland development through mainstreaming the UNCCD approach into development initiatives.

Project Outcomes

The project has three broad outcomes, which are reflected as 3 separate sub-projects, each of which has different donors. However, the same Project Implementation Unit, established with the MoA will be managing all sub-projects. Detailed sub-project outputs and activities are found in Section II – Project Implementation:

- Outcome 1:** Innovative trade initiatives promoted to increase market opportunities for dryland products
- Outcome 2:** Financing strategy for NAP implementation developed
- Outcome 3:** Sub-national and local level NAP priority projects coordinated and implemented

Part III- Management Arrangements

The Ministry of Agriculture (MoA) under the UNDP Support to National Execution (NEX) modality, will be the National Designated Institute on behalf of the Government of Lebanon. MoA will work in full collaboration with the UNDP Lebanon Country Office, as per the Standard Letter of Agreement to be signed upon signature of this Project Document.

UNDP will ensure high-quality technical and financial implementation of the project and will be responsible for monitoring and ensuring proper use of GM and UNDP/DDC funds to assigned activities, timely reporting of implementation progress as well as undertaking of mandatory and non-mandatory evaluations for each of their respective components. All services for the procurement of goods and services, and the recruitment of personnel shall be provided in accordance with UNDP procedures, rules and regulations.

IIIa. Roles and Responsibilities

The key parties responsible for the implementation of the project are:

1. The **MoA National Focal Point (NFP)** who is currently acting Project Manager, and the existing **UNDP Project Implementation Unit (PIU)** at the MoA consisting of the project Technical Expert and Technical Assistant, will be responsible of the implementation of all day to day activities of this project document and will play a central coordination role between the various projects linked to NAP implementation, keeping an iterative dynamic cycle between NAP/LAP, and the GM sub-project activities.
2. The **DDC Team**, in addition to its role as donor, will facilitate the process of mobilizing relevant stakeholders from Finland and other Northern Countries, and more particularly the institution which will be coaching the work under Activities 1, 2 and 3. DDC is also well positioned to mainstream the

³⁶

³⁷ Ideally, we should be talking about a “seed to table” approach, or filière based approach, however under the present resources and time framework, it will be short-circuited into a “farm to table” one

³⁸ Personal communication from Ms Erja Kaikkonen, DDC JPO - Program Officer

³⁹ Such as Mr. Francisco Accosta Sotto, Head of the Politics/Economy/Trade section, Mr. Frederico Birocchi from the Operations Section - Implementation of the Association Agreement or Mr. Patrick Trollier from the Operations Section - Rural development, Environment and Water

⁴⁰ http://www.dellbn.cec.eu.int/en/eu_and_lebanon/project2.htm

⁴¹ The European Community: WTO Trade Policy Review, WTO document WT/TPR/G/136, October 1st 2004

⁴² Personal communication from Ms Anne Hedman from the Finish Fairtrade Association to Ms Erja Kaikkonen based on feedback from FLO

⁴³ The Minimum Guaranteed Price is a core requirement for fair trade, which establish the baseline cost of the commodity, plus all other costs related to its processing, handling, shipping and marketing, in addition to a fair trade surplus that goes back to the producer and is used for improving the livelihood of the producer and to improve the production process through capacity building

⁴⁴ Personal communication from Mr. Gurban Bossenbroek, Communications Officer at IFAT during a visit undertaken to the IFAT headquarters in Culemborg, the Netherlands on February 3rd 2006 in the process of preparing for this project document

⁴⁵ See Learning Alliances: An Approach for Building Multi-Stakeholder Innovation Systems, ILAC Brief#8, August 2005

⁴⁶ With the potential of becoming “Global Journey Middle East” if DDC could link it to its regional work with strong candidate countries such as Jordan and Morocco but also Egypt and Iran.

⁴⁷ UNDP MoA tripartite review report, September 2005

⁴⁸ The information about this project was released during the final stages of the preparation of the project document <http://lebanon.usembassy.gov/lebanon/pr021706usaid.html>

⁴⁹ Personal communication by Ms Erja Kaikkonen, DDC JPO - Program Officer

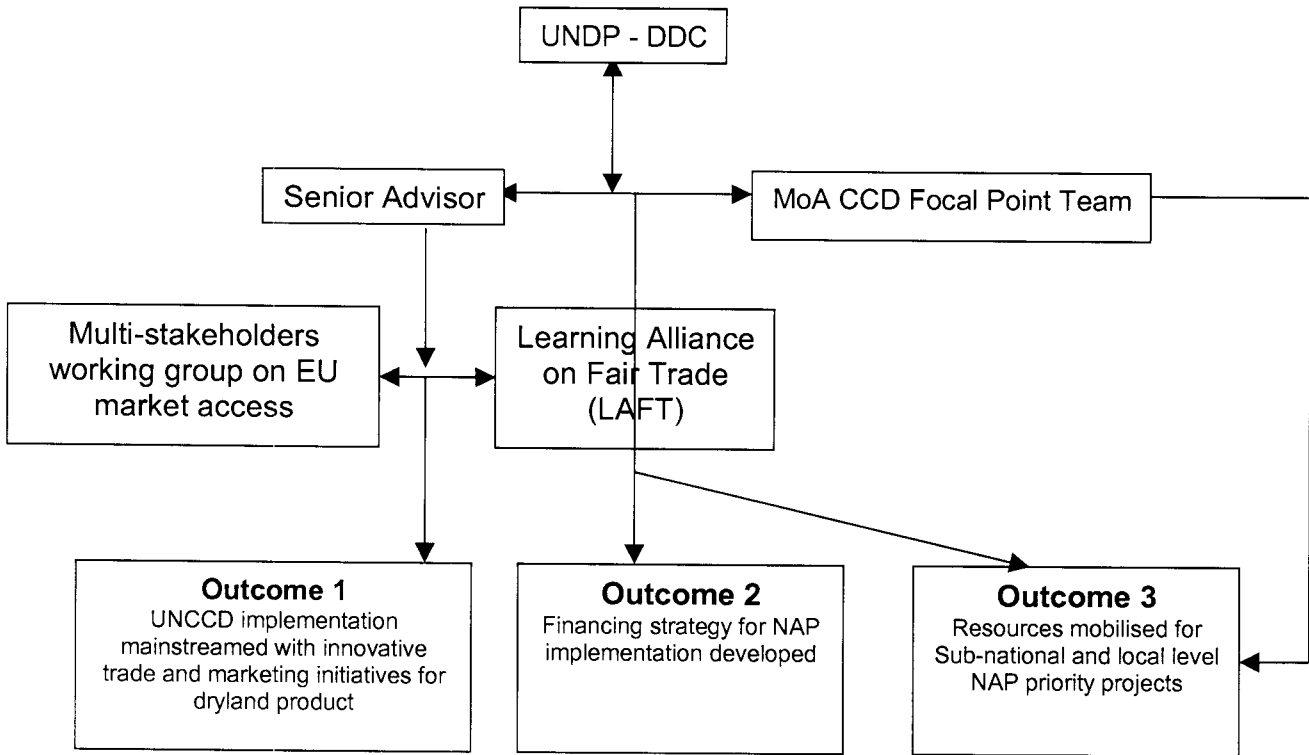
activities of the present project document into broader regional and/or international perspectives, increasing hence the potential for financing and the learning dimensions of the proposed activities.

3. **Additional facilitators and resource persons:** Additional facilitators and resource persons will be needed for the facilitation and the launch of the different activities and are listed below:

- **Part-time Senior Advisor** will be hired for preparing the launch and subsequently facilitate/coordinate the activities to be carried under activities 1,2 and 3 of the DDC project. The Senior Advisor will also work closely with, coordinate and build the capacity of the PIU team.
- **Short-term Consultants** will be hired for the implementation of the activities, in addition, expertise will be made available to this project by DDC through parallel funding. Required expertise including:
 - For Activity 1: Institutional and/or trade specialist highly familiar with collaborative learning processes and the marketing of agricultural produce is recommended. The trade specialist will animate and guide the discussions of the working group, will compile and edit the policy brief, in addition to identifying and/or providing capacity development/training on salient issues identified by the exploratory study. The Northern counterpart for pillar 1 will be the Women Advisory Group of Finland
 - For Activity 2, it is strongly recommended to identify and subcontract a civil society institution active in socially responsible trade, where women associations will be particularly encouraged, or a grassroots consumer protection group which can ultimately become the local Fair Trade certification partner. Pro Fair Trade Finland will be the Northern counterpart for this activity.
 - For Activity 3, the project will rely on the part-time Senior Advisor for the facilitation and animation of the activities and on Wild North Finland to provide technical advice

⁵⁰ Parallel funding means that the money allocated will not appear in the budget allocated for the present project document but will be streamlined directly from DDC's own funds

IIIb. Project Organigram



Part IV- Monitoring and Evaluation

Day-to-day monitoring of implementation progress will be the responsibility of the MoA NFP and the Senior Advisor who will inform the UNDP-CO and DDC of any delays or difficulties faced during implementation so that the appropriate support or corrective measures can be adopted in a timely and remedial fashion.

Periodic monitoring of implementation progress will be undertaken by the UNDP-CO through regular meetings with the project team, or more frequently as deemed necessary. This will allow parties to take stock and to troubleshoot any problems pertaining to the project in a timely fashion to ensure smooth implementation of project activities.

As per UNDP/DDC requirements, the following reports are required:

1. Annual Project Progress Report (APR) as per UNDP format to be submitted annually as of project initiation. The APR will be discussed during the annual Tripartite Project Review (TPR) in the presence of project donors, national counterparts and all concerned stakeholders.
2. Short quarterly reports outlining main updates in project progress will be provided quarterly to the UNDP Country Office and the DDC regional office by the project team.

Part V- Legal Context

This Project Document shall be the instrument referred to as such in Article I of the Standard Basic Assistance Agreement between the Government of Lebanon and the United Nations Development Programme, signed by the parties on 10 February 1986. The host country implementing agency shall, for the purpose of the Standard Basic Assistance Agreement, refer to the government co-operating agency described in that Agreement.

The UNDP Resident Representative in Lebanon is authorized to effect in writing the following types of revision to this Project Document, provided that he/she has verified the agreement thereto by the UNDP-GEF Unit and is assured that the other signatories to the Project Document have no objection to the proposed changes:

- a) Revision of, or addition to, any of the annexes to the Project Document;
- b) Revisions which do not involve significant changes in the immediate objectives, outputs or activities of the project, but are caused by the rearrangement of the inputs already agreed to or by cost increases due to inflation;
- c) Mandatory annual revisions which re-phase the delivery of agreed project inputs or increased expert or other costs due to inflation or take into account agency expenditure flexibility; and
- d) Inclusion of additional annexes and attachments only as set out here in this Project Document

Section II: Project Implementation

Sub-Project 1: Promotion of innovative trade initiatives promoted to increase market opportunities for dryland products

Output 1: Market access of a dryland product increased and the capacity of drylands producers built

As per the EU-Lebanon Interim Agreement on trade and trade related matters and starting March 2003, agricultural exports from Lebanon are entering the EU duty free, with the exception of a list of 25 items for which quantitative restrictions and/or specific duties are maintained (e.g., potatoes, tomatoes, cucumbers, artichokes, squash, apples, oranges, and olive oil). However EU standard requirements (as well as ad hoc restrictions) remain a major non-tariff barrier blocking access to the EU market¹.

To overcome these non-tariff blocking barriers, there is an increasing need for concerted efforts in trying to understand the nature of these barriers and possible means to overcome them in a “farm to table” approach². It would be hence useful to start with a flagship agricultural drylands produce which does not fall under the list of restricted items under the EU-Lebanon trade agreement, such as Medicinal and Aromatic plants (MAPs). In addition to their economic importance, MAPs present significant added-value features such as their extended shelf-life, the SME aspect of the extraction and packaging processes, the involvement of marginalized groups and especially women in the collection and processing, the overall drylands marginal activity character of MAPs and the cross-cutting synergies they present with other key environmental mainstream issues such as the sustainable management of natural resources and more specifically biodiversity.

In aiming at introducing Lebanese drylands MAPs into the EU market, one can capitalize on previous successful experiences (mainly by the private sector) while reviewing in depth the various niche opportunities that remain untapped. The findings of the GEF PDF-B study on “Mainstreaming Biodiversity Management Considerations into Medicinal and Aromatic Plants Production Processes” will be instrumental in shaping the entire approach and in identifying suitable entry points and other relevant activities, especially that the GEF study will conduct an in-depth identification of globally significant MAPs and assess their livelihood and market potential. Building on the results of the study, one specific product with the most promising perspectives will be selected in order to follow its “harvesting to table” life cycle in the context of the EU Association Agreement. For this purpose a comprehensive enabling framework focused around a multi-stakeholder working group on “enhancing the market accessibility of the drylands produce to the EU markets” is suggested. Based on previous discussions in the consultation phase, the

Activity 1.1: Set-up of a multi-stakeholder working group on “enhancing the market accessibility of the drylands produce to the EU markets”

The multi-stakeholder working group will be established, under the leadership of MoA, and with the Women Advisory Group of Finland³ (WAGF) as Northern counterpart. Members of this working group should preferably include previous DDC and MoA/CCD partners (Monjez, Deir El Ahmar, Aرسال, Aytaroun, but also representatives from the pilot areas identified in CCD LAP) in addition to other relevant stakeholders. Among the additional stakeholders to be involved, it is strongly recommended to invite the EC delegation in Beirut⁴, representatives from the private sector (the agriculture branch in the various chambers of commerce of the country), Women Associations (who carry traditionally most of the burden

¹ <http://www.economy.gov.lb/MOET/English/Panel/Projects/EUImpactAssessment.htm>

² Ideally, we should be talking about a “seed to table” approach, or filière based approach, however under the present resources and time framework, it will be short-circuited into a “farm to table” one

³ Personal communication from Ms Erja Kaikkonen, DDC JPO - Program Officer

⁴ Such as Mr. Fransisco Accosta Sotto, Head of the Politics/Economy/Trade section, Mr. Frederico Bircocchi from the Operations Section - Implementation of the Association Agreement or Mr. Patrick Trollier from the Operations Section - Rural development, Environment and Water

in the collection and the extraction of MAPs), socially responsible business ventures such as the Healthy Basket and Souk El Tayyeb, research institutes such as the Environment and Sustainable Development Unit of the American University of Beirut, Farmer Associations (where women farmers will be particularly encouraged to participate), Unions and Cooperatives such as BIOCOOP Lubnan and the Association for Lebanese Organic Agriculture (ALOA) as well as relevant USAID beneficiaries working specifically under the agribusiness and agro-industry segment of the “enhancing business opportunities” program (Mercy Corps, World Vision, ACDI,...), in addition of course to the WAGF who will coach the process. The presence of WAGF brings a significant added value with respect to the Gender Equity and empowerment component

Activity 1.2: Selection of a pilot product (or a product line) to further investigate its “harvesting to table” life cycle by the working group.

The working group will build on the results of the GEF PDF-B study to select one particular product with the most evident synergies and added value to further assess its livelihoods, business and EU market access potentials, in close cooperation and under the guidance of WAGF.

Activity 1.3: Capacity development to address specific gaps identified through the consultation process.

It is expected that issues such as extraction procedures, health and safety standards of the EU, denomination of origin and certification of the produce, packaging, labeling and testing would be identified through the process and must be addressed in order to enhance the market access of MAPs to the EU market. It will be very difficult to address all the capacity gaps identified with the resources available to the present project, yet one or two specific areas – such as standards/testing and packaging/labeling - will be addressed in depth. Local resources from within the working group and/or additional resources identified and/or mobilized by the WAGF will be used. The process could greatly benefit from the ongoing enabling activities associated with the EU-Lebanon trade agreement such as the “Quality” project⁵ financed by the EU and implemented by MoET and aiming at initiating the development of an institutional chain for conformity assessment of quality control in Lebanon. Alternatively, the project could also benefit from the enabling activities under the EFTA agreement such as the “Geographic Indications” project or the “Organic Agriculture Certification and Market Development in Lebanon” project mentioned under section 1.

Activity 1.4: Identification of pilot EU markets for pilot product

In parallel, efforts led by the Women Advisory group of Finland (but also other stakeholders of the working group such as the EU or the EU led initiatives) should identify pilot EU markets for MAPs and link the Working Group to these markets

Activity 1.5: Identification of other potential products (or line of products)

Once the current project cycle ends, it is suggested to apply the same approach should be applied to one or more new products (or category of products) using the momentum acquired during the process and with the own resources of the working group which should have expanded enough to generate a self-momentum by the end of the process. The activities under the GM resource mobilization strategy would be instrumental in mobilizing and mainstreaming further resources for the sustainability of the process.

Output 2: Fair Trade processes explored as an innovative marketing and livelihoods enhancement option for rural dryland producers and agricultural SMEs

Making markets work for the drylands poor through Fair Trade is a new development and marketing niche that is definitely worth exploring further. Acquiring an internationally recognized Fair Trade certification can be a privileged entry point for opening new trading and marketing horizons for drylands produce at the domestic, regional and international levels.

⁵ http://www.dellbn.cec.eu.int/en/eu_and_lebanon/project2.htm

Fair Trade is in line with the EU trade policy which strives – in the own terms of the EU-WTO policy review document - to “... be characterised by activism, innovation and leadership... (and)... underpinned by a strong social and institutional reform agenda, consciously pursued in a way that serves and promotes sustainable development globally... the EC has promoted marketing of fair trade products into EC markets via the co-financing of awareness raising campaigns among consumers throughout Europe...”⁶.

The Middle East is not yet on the priority list of major international Fair Trade organisms, but these organisms are much aware of the potential that the region presents. In the process of preparing this project document, preliminary contacts were undertaken with the Fair Trade Labeling Organization (FLO) which provides Fair Trade certification through its affiliate FLOCert and the International Fair Trade Association IFAT which does not provide certification but proposes a 3 step process that permits the use of IFAT's Fair Trade logo on the produce.

Based on e-mail contacts with FLO⁷, the main strategic concern for the West Asia and the Middle East region is to identify the products that can be fair-traded and to establish the minimum guaranteed price for these products/commodities⁸. IFAT are deeply interested in working in the region but are in short of staff since they relocated from the UK to the Netherlands⁹. Nevertheless, they are favorable for any low input activity that would help mainstream Fair Trade in the region.

Before aiming at acquiring certification for one or more products and/or producer bodies in the region, it is instrumental to build a pool of knowledge amongst the concerned stakeholders to ensure the participation of both women and men in the process and to acquaint them to the prerequisites and the various production and social responsibility protocols required for achieving Fair Trade certification. It is also instrumental to identify collaboratively the various product niches that will achieve the most significant added value to the production and marketing processes of the region.

A two-fold strategy with one cross-cutting horizontal component and 2 vertical sector activities is proposed:

Activity 2.1: Launch of Learning Alliance on Fair Trade (LAFT)

At the horizontal cross-cutting level, and under the leadership of MoET, it is proposed to launch a “Learning Alliance on Fair Trade” (LAFT) that will stimulate the collaborative development of the knowledge pool amongst women and men stakeholders.

A Learning Alliance¹⁰ is a multi-stakeholders process that involves identifying, sharing and adapting good practices linked to different geographical and cultural contexts, and provides hence a privileged model for participatory learning between North and South (Finland and the region in our case).

LAFT will be populated along the same model proposed for the multi-stakeholder working group on trade agreements but will be more geared towards social corporate responsibility and trade and would involve more civil society representatives such as the newly established Responsible Trade Alliance (which includes mainstream NGO's such as Green Line, Humanitarian Group for Social Development, ATTAC Lebanon, ...), women cooperatives and rural producers associations,... A particular added value for LAFT will be the participation of stakeholders from Northern countries such as Pro Fair Trade Finland (Reilun kaupan puolesta ry), a Finnish Association working on the promotion of Fair Trade in Finland and which works in close co-operation with the Finnish Fair Trade labeling organization who is in turn affiliated to FLO. LAFT could be electronically connected to IFAT and FLO as well as other relevant Northern stakeholders identified along the way.

⁶ The European Community: WTO Trade Policy Review, WTO document WT/TPR/G/136, October 1st 2004

⁷ Personal communication from Ms Anne Hedman from the Finnish Fairtrade Association to Ms Erja Kaikkonen based on feedback from FLO

⁸ The Minimum Guaranteed Price is a core requirement for fair trade, which establish the baseline cost of the commodity, plus all other costs related to its processing, handling, shipping and marketing, in addition to a fair trade surplus that goes back to the producer and is used for improving the livelihood of the producer and to improve the production process through capacity building

⁹ Personal communication from Mr. Gurban Bossenbroek, Communications Officer at IFAT during a visit undertaken to the IFAT headquarters in Culemborg, the Netherlands on February 3rd 2006 in the process of preparing for this project document

¹⁰ See Learning Alliances: An Approach for Building Multi-Stakeholder Innovation Systems, ILAC Brief#8, August 2005

Some of the activities of LAFT would include familiarization seminars about Fair Trade, general public activities such as conferences, mobile exhibits in thematic fairs and public events, media appearances, thematic events about particular crops or products with evident potential for Fair Trade... Women would greatly benefit from Fair Trade and LAFT since Fair Trade regulations put an additional emphasis on social and gender equity that is somehow lacking in the more traditional approaches to agricultural/drylands development.

One particular association of LAFT could be chosen on permanent or rotational basis to act as a facilitator for the Alliance and liaise with MoET, MoA, DDC and UNDP

In parallel to this horizontal cross-cutting activity, two specific initiatives would be implemented:

Activity 2.2: Organization of the Global Journey Lebanon

The organization of a thematic day/week/mobile exhibit under IFAT's "Global Journey" on Fair Trade, "**Global Journey Lebanon**"¹¹. The Global Journey is a worldwide campaign undertaken by IFAT for the promotion of Fair Trade. (More information about the Global Journey can be found in Annex 3 of this project document). During the process of preparing for the present project document, IFAT has already given a preliminary consent to explore further this possibility.

A specially designated committee from LAFT members would be in charge of organizing the event (under the leadership of Souk El Tayyeb for example) and all LAFT members would greatly benefit from the interaction with IFAT during the preparation process, the adaptation to the Lebanese context of the standard technical and media kits prepared by IFAT for the Journey and most importantly, the Journey would constitute a privileged occasion to use the official IFAT Fair Trade logo for the first time in the region.

A significant added value from the involvement of DDC in Fair Trade is this concerted effort to work under the IFAT and/or FLO umbrella, since it is not uncommon to encounter in the region (Egypt, Jordan, Morocco, Palestine,...) initiatives labeled as Fair Trade but that lack the standards and international recognition/mainstreaming acquired under IFAT or FLO or any other global regulatory body.

Activity 2.3: Initiation of Fair Trade Certification

Another specific activity under Fair Trade would be to actively assist a socially responsible trade company to engage in a Fair Trade Certification process for one or more of its products. Social awareness and corporate responsibility is gaining increased momentum in Lebanon where companies such as Healthy Basket, the Food Heritage Foundation, Slow Food Movement among others are aligning the social and commercial concerns in their strategy and marketing approach and aiming at bridging the gap between urban consumers and rural producers. The company which will benefit from the support of the project to acquire Fair Trade certification must engage in turn to broaden its pool of beneficiaries to include LAFT partners, engage them actively in the entire certification process and ultimately market their produce once it acquires certification. Ideally, MAPs producers engaged under pillar 1 should be the first project partners to benefit from this Fair Trade Certification.

Output 3: Dryland eco-tourism promoted and mainstreamed into local development efforts

Tourism in general and eco-tourism in particular have been identified as sectors where Lebanon possesses a definitive comparative advantage over the region. USAID is particularly active in the area of enhancing economic opportunities for tourism and eco-tourism and is funding major development projects centered on ecotourism as highlighted in the previous section of this project document.

Linking eco-tourism to drylands livelihoods enhancement is not completely new. The CCD Focal Point Office at MoA has successfully launched a pilot project entitled "Development of Agro-Tourism in Deir El Ahmar, Yammouneh" with seed funding from the Embassy of the Kingdom of Spain in Lebanon¹² which

¹¹ With the potential of becoming "Global Journey Middle East" if DDC could link it to its regional work with strong candidate countries such as Jordan and Morocco but also Egypt and Iran.

¹² UNDP MoA tripartite review report, September 2005

provided training and capacity building of the local community, particularly women for the enhancement of local agro-tourism in the region.

This pilot experience needs to be broadened and mainstreamed further, through positioning drylands as a privileged eco-tourism destination by developing and putting forward the evident synergies, linkages and added value that drylands can bring to the eco-tourism movement in the country.

Three targeted activities are envisaged:

Activity 3.1: Identification and collaboration with on-going national eco-tourism initiatives

Collaboration with existing internationally funded projects on eco-tourism such as the Lebanon Mountain Trail (LMT) project or the Hospitality Training of Youth project¹³. Although institutional arrangements with these projects need to be further identified and discussed, it is anticipated that DDC would facilitate the integration of selected drylands areas (ideally the pilot areas of LAP) and the various partners in these areas such as women's associations and farmers cooperatives by assisting the local community - women and men, but also youth and other marginalized groups - to build further their capacities to meet specific requirements of these projects. Assistance could vary from a small grant to upgrade existing bed and breakfast facilities or providing funds to hold traveling workshops for Youth on eco-tourism related hospitality services, etc... Reciprocally, both locations would benefit from the services offered by projects such as trail delineation, training, assistance in upgrading Bed and Breakfast facilities, exposure through the promotion activities, etc...

Activity 3.2: Capacity building on eco-tourism

Activity 3.2.1: Training of a team of selected DDC partners in Finland on eco-tourism with Wild North Finland (Villi Pohjola). Wild North has already expressed its willingness to provide training and capacity building for Lebanese partners¹⁴. The agenda for the training package would be constructed together according to the needs of the Lebanese counterpart and the sites visited can be in different parts of Finland to give a full overview of the different packages, networking and questions related to quality and the environment. Up to 5 women and men will be trained in Finland according to a Training of Trainers model and would communicate their expertise to the rest of the DDC partners upon their return

Activity 3.2.2: Holding a 2 days workshop on "Enhancing the Market Opportunities of the Drylands through eco-tourism" in order to share the learning that the group that was trained in Finland acquired and to further expose the DDC partners to the concept and the additional opportunities that eco-tourism can bring to the drylands livelihoods. The workshop could be held in one of the existing eco-tourism projects that are currently operational in Lebanon such as Al Jord or La Reserve Afqa and up to 20 women and men participants from partner organizations can take part in it. It is suggested to run the workshop jointly by the partners that benefited from the ToT in Finland and/or the host project and other eco-tourism projects (such as the USAID funded ones)

¹³ The information about this project was released during the final stages of the preparation of the project document <http://lebanon.usembassy.gov/lebanon/pr021706usaid.html>

¹⁴ Personal communication by Ms Erja Kaikkonen, DDC JPO - Program Officer

Sub-Project 2: Development of a financing strategy for NAP implantation (Global Mechanism Sub-project)

I - Background

At the request of the Government of Lebanon, the Global Mechanism (GM) conducted a joint mission in 2003 with UNDP and GTZ, in order to establish a common programme of action to support NAP implementation process and to delineate responsibilities of the respective partners. A follow-up mission was undertaken by the GM in 2004 to finalise the modalities and activities that would be undertaken with GM fiancés in support of NAP implementation

Project Objectives

The project objective is to develop and implement a resource mobilization strategy for NAP implementation. The specific objectives are to

- Strengthen the capacity of the UNCCD implementation at the MoA
- Undertake specific studies, analyses and development of a portfolio of project proposals in preparation for convening a Country Financing Partnership (CFP) forum.

II - Project Outputs and Activities

Output 1: UNCCD Team at the MoA strengthened for supporting NAP implementation

Activity 1: Capacity Development

- 1.1 Strengthening of the capacities of the UNCCD team through participating in national, regional and international trainings and workshops related to NAP priority areas
- 1.2 Convening of local-level workshops for elaborating sub-national development programs to combat desertification

Output 2: National Coordination Body (NCB) operationalised and cross-sectoral cooperation promoted; NAP operationalised through identification of priority projects at the national and sub-national level; and

Activity 2: Operationalisation of NAP and NCB

- 2.1 National Coordination Body established
- 2.2 Establishing a coordination mechanism between the key sub-national actors

Output 3: National and external financing opportunities identified for implementation of priority projects

Activity 3: Identification of financial opportunities organization of CFP

- 3.1 Elaborating a set of targeted and fundable projects that meet both sub-national and national program needs based on advanced gap analysis
- 3.2 With a view of developing a UNCCD financing strategy analyze:
 - 3.2.1 National planning and budgetary processes
 - 3.2.2 Development partner programming frameworks
 - 3.2.3 Private sector and new potential financial sources

3.3 Organization of a Country Financing Partnership forum to present NAP priority project portfolio to donors and other interested stakeholders

Sub-Project 3: Implementation and Coordination of Sub-national and Local-level NAP priority projects

I – Background

The project will build on the previously established national grass-root network and the output of the national and local action plans to continue with resource mobilisation efforts for sub-national and local level NAP projects implementation with dryland communities, NGOs and/or CBOs. These replicable pilot activities will be a basis for demonstrating natural resource management tools that promote the livelihoods of the dryland rural poor, while simultaneously extending efforts to combat desertification. They will provide essential feedback to the policy making level with the objecting of bridging local level needs to national policy development.

All additional activities or pilot projects will be added to this sub-project as new resources are mobilised.

II - Project Outputs and Activities

Output 1: UNCCD implementation mainstreamed through effective programme management and coordination

Linking and mainstreaming the new niche opportunities identified under sub-project 1 to ongoing and planned initiatives for the implementation of the UNCCD NAP, in addition to managing the activities under the second sub-project on Development of a financing strategy for NAP implementation will be undertaken by the UNDP UNCCD team at the Ministry of Agriculture.

The initiatives developed in the present project document are directly inspired from the UNCCD NAP and hence their chances for implementation and sustainability are intricately linked to the successful implementation of other NAP activities.

As exposed in various sections of this project document, 2006 will be witnessing 2 key initiatives undertaken under NAP implementation: the operationalisation of NAP into LAP, where combating desertification will be mainstreamed into the broader context of local development planning in key pilot locations of Lebanon, as well as the resource mobilization strategy and the preparation of NAP/LAP priority project proposals portfolio to be presented in a planned Country Financing Partnership forum undertaken by the GM.

The Project Implementation Unit will have to insure an effective coordination mechanism and provide all the support needed to successfully implement the activities forecasted under GM and this project document, while actively working on achieving the remaining tasks identified during the last TPR.

At a project level, the team is expected to:

- Revise the NAP in order to integrate the additional fund activities and develop a strategic and detailed workplan for the extension period
- Follow-up the submission of the NAP to the Council of Ministers for approval
- Increase cooperation with other partners at the national, regional and international level and particularly with the UNCCD secretariat
- Continue efforts towards resource mobilization for the implementation of pilot projects in line with NAP
- Review and revise the legal study with the legal consultant
- Ensure that all new funds are administered through the existing project budget
- Initiate – as soon as possible – the implementation of the activities related to the GM sub-project

At the MoA level, the team should ensure that the following recommendations of the TRM are being implemented:

- Integration of the project staff into the MoA

- Building Capacities of MoA staff and increasing their involvement in project activities
- Effective coordination with UNDP, GTZ, CDR and other national field projects in order to reduce overlap in activities and promote synergies with other Ministries and projects
- Focusing on a more comprehensive and strategic approach to the implementation of the project at a national and regional level
- Promoting collaboration with other line Ministries, especially MoE

Output 2: Pilot project – improvement of irrigation water use efficiency in Moujdel, Akkar

As part of the NAP implementation, the UNCCD team has been actively seeking to mobilise resources for the execution of local pilot projects based on identified community needs and gaps. One of those pilot projects that has been approved and will be initiated within this larger project is the Improvement of Irrigation Water Use Efficiency in Moujdel, Akkar. This pilot project will be executed with funds from the Czech Embassy. Third Party Cost Sharing Agreement signed between the Czech Embassy and UNDP dated xyz attached herewith in Annex 3.

A. Project Background

Moujdel is located in the Northern part of Akkar (North Lebanon). It is 125 Km far from Beirut and situated at 650m a.m.s.l. The area of the village is estimated at around 400 ha and the agricultural lands account to about 250 hectares. Cereals and legumes were the major crops cultivated in Moujdel. The village has a population of about 1800 people, most of whom practice small scale farming including large ruminants and beekeeping. Currently these practices are restricted due to:

- Scarcity of irrigation water sources
- Loss of pasture
- Lack of support to the rehabilitation and modernization of irrigation networks, construction of agriculture roads; and
- Lack of know how on new agricultural techniques
- Access to markets

Moujdel is considered as a deprived village and suffers from significant poverty due to the lack of employment opportunities, the migration and the absence of social services leading among others to the mismanagement of natural resources such as deforestation to produce fuel wood and charcoal. Such activities lead to land degradation and soil erosion

B. Project Objectives

The overall aim of this project is to contribute to the implementation of the National Action Programme (NAP) to Combat Desertification priorities through:

- Amelioration of irrigation water use efficiency thus increasing the productivity
- Plantation of the abandoned and new parcels with vegetables
- Improving livelihood of involved farmers

C. Problems Addressed

Landowners have established a small dam forming a traditional water reservoir (15m x 12m x 1.8m). The source of water is a spring with a flow of 12m³/hour. Water is stored for 18 hours and then distributed. This reservoir collects also rainfall water during winter. Storage water is used to irrigate 3 ha. The irrigation canals are furrowed in soil and important losses of water occur. As a result, the productivity declines and the living standards of farmers are negatively affected and they abandon their lands.

Establishment of a water reservoir (2000 m³) and set up 1700 m of PVC pipes (8 inch) to conduct water properly would contribute:

- Enhanced irrigation water use
- Expand the irrigated lands (to 20 ha)
- Prevent further land degradation by reducing abandonment of lands

- Improve the socio-economic situation of farmers
- Disseminate information and results to local communities in a demonstration sustainable water management as means to mitigate the impacts of land degradation.

D. Project strategy

The project fits within an overall goal that is set in the governmental plans to increase water use efficiency through enhanced management such as harvesting and advanced irrigation techniques. It is also in line with the objectives of the National Action Programme endorsed by the Ministry of Agriculture. Within the available financial resources the approach is to create a water reservoir that would collect the majority of the available water and distribute accordingly to farmers in the neighboring lands. The area to be irrigated is decided by the kind of crops and their water requirements.

The project shall also promote the principles of cooperation among farmers who shall be responsible with the existing cooperative for water distribution.

The project will also demonstrate how a “low cost” investment contributes to rural development and poverty alleviation.

The project activities are as follows:

Activity 2.1 Establishment of a water reservoir

- Meeting with targeted farmers to promote their participation in planning and implementing the project
- Assignment of an expert to assess the site in terms of geohydrological, and climatic conditions
- Assignment of an expert on ponds construction to dress a plan and define required interventions
- Preparation of the lands for construction (excavation....)
- Assignment a contractor specialized in lining membranes
- Spreading of lining membranes and conduct water to the reservoir

Activity 2.2 Set-up of irrigation network

- Define the plan and setup of the network
- Preparation works (excavation, foundations, etc.)
- Installation of pipes, outlets and valves

Activity 2.3 Expansion of irrigated lands

- Define targeted parcels
- set-up administrative structures needed to facilitate access of water to the targeted lands

Activity 2.4 Capacity building on new agricultural practices and irrigation techniques

- Identify targeted farmers
- Assignment of experts in extension issues
- Define training needs
- Launching training sessions

Output 3: Third National Report to the UNCCD prepared

Based on the request by the UNCCD Secretariat Grant Committee dated 06 March 2006, the Government of Lebanon through the Ministry of Agriculture received 5,000 USD for the preparation of the Third National Report and Country Profile to the UNCCD, based on the following schedule:

April – May 2006

- Identification of stakeholders and national consultations,
- Data and information compilation also for country price
- Identification and hiring of consultants
- Drafting process with comments received from national stakeholders and consultation process
- Work on the country profile
- National Validation Workshop for the review of the national report and the country profile
- Finalisation of the national report and country profile

31 May 2006

Submission of the National reports, including the country profile to the UNCCD Secretariat

End June 2006

Finalisation of Synthesis (document which summarizes and analyses the national report from Asia, LAC and Central and Eastern European Countries)

2nd week Aug 2006

Regional Meeting in preparation of CRIC 5

Sep – Oct 2006

Meeting of CRIC5

Section III – Results and Resources Framework

Intended Outcome 1: UNCCD implementation mainstreamed with innovative trade and marketing initiatives for dryland products			
Outcome indicators: Successful trade in a Lebanese dryland product carried out and eco-tourism initiative in dryland region set-up			
Intended Outputs	Indicative Activities	Responsible Parties	Inputs
Output 1: Market access of a dryland product increased and the capacity of drylands producers built. <i>Indicator: Successful trade in a dryland product to the EU</i> Baseline: Absence of documented trade in dryland product to the EU	1.1 Set-up on Multi-stakeholder Working Group	UNDP PIU/MoA	Women Advisory Group
	1.2 Selection on of pilot product(s)	UNDP PIU/MoA	
	1.3 Capacity development to address the gaps identified	UNDP PIU/MoA	Short-term consultant
	1.4 Facilitation of pilot EU markets for the produce	UNDP PIU/MoA, DDC	In kind contribution
	1.5 Identification of other potential products	UNDP PIU/MoA, DDC	
	1.6 Production of a Policy Brief	UNDP PIU/MoA	Senior Advisor & PIU
Output 2: Fair Trade processes explored as an innovative marketing and livelihoods enhancement option for rural dryland producers and agricultural SMEs <i>Indicator: Initiation of Fair Trade processes in Lebanon</i> Baseline: Absence of Fair Trade programmes at the national level	2.1 Launch of a “Learning Alliance on Fair Trade” (LAFT)	UNDP PIU/MoA, DDC	Senior advisor, short-term consultant, communications, web hosting
	2.2 Organization of the “Global Journey Lebanon”	UNDP PIU/MoA, DDC	Senior advisor, short-term consultant & group
	2.3 Initiation of Fair Trade Certification	UNDP PIU/MoA	Senior advisor
Output 3: Dryland eco-tourism promoted and mainstreamed into local development efforts <i>Indicator: Successful incorporation of dryland eco-tourism within national tourism initiatives</i> Baseline: Absence of dryland eco-tourism within local development efforts	3.1 Collaboration with on-going national eco-tourism initiatives	UNDP PIU/MoA	Facilitator, thematic advisor, LMT
	3.2 Capacity building on eco-tourism	UNDP PIU/MoA	Facilitator, thematic advisor, trainees of Wild North, AI Jord

Outcome 2: Financing strategy for NAP implementation developed			
Outcome indicators: Financing opportunities identified for NAP priority projects			
Intended Outputs	Indicative Activities	Responsible Parties	Inputs
<p>Output 1: UNCCD Team at the MoA strengthened for supporting NAP implementation</p> <p><i>Indicator: Capacity of UNCCD on NAP implementation increased</i></p> <p><i>Baseline: Weak capacity of UNCCD Team at the MOA for NAP implementation</i></p>	<p>1.1 UNCCD team participating in national, regional and international trainings and workshops related to NAP priority areas</p> <p>1.2 Convening of local-level workshops for elaborating sub-national development programs to combat desertification</p>	<p>UNDP PIU/MoA</p> <p>UNDP PIU/MoA</p>	
<p>Output 2: National Coordination Body (NCB) operationalised and cross-sectoral cooperation promoted</p> <p><i>Indicator: NCB operational and cross-sectoral cooperation initiated for NAP implementation</i></p> <p><i>Baseline: NCB not functioning and cross-sectoral cooperation not carried out</i></p>	<p>2.1 National Coordination Body established</p>	<p>UNDP PIU/MoA</p>	
<p>Output 3: National and external financing opportunities identified for implementation of priority projects</p> <p><i>Indicator: Financing strategy for NAP priority projects developed</i></p> <p><i>Baseline: Absence of financing strategy for NAP priority projects</i></p>	<p>2.2 Establishing a coordination mechanism between the key sub-national actors</p> <p>3.1 Elaborating a set of targeted and fundable projects that meet both sub-national and national program needs based on advanced gap analysis</p> <p>3.2 With a view of developing a UNCCD financing strategy analyze:</p> <p>3.2.1 National planning and budgetary processes</p> <p>3.2.2 Development partner programming frameworks</p> <p>3.2.3 Private sector and new potential financial sources</p> <p>3.3 Organization of a Country Financing Partnership forum to present NAP priority project portfolio to donors and other interested stakeholders</p>	<p>UNDP PIU/MoA</p> <p>UNDP PIU/MoA, DDC</p> <p>UNDP PIU/MoA, DDC</p>	

Outcome 3: Sub-national and local level NAP priority projects implemented			
Outcome indicators: At least one sub-national or local level NAP priority project executed			
Intended Outputs	Indicative Activities	Responsible Parties	Inputs
<p>Output 1: UNCCD implementation mainstreamed through effective programme management and coordination</p> <p><i>Indicator: Linkages among the on-going NAP initiatives developed</i></p> <p><i>Baseline: Several distinct NAP related initiatives on-going</i></p>	<p>1.0 Programme coordination and management to ensure UNCCD NAP implementation and linkages with trade initiatives, pilot projects and financing strategy</p>	<p>UNDP PIU/MoA</p>	<p>UNDP and DDC funds, short-term consultants</p>
<p>Output 2: Pilot project – improvement of irrigation water use efficiency in Moujdel, Akkar</p> <p><i>Indicator: Management of water resources in Moujdel improved</i></p> <p><i>Baseline: Severe water losses and limited water available for agricultural irrigation</i></p>	<p>2.1 Establishment of a water reservoir</p>	<p>UNDP PIU/MoA</p>	<p>Czech Embassy funds</p>
	<p>2.2 Set-up of irrigation network</p>	<p>UNDP PIU/MoA</p>	<p>Czech Embassy funds</p>
	<p>2.3 Expansion of irrigated lands</p>	<p>UNDP PIU/MoA</p>	<p>Czech Embassy funds</p>
	<p>2.4 Capacity building on new agricultural practices and irrigation techniques</p>	<p>UNDP PIU/MoA</p>	<p>Czech Embassy funds</p>
<p>Output 3: Third National Report to the UNCCD prepared</p>	<p>1.0 Preparation of third national report</p>	<p>UNDP PIU/MoA</p>	<p>IFAD grant</p>

Section IV – Workplan and Budget

Total Summary of Funds		F&A
DDC	125,000	7,676
UNDP/TRAC	15,000	
GM	50,000	2,500
Czech	25,000	1,250
Report	10,000	
total	225,000	11,539

Section IV – Additional Information

Part I – Detailed National Situation Analysis

In 2003, the **Ministry of Agriculture (MoA) of Lebanon**, with the support of the Drylands Development Centre (DDC), the United Nations Development Program (UNDP), and the German Technical Cooperation Agency (GTZ), elaborated its National Action Program to Combat Desertification (NAP). The MoA, which acts as a focal point for the United Nations Convention to Combat Desertification (UNCCD) currently hosts a CCD secretariat, which is staffed with support from UNDP. The CCD secretariat is currently working on the operationalization of the NAP into a Local Action Plan (LAP)¹, and is also developing a resource mobilization strategy with the support of the Global Mechanism (GM).

Although the NAP clearly acknowledges that "... combating desertification cannot be viewed in isolation from other national efforts to promote sustainable development, therefore desertification/drylands issues should adequately integrated into national development frameworks and sector strategies..."² little has been done in the past on that front, although significant state of the art technical data was produced and regularly updated.³

In August 2005, **UNDP and GM signed a financing agreement in order to develop and implement a resources mobilization strategy for NAP implementation**. This agreement, of a total value of \$50,000 and which is to be implemented during 2006 as a sub-project to the project outlined in this project document. The GM sub-project is highly complementary and presents evident synergies with the current project document. More details are presented in Part II o Section IV of this project document.

Lebanon hosts the regional UNDP DDC program targeting West Asia and North Africa. The program is primarily funded by the Government of Finland with core resources of UNDP Country Offices being used for supporting the implementation, monitoring and evaluation of the program activities at the national level. The program is currently in its third phase (2006-2008) entitled "**Promotion of Sustainable Livelihoods in the Drylands of the Middle East and North Africa (MENA) – in the context of the Millennium Declaration and the United Nations Convention to Combat Desertification**". The program witnessed a steady change in its focus, from an emphasis on UNCCD processes at national and regional levels during the first two phases, towards more targeted interventions aiming at improving the livelihoods of the dryland poor in the region in the present third phase.⁴ The program has also strong operational linkages with the existing UNDP network and other development actors, particularly the UNEP, the Global Environmental Facility (GEF), American University of Beirut (AUB), ICARDA and the Global Mechanism of the CCD.

Rural livelihoods systems in the drylands are traditionally based on a combination of pastoralism and cropping. Beside their poor endowment in natural resources, drylands bear the brunt of disabling economic, political, social, and cultural structures. The result is development projects in which only one aspect of the problem of rural communities is addressed at a time. Moreover, there is also significant donor bias towards what is perceived to be a problem through Northern eyes, but not by local people. This includes issues such as governance, gender or environmental conservation, often addressed in a manner that is divorced from the socio-economic realities of the rural poor.⁵

In Lebanon, and despite the fact that the agricultural sector contributes to 8-12% of the GDP⁶, it benefits from a mere 0.4% of the public governmental spending⁷. According to a survey conducted by MoA (2002)

¹ The process is expected to be completed in April 2006, personal communication from the UNCCD Focal point at MoA

² Project Document, National Action Plan to Combat Desertification leb/97/014, Final Draft, Beirut, September 2001

³ More emphasis has been given, since 1998, to building-up a state of the art knowledge and expertise pool on desertification and drylands livelihoods of Lebanon (NAP, national monitoring system, regional early warning system, etc...) more on www.codel-lb.org

⁴ More on the program on <http://www.surf-as.org/DDC/DDCmain.html>

⁵ Zurayk, R and Haidar, M. (2002) The Dryland Predicament, Natural Capital Global Forces, Development Outreach, The World Bank Institute

⁶ <http://www.medobs.org/panorama/rapport2005/Liban/ProfillIB05.pdf>

the total value of the agricultural production reached around LBP 1,929 billion (\$ 1.29 billion). Crop production represented 73% of the total value and animal production the remaining 27% share.

Most of the Lebanese agricultural production is consumed locally and only 6.7% (\$86 million in value) **was exported in 2004**, despite an aggressive government-supported export promotion program, Export Plus⁸. The most recent statistics of Export Plus for 2005⁹ show that Saudi Arabia accounts for 25% of the total agricultural exports and a group of 4 other Arabic countries (Syria, Kuwait, UAE and Jordan) for another 55%. Major exported crops in 2005 were potatoes 43%, citrus 27%, apples 13%, bananas 5%, vegetables 6.5%, grapes 6% and table eggs (around 130,000 boxes of 360 eggs each)

There is also a **significant agro-processing industry**, accounting for nearly 20% of all industrial enterprises of the country. A flagship product of the industry is Lebanese wine, where “soft literature” talks about 3 million bottles exported in 2004. Another flagship product that is gaining momentum and attracting increased attention is the Medicinal and Aromatic plants (MAPs). According to GEF¹⁰, no less than 285 plant species of Lebanon are reported to have medicinal, aromatic and/or herbal properties and play a central role not only as traditional medicines but also as trade commodities, meeting the demands of many rural communities. MAPs and particularly essential oils are currently “en vogue” and in high market demand around the world, mostly for therapeutic applications in alternative medicine as well as the cosmetics industry and SPAs. A quick electronic investigation shows that several Lebanese companies are present in the regional and international markets and that the most thought after products are the organically certified MAPs and MAP extracts¹¹.

A GEF Project Development Facility formulation process is taking place simultaneously with the preparation of the current project document on “Mainstreaming Biodiversity Management Considerations into Medicinal and Aromatic Plants Production Processes in the Palestinian Territories and Lebanon”. The process, which is expected to end in May 2006 will generate state of the art data on MAPs including a land ownership and livelihood assessment, a comprehensive production and marketing analysis and an in-depth conservation assessment.

The production and market assessment study is of particular relevance to the present project document and is expected to provide the following information:

- A survey to identify the products (name, quantities, prices) in the market which are derived from indigenous, wild collected MAPs
- Information on the nature and volume of existing MAPs trade, markets and product standards
- A gender analysis to identify gender roles in the production processes and market chain-including division of labor, involvement in decision making, access to and control over MAPs resource

The study will also examine – among others - the size (number of vendors) and prospective growth of the MAPs market, the marketing and distribution infrastructure and the export sales potential of MAPs and will also propose new opportunities to develop MAP-SE enterprises by analyzing their financial viability, prospects of marketing (and its associated constraints) in selected communities and will map the market chain from harvester to consumer to better understand the forces driving current practices (overexploitation and improper harvesting techniques), as well as helping to identify possible points of intervention. These may include both necessary control interventions - regulations, legislation, charges, restricted-use codes of conduct, etc., as well as incentive measures - taxes, certification, voluntary agreements, lobbying and consumer awareness campaigns.

⁷ Figure for 2003, up from 0.37% of total governmental spending in 2002 www.medobs.org

⁸ <http://www.idal.com.lb/>

⁹ The Lebanon weekly monitor, Audi Bank, week 51 (December 12-17 2005)

¹⁰ TORs for a PDF-B project (Project ID 00046808) “Mainstreaming Biodiversity Management Considerations into Medicinal Plants Production Processes” to be launched concurrently with this project

¹¹ For a clearer idea about the type and volume of demand, one can consult the online trading forum greentrade http://www.greentrade.net/offers/to_buy/500/Medicinal+%26%2B+aromatic+plants.html

Flagrant trade gaps exist between Lebanon and its European and North American Trade partners.

With respect to the European Union for example, Lebanon occupies the 43rd rank in the EU's exports and the 112th in EU's imports, with a balance of trade deficit of €3 billion for 2004. In 2004, Lebanon imported \$600 million worth of agricultural products from the European Union and exported for slightly less than 46 million¹².

An EU-Lebanon Association Agreement was signed on 17 June 2002 and will enter into force during the first months of 2006. The Agreement provides a framework for political dialogue, co-operation in economic policy and the gradual establishment of a free trade area, as well as close co-operation in the social field particularly promoting the role of women and a better understanding amongst cultures. The Agreement commits both parties to further liberalization of bilateral trade in various sectors and will result in the complete removal of Lebanese duties on EU industrial and processed agricultural products 12 years after the entry into force (estimated free trade by 2014), while **offering Lebanon substantial concessions for its agricultural and processed agricultural exports to EU markets.** An **Interim Agreement on trade and trade related matters** allowed the trade and trade-related contents of the Association Agreement entered into force on 1 March 2003 and formally triggered the start of the 12 year transition period to free trade¹³. The EU "... already agreed a €12 million package of support measures to help Lebanon take the administrative and legal steps to put the Agreement into practice. A further €15 million is to be agreed this year (2003) for standards and product certification facilities. The European Commission will also provide €17 million in support to small and medium businesses to help them meet the challenge and opportunities offered by the Interim Trade Agreement. Lebanon will immediately benefit from market access for its agricultural and processed agricultural products..."¹⁴

Other free trade agreements between Lebanon and various countries are also in place, most notably WTO¹⁵, the Greater Arab Free Trade Zone Agreement (GAFTA) and EFTA. **The EFTA-Lebanon Free Trade Agreement** was concluded in June 2004 and covers trade in industrial goods, including fish and other marine products, as well as processed agricultural products. The Agreement takes into consideration the different levels of economic development between the EFTA States¹⁶ and Lebanon by providing for an asymmetric tariff dismantling during a transition period starting in 2008 and ending in 2015. Within the framework of this Agreement Lebanon and Switzerland have agreed on a bilateral technical assistance program to be implemented during a period of 3 years. The total budget of the granted technical assistance is 5,000,000 CHF and it covers the investment promotion, trade-related capacity building, export promotion programs for agriculture, and other areas of cooperation. Two projects effectively kicked off as a result of this agreement: "Organic Agriculture Certification and Market Development in Lebanon"¹⁷ with a budget of CHF 1,200,000 and "the Protection of Lebanese Geographical Indications"¹⁸ with a budget of CHF 350,000 are run under the Ministry of Economy and Trade (MoET)

There is a general feeling however that Lebanon is not benefiting from the concessions offered under these agreements for its products due to several factors such as the lack of adequate capacity, organizational, institutional barriers but most importantly indirect technical barriers to trade such as the burdensome regulatory frameworks as regards health, safety, packaging, book of origins and other regulations which makes it literally impossible for small scale and even medium scale producers to access these markets.¹⁹ A study carried by MoET in co-operation with MoE, the Chamber of Commerce and Industry of Beirut & Mount Lebanon and under the technical supervision of the United Nations Environment Program (UNEP)²⁰ on the "Integrated Impact Assessment of the (EU) Association

¹² http://europa.eu.int/comm/trade/issues/bilateral/countries/lebanon/index_en.htm

¹³ Euro-Med partnership, Lebanon, National Indicative Program 2005 – 2006

¹⁴ "EU-Lebanon: entry into force of the Interim agreement on March 1 2003" quoting Chris Patten, EU Commissioner for External Relations in the inauguration press release" ... http://europa.eu.int/comm/external_relations/lebanon/intro/ip03_300.htm

¹⁵ Lebanon is still in the process of accession to WTO, despite that it was one of the founding members of the General Agreement on Tariffs and Trade (GATT) in 1945 and has been an observer in WTO since 30th of January, 1999.

¹⁶ Switzerland, Liechtenstein, Norway and Iceland

¹⁷ <http://www.economy.gov.lb/MOET/English/Panel/Projects/OrganicCertificationAndDevelopment.htm>

¹⁸ <http://www.economy.gov.lb/MOET/English/Panel/Projects/ProtectionOfGeographicalIndications.htm>

¹⁹ TORs of the present study and personal communication by Mr. Fadi Makki, former Director General of the Ministry of Economy and Trade.

²⁰ The study was conducted within the context of the integrated assessment of the social, economic and environmental impact of the Association Agreement with the EU on select sectors in the Lebanese economy.

Agreement on the Olive Oil Sector in Lebanon” recommended to raise awareness, train farmers, enhance intra-NGO networking, disseminate information, coordinate with the private sector and facilitate public-private partnerships in order to enhance the market accessibility of the products.

Agriculture benefits from an extremely low share of development and reconstruction funds. In 1999, the Council for Development and Reconstruction (CDR) released a five-year plan detailing \$7.5 billion in expenditures on development projects, funded mostly by foreign donors. Agriculture and irrigation projects (itemized separately) were allocated only 0.5% and 1.1% of development funds, respectively. Furthermore, Lebanon is one of the only developing countries in the world that has no specialized credit system for the agricultural sector. Whereas the agriculture sector's share of private bank loans was over 6% in the mid-1960s, in 1999 it was only 1.5% (compared to 21.8% for construction and 47.8% for trade and services)²¹

This marginalization at the “public” decision spheres and at the access to credit level is **partially counterbalanced by donor money inflow for development.** At the public institutions level, rural development responsibility is fragmented among several ministries and agencies where each implements its own program and projects separately, with the Council for Development and Reconstruction (CDR) playing a coordination role with respect to bilateral and international aid.

Apart from the projects coordinated and managed by CDR, **the main key players on the development sector are the European Union** with 107 million Euros (\$128 million) **and the United States Agency for International Development (USAID)** with \$41 million for 2003-2005 and an additional \$38 million for 2003-2007. While USAID focuses mainly on “expanding economic opportunities and promoting competitiveness” with particular focus on agribusiness, agro-industry, tourism and Information and Communication Technology (ICT), the focus of the EU projects shifted from funding programs for post-war reconstruction and rehabilitation in the early 1990's, to the Barcelona priorities of economic transition and reform, and to social programs in support of poverty alleviation and income balance²²

Particular EU funded projects of relevance to this project document are the Social and Economic Development Fund (\$30 million), which main objective is to provide funds to priority and underprivileged groups through supporting job creation (empowering small and medium enterprises through credit lines, reducing the exclusion factors at local level for priority groups through local authorities and NGOs, ...).²³ Another program of relevance is the “Préparation de Projets d'Action Municipale dans un Cadre Planifié de Développement Local” project which was a pioneer in introducing participatory local development planning at the decentralized level and with a main emphasis on local governance structures through municipalities. The phase I of the project ended in December 2005 while Phase II is expected to kickoff in April 2006 with the establishment of Local Development Units (LDUs) in the 12 municipal clusters served by the project. Another pending output is the organization of a roundtable for donors in order to present the portfolio of project proposals which were identified under phase I²⁴. Several projects in this portfolio are directly linked to bio-diversity, desertification and eco-tourism in the areas of Hermel, Southern Beqaa, Akkar, Bint Jbeil and Iqlim el Tofah.

Fair Trade is a relatively new concept in West Asia and North Africa region²⁵ and totally new in Lebanon. Fair Trade can be defined as a trading partnership, based on dialogue, transparency and respect, which seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South²⁶. A complete overview of Fair Trade and a description of two major Fair Trade regulatory bodies is

²¹ Middle East Intelligence Bulletin, Vol 5 #10, October 2003

²² Euro-Med partnership, Lebanon Country Strategy Paper 2002 – 2006

²³ <http://www.un.org/esa/agenda21/natlinfo/countr/lebanon/eco.htm>

²⁴ Personal communication from Dr. Bashir Osmat, Project manager. For more information about the project and its outputs www.arla-municipal.com

²⁵ Research shows that there are only 3 fairtrade certified companies in Morocco, Egypt and Palestine. Electronic research shows that the concept is kicking off rather significantly in Jordan and Egypt but is not connected to the worldwide certification and regulatory bodies such as FLO and IFAT

²⁶ BAFTS (British Association of Fair Trade Shops) 2004

provided in Annex 1 of this project document. Several organisms in Lebanon are conscious about the relevance, importance and perspectives of Fair Trade, such as the **Healthy Basket (HB) Company** and the Lebanese Branch of the **Slow Food Movement**²⁷. HB is a socially responsible company who was the pioneer in introducing Community Supported Agriculture to Lebanon and which deals exclusively with certified organic production²⁸. The Slow Food movement is an international movement that promotes food culture and defends food biodiversity by helping local food artisans continue making their traditional products. The movement promotes eco-gastronomy, a concept "encouraging the production of good quality food without harming the environment and ... [selling it] at prices fair to the producer."²⁹ The movement established "**Souk El Tayyeb**" (The Market of the Tasty) in different spots across Beirut to create a bridge between independent food producers and the broader Lebanese public. Souk El Tayyeb also travels exceptionally outside Beirut and has a marked presence in village fairs and wine tasting events for example.

Eco-tourism in Lebanon has been one of the flagships of the rebirth of the tourism sector of the post civil war era. After an initial effervescence in the mid 90's where some 50 agencies, camping sites and tour providers were offering their services in an uncontrolled and unregulated way, the sector started to stabilize gradually along a "survival of the fittest" model in the late 90's. The uptake of the sector by some major donors such as USAID helped in defining frameworks, creating alliances, building capacities and most importantly, creating promotion and marketing opportunities. There is a pressing need however for separate at the legislative an administrative level the requirement for the eco-tourism industry from those of the conventional tourism one. There is also a growing need for setting the national standards for eco-tourism industry and to make the programs offered more "people centered" instead of the primarily "landscape centered" programs that are offered now³⁰. More efforts needs to be exerted on the promotion and marketing side, to increase the exposure of Western and Arab tourists to the richness and diversity of the tourism attraction that Lebanon can offer. Several state of the art websites have been developed with the USAID support but also through the efforts of the private sector³¹

Three particular eco-tourism projects of relevance for the scope of work under the present project document are **Al Jord project** and the **Lebanon Mountain Trail (LMT)**. Al Jord is an innovative agro and eco-tourism project established in the drylands of Hermel, at the junction between the Beqaa Valley and North Lebanon and provides a "market tested" model for the potential of eco-tourism in the drylands, provided that this eco-tourism deals with the local population as intrinsic partners of the venture and makes sure that they are involved from project design to running and sustaining the entire operation³². Another added value of Al Jord project is that it is financed through a mixture of private investments, donor money and in-kind and labor contribution by the local population, and part of the profits derived from the operation are reinvested in the local community through an affiliated NGO. The Lebanon Mountain Trail (LMT) is the latest newcomer on the Lebanese eco-tourism development scene and proposes to delineate and develop a walking trail along the entire Mount Lebanon range by linking key rural mountain villages by "connecting the dots" and providing a continuous trail system that passes through or near diverse cultural and natural attractions and resting places - from El Qobayet in North Lebanon to Mount Hermon (Jabal el Sheik) in South Lebanon - a 300 km path which covers a significant portion of drylands. A concise description of LMT is provided in Annex 2

The Government of Lebanon is responding to the growing economical bottle neck that the country is facing though the preparation of a major donor conference to be held during the second trimester of 2006 and which is commonly referred to as the "**Beirut I Donors Conference**"³³. Beirut I is expected to translate the growing political and economic support of the international community following the assassination of Prime Minister Rafic El Hariri into economic support. The Ministry of Economy and Trade (MoET) is in the process of finalizing a comprehensive economic vision and reform strategies. **Reforms**

²⁷ Personal communications by Ms Rania Touma, Executive Director of the Health Basket and Mr. Kamal Mouzawak, Slow Food activist and President of the Lebanese Branch of the Slow Food movement.

²⁸ More about the Healthy Basket on www.ecosystems.org/healthybasket

²⁹ "Group Campaigns to Protect Local Foods from Extinction" by Raed El Rafei, the Daily Star, 16/08/2005

³⁰ Synthesis of conversations with Mr. Paul Ariss, Head of the Lebanese Restaurants Association and owner of La Reerve Afqa

project and Mr. Nidal Ghorayyeb, Leading tour organizer and owner of Esprit Nomade Tour Operator www.esprit-nomade.com

³¹ www.discoverlebanon.com and www.ikama.com for example

³² More about Al Jord and Sister NGO Mada can be found on www.aljord.com

³³ Beirut I follows Paris I and Paris II donors conferences which were held in 2000 and 2003 respectively.

will focus on promoting growth and creating job opportunities for Lebanon's young people, as well as building a productive and competitive economy. Reforms will mainstream regional development, improvement in social conditions and the establishment of social safety nets for the poor will be included in policies for the coming years³⁴

Part II –Terms of Reference

³⁴ By Raed El Rafei, Daily Star, Tuesday, January 31, 2006

ANNEXES

Annex 1

ANNEX 1

DESCRIPTION OF THE PROJECT

1. *Background*

In 2003, with the support of the German Technical Cooperation Agency (GTZ) and the United Nations Development Programme (UNDP), the Ministry of Agriculture (MoA) of Lebanon elaborated the National Action Programme to Combat Desertification (NAP). A Desertification Prone Areas map was also elaborated and affected zones were identified for intervention. At the institutional level, the MoA strengthened the capacity of the National Focal Point (NFP) office by establishing a CCD Secretariat, which is staffed with support from UNDP

At the request of the Government of Lebanon, the Global Mechanism conducted a joint mission in 2003 with UNDP and GTZ, in order to establish a common programme of action to support the NAP implementation process and to delineate responsibilities of the respective partners. A follow-up mission was undertaken by the GM in 2004 to finalise the modalities and activities that would be undertaken with GM finances in support of NAP implementation.

2. *Goal and Objectives.*

The Project goal is to develop and implement a resource mobilisation strategy for NAP implementation. The specific objectives are: (a) strengthen the capacity of the UNCCD implementation team at the MoA; and (b) undertake specific studies, analyses and the development of a portfolio of project proposals in preparation for convening of a Country Financing Partnership (CFP) forum

3. *Activities*

The Project shall of activities including:

- Strengthen capacity of the UNCCD team through participation in national, regional and international trainings and workshops related to NAP priority areas;
- Convene local-level workshops for elaborating sub-national development programmes to combat desertification;
- Elaborate a set of targeted and fundable projects that meet both sub-national and national programme needs based on an advanced gap analysis;
- Operationalise the National Coordination Body and also, establish a coordination mechanism between the key sub-national actors;
- With a view to developing a UNCCD financing strategy, analyse:
 - national planning and budgetary processes
 - development partner programming frameworks
 - private sector and new potential financial sources; and
- Organize a Country Financing Partnership forum to present the NAP priority project portfolio to donors and other interested stakeholders.

4. *Outputs*

The Project's expected outputs shall include:

- UNCCD Team at the MoA strengthened for supporting NAP implementation;
- National Coordination Body operationalised and cross-sectoral cooperation promoted;

Annex 2

Fair Trade: An Overview

The following annex responds to the Scope of Work requirement of Scope of work item 2 “Donor and International Trade requirements – Fair Trade”. Since Fair Trade will be one of the flagship activities of the proposed project document, a detailed analysis of Fair Trade requirements and regulatory bodies was undertaken for 2 major regulatory bodies: FLO (Fair Trade Labeling International) and IFAT (International Fair Trade Association).

Apart from electronic research, the consultant undertook a visit to the IFAT headquarters in International Fair Trade Associations (IFAT) in Culemborg, the Netherlands on February 3rd 2006 and met extensively with Mr. Gurban Bossenbroek, Communications Officer at IFAT. Mr. Bossenbroek was kind enough to provide an additional study¹ produced by a Swiss based consultancy firm for the Ethical Certification and Labeling Space project which provided state of the art comparative data on various Fair Trade Associations.

Although both IFAT and FLO are committed to the same general principles, the basic difference in their *modus operandi* is can be summarized by the fact that FLO works more like the organic certification agency, and a special branch of FLO (FLOCert.) is responsible of the certification while the mother agency is responsible of promotion, market linkages, policy mainstreaming and inspection. On the other hand, IFAT runs a special in-house process that ultimately leads to the use of the IFAT logo on the products.

We will detail below some generalities on Fairtrade, then provide some “insider tips” on how FLO then IFAT work. Documents acquired during the field visit to the IFAT headquarters in Culemborg are provided in hard copy.

1- What is Fair Trade?

The BAFTS² (2004) defines Fairtrade as a trading partnership, based on dialogue, transparency and respect, which seeks greater equity in international trade. It contributes to sustainable development by offering better trading conditions to, and securing the rights of, marginalized producers and workers – especially in the South

Proponents of Fairtrade adhere to principles mutually agreed upon by Fairtrade stakeholders. These principles can be summarized as follows :

- Adherence to ILO agreements (no child labour and slave labour; decent working conditions; decent working conditions and safe workplace; and the right to unionise)
- Adherence to the United Nations charter of human rights
- A fair price (production cost + social premium) that will at least cover the cost of production and facilitate social development, and especially in agriculture protection and conservation of the environment
- Long-term business relationships that are transparent throughout the chain

2- Key Principles of Fair Trade

- 1- **Creating opportunities for economically disadvantaged producers:** Fair Trade is a strategy for poverty alleviation and sustainable development. Its purpose is to create opportunities for producers who have been economically disadvantaged or marginalized by the conventional trading system.

¹ “The ECL Space Project: Learning from Social Schemes for ECL Space” Benjamin Quinones Jr. October 2004, GTZ and the Rockefeller Brothers Foundation

² British Association of Fair Trade Shops

- 2- **Transparency and accountability:** Fair Trade involves transparent management and commercial relations to deal fairly and respectfully with trading partners.
- 3- **Capacity building:** Fair Trade is a means to develop producers' independence. Fair Trade relationships provide continuity, during which producers and their marketing organizations can improve their management skills and their access to new markets.
- 4- **Payment of a fair price:** A fair price in the regional or local context is one that has been agreed through dialogue and participation. It covers not only the costs of production but enables production which is socially just and environmentally sound. It provides fair pay to the producers and takes into account the principle of equal pay for equal work by women and men. Fair Traders ensure prompt payment to their partners and, whenever possible, help producers with access to pre-harvest or pre-production financing.
- 5- **Gender Equity:** Fair Trade means that women's work is properly valued and rewarded. Women are always paid for their contribution to the production process and are empowered in their organizations.
- 6- **Working conditions:** Fair Trade means a safe and healthy working environment for producers. The participation of children (if any) does not adversely affect their well-being, security, educational requirements and need for play and conforms to the UN Convention on the Rights of the Child as well as the law and norms in the local context.
- 7- **The environment:** Fair Trade actively encourages better environmental practices and the application of responsible methods of production

3- Trade Volume and Products

According to FTO³, total sales of the Fairtrade industry increased 37% during 2002, from \$183m to \$251m. The 2003 Report further notes that Fairtrade Federation (FTF) members surveyed in this report (i.e., FTF and IFAT members and the FLO agencies) expect a growth in sales of approximately 26% in 2003, particularly in sales of coffee, cocoa, toys, tea, chocolate and jewelry.

The reality however is that Almost 90% of all fairtrade retail sales are contributed by coffee and bananas... Below is an overview of the major agricultural products that are sold as fair-trade certified products and their countries of production

- Bananas: Costa Rica, Colombia, Dominican Republic, Ecuador, Windward Is., Ghana
- Tea: India, Sri Lanka, Vietnam, Tanzania, Uganda and Zimbabwe
- Orange: Brazil, Cuba and Mexico
- Cacao: Camerun Ghana, Belize, Bolivia, Costa Rica, Dominican Republic, Ecuador
- Sugar: Philipines, Costa Rica, Dominican Republic, Ecuador and Paraguay
- Honey: Chile, Guatemala, Mexico, Nicaragua, Tanzania, Uruguay and Vietnam
- Coffee: 163 organizations from Latin America, Africa and Asia

New markets are emerging for wine, juices, soccer balls, handicrafts, etc...

5- The Fairtrade Labeling Organization (FLO)

5.1 What is FLO?

FLO is the international organization that sets the worldwide Fairtrade Standards and governs the certification of Fairtrade stakeholders. Headquarters are based in Bonn, Germany in addition to 17

³ Yearly report 2003

national labeling⁴ initiatives or national members which include Transfair (fair-trade Canada) and Max Havelaar (Netherlands, one of the fair-trade movement pioneers back in the 60's).

FLO was set up in April 1997 to co-ordinate the work of the national labeling initiatives and to monitor the Fairtrade global activities more efficiently. The National Initiatives were the founding members of FLO International. These National Initiatives are responsible of promoting Fairtrade by educating consumers in their respective countries, ensuring effective market demand and distribution channels for Fairtrade products, and lobbying governments to provide a conducive policy environment for Fairtrade.

FLO guarantees that products sold anywhere in the world with a Fairtrade label marketed by a National Initiative conforms to Fairtrade Standards, contributes to the development of disadvantaged producers, and benefits the consumers.

5.2 FLO Governance and Committees

FLO stakeholder elect their respective representatives to FLO Board of Directors during the FLO Fairtrade Forum held once every three years. The Board oversees several committees and bodies which actually carry out the core tasks of FLO. These bodies include:

1. The Standards and Policy Committee, guarantees the FLO Fairtrade standards;
2. The FLO Cert Ltd and FLO Trade Audit Department, certify producers and register traders, respectively;
3. FLO Appeals Committee, deals with appeals on certification decisions;
4. FLO Product Managers, facilitates matching of product supply and demand; and
5. FLO Liaison Officer and Producer Support Facilitator, organizes support for the smallholders and workers who participate in Fairtrade, and assists in strengthening their organization and production.

5.3 Certification of a Producers Organization under FLO

Producer organizations interested in becoming Fairtrade certified are encouraged by FLO first of all to get acquainted with the Fairtrade Standards. This can be accessed from the FLO website. Essentially, the FLO standards stipulate the social and environmental requirements for access to Fairtrade outlets in consuming countries.

If the organization is convinced that it can meet the Standards, then it can contact FLO by sending an email to certification@fairtrade.net to indicate its interest in becoming Fairtrade certified.

The applicant organization must provide the following information to FLO:

- What is the type of legal entity of the organization? (Is it an Association or a Cooperative or a Company, etc)
- Number of members and /or workers of the organization and how they participate in decision taking processes.
- Market position; if the organization is currently engaged in export, it should indicate where to and how.
- Product type/variety, quality and quantity available for export.
- Indicate whether any (part of whole) of the organization's production process is certified by an organic certification body.

When FLO considers that there is a Fairtrade market potential for this product from the producer organization, FLO will send a standard questionnaire to know more about the organization. If the

⁴ Australia & New Zealand, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Italy, Ireland, Japan, Luxembourg, Mexico, Netherlands, Norway, Sweden, Switzerland, U.K., and U.S.A.

evaluation of the questionnaire returns is positive, FLO will perform a first inspection visit. The inspection visit report will be discussed by the FLO Certification Ltd, an independent body authorized by FLO to take the decision whether to certify or not.

In the case of affirmative decision by FLO Certification Ltd, the certification is formalized with the signing of the contract by the producer organization and FLO International. In this contract the rights and obligations of both will be explained. FLO will inform the producer organization about the certification decision in writing.

As Fairtrade is also about development, the generic standards distinguish between *minimum* requirements, which producers must meet to be certified Fairtrade, and *progress* requirements that encourage producer organizations to continuously improve working conditions and product quality, to increase the environmental sustainability of their activities and to invest in the development of the organizations and their producers/workers.

5.4 How much does it cost to get certified under FLO

FLO has a separate pricing system for initial fairtrade certification and another for the subsequent yearly renewal fee. The initial fairtrade certification fee ranges from a low of Euro 2,000 per producer organization with less than 500 members to a high of Euro 5,200 per producer organization composed of more than 100 primary cooperatives.

The annual renewal fee is based on the volume sold under Fairtrade. It ranges from a low of Euro 0.005 per kg to Euro 0.015 per kg. of agricultural produce sold. One of the enduring proposals for reducing the cost of certification is to localize the function of certification by hiring local inspectors.

6. International Fair Trade Association (IFAT)

As mentioned earlier, both IFAT and FTO share the same set of values and core principles. In IFAT however, a member organization can have access and use the IFAT fair-trade logo of their produce without having to be externally certified.

6.1 The IFAT Monitoring System

In order to help increase public trust in Fair Trade Organizations, a three-step Fair Trade monitoring is in place. It ensures that IFAT members are trustworthy in their commitment to Fair Trade. The IFAT Monitoring System consists of

1. Self-Assessment against the Standards for Fair Trade Organizations
2. Mutual review between trading partners... At this point, the association can start using the IFAT's FTO Mark
3. External verification

This system of Self-assessment and Mutual Review emphasizes the participation of stakeholders in the assessment process, as well as learning and improvement. When a member has met all of its monitoring obligations it becomes registered and entitled to use the FTO Mark. IFAT's Registration Sub-Committee oversees this procedure and makes its recommendations on registration to the IFAT Executive Committee.

Every two years IFAT members thoroughly assess their performance against the IFAT Standards for Fair Trade Organizations. They consult all of their stakeholders in this assessment, set themselves targets for improvement and share their progress with IFAT. IFAT provides guidelines on how to do this, drawing on social audit methodology.

The second step of the IFAT monitoring system is the mutual review, where members share their Self-Assessment reports with their trading partners.

Finally, each year a percentage of IFAT members, chosen at random, have their Self-Assessment process verified by an independent external inspector. This is the External Verification.

6.2 What standards are IFAT's Organizations measured against?

The IFAT Standards for Fair Trade Organizations were developed during the 6th biennial conference in Tanzania in 2001. These standards apply to all Fair Trade Organizations whether they are importers or retailers, exporters, producer societies or support organizations. (and are basically the same than those of FLO)

The nine standards are concerned with reaching the economically disadvantaged, transparency and accountability, capacity building, promoting Fair Trade, improving the situation of women, child labour, working conditions, the environment and the payment of a fair price.

Although all members must meet the same standards, every organization has a different job to do and works in a different way. Therefore, there are different markers to show that the standards are met. In every region IFAT members have worked out what indicators there are to show that they measure up to the Standards in their own particular context.

Annex 2

THE LEBANON MOUNTAIN TRAIL (LMT)

LMT is a program that combines responsible tourism and sustainable development to provide a healthier environment and better income to a wide range of rural mountain communities. It is inherently a partnership that depends on collaborative planning and considerable local support and participation.

LMT will set up and promote an authentic tourist attraction for generations of adventure seekers, both resident and international. It will do so by delineating and developing a walking trail along the entire Mount Lebanon range by linking key rural villages together to create memorable discovery experiences.

LMT will link key rural mountain villages by “connecting the dots” and providing a continuous trail system that passes through or near diverse cultural and natural attractions and resting places - from El Qobayet in North Lebanon to Mount Hermon (Jabal el Sheik) in South Lebanon - a 300 km path to discovery and adventure.

LMT will stimulate rural mountain development by creating local jobs and empowering local communities to benefit from their own natural resources, cultural traditions, historic sites and recreational opportunities. It also will serve as an umbrella for current ecotourism operators and a magnet for new environmentally savvy investors. To achieve this TLT will use a collaborative planning approach that builds on the experience and know-how of local partners and resource groups.

LMT will provide a unique opportunity to stay in the mountains and avoid driving up and down twisted and congested mountain roads to go from one mountain region to another. In a sense, it will replace the north-south mountain highway that has not been built. Tourists and visitors can arrive at one of a dozen possible towns or villages “poles” and walk as much or as little of the trail as they please.

LMT will select the most appropriate towns and villages to serve as “poles” based on their natural and cultural attractions as well as on their willingness to provide the amenities expected by the modern tourist. On top of the list of amenities would be non-traditional lodging facilities or eco-lodges that provide comfort and privacy away from the pressures of the coast and summer heat. Other amenities to be provided by the “poles” would include clear signage, parking areas, visitor centers, restrooms, picnic areas and camping grounds.

LMT will propose specific interventions along the trail that include a cultural park in Baskinta, site management around Balou Balaa sinkhole in Tannourine, and a facelift of the old city squares of Hasroun and Mtain.

LMT will design and produce the first edition of “The Guide to the Lebanon Trail” and make it available both locally and internationally before the end of the project. There will also be a launch of “The Lebanon Trail Website” in a least three languages.

LMT will promote national reconciliation by bringing together communities and people of different confessions and backgrounds in Lebanon by fostering community linkages across a wide stretch of land as part of an innovative and unifying national project.

LMT will continue beyond the two-year life of the program through the establishment of the Lebanon Trail Foundation made up of members that include select community groups, NGOs, government agencies and private sector groups. The Foundation will continue to delineate and restore trails, renovate and equip tourist facilities and amenities and promote healthy, environmentally friendly and locally sustainable forms of tourism.

Annex 3

IFAT's Global Journey



GUIDELINES FOR THE IFAT FTO GLOBAL JOURNEY

<http://www.ifat.org/globaljourney>

This information is for member's guidance in organizing the Global Journey: you are free to develop the programme you feel is most appropriate to your situation, no event is too big or too small.

OBJECTIVES OF THE GLOBAL JOURNEY

To raise awareness of IFAT Fair Trade Organizations, and the IFAT Fair Trade Organization Mark, what it stands for and who can use it. The Global Journey is an instrument for IFAT Members to promote themselves as Fair Trade Organizations and raise awareness of Fair Trade and Fair Trade principles. To demonstrate solidarity with Fair Trade Organisations around the world

WHAT IS THE GLOBAL JOURNEY?

This is a journey of a message and banner around the whole world through all the countries in which IFAT has members. It is carried by Fair Trade Organisations and supporters on foot, bicycle or any transport (elephant, camel, rickshaw, boat etc) where the banner can be seen well. IFAT is recording the journey on our website: www.ifat.org. Look there to see what other members have done. The journey started in Jan 2004, allowing for approx three days per member it is travelling right around the world, Asia, Latin America, North America, Africa and Europe.

TARGET AUDIENCE

- Each and every member of each organization that you work with
- Your suppliers/buyers
- Key people in the world of trade in your country and community (activists politicians etc)
- Consumers

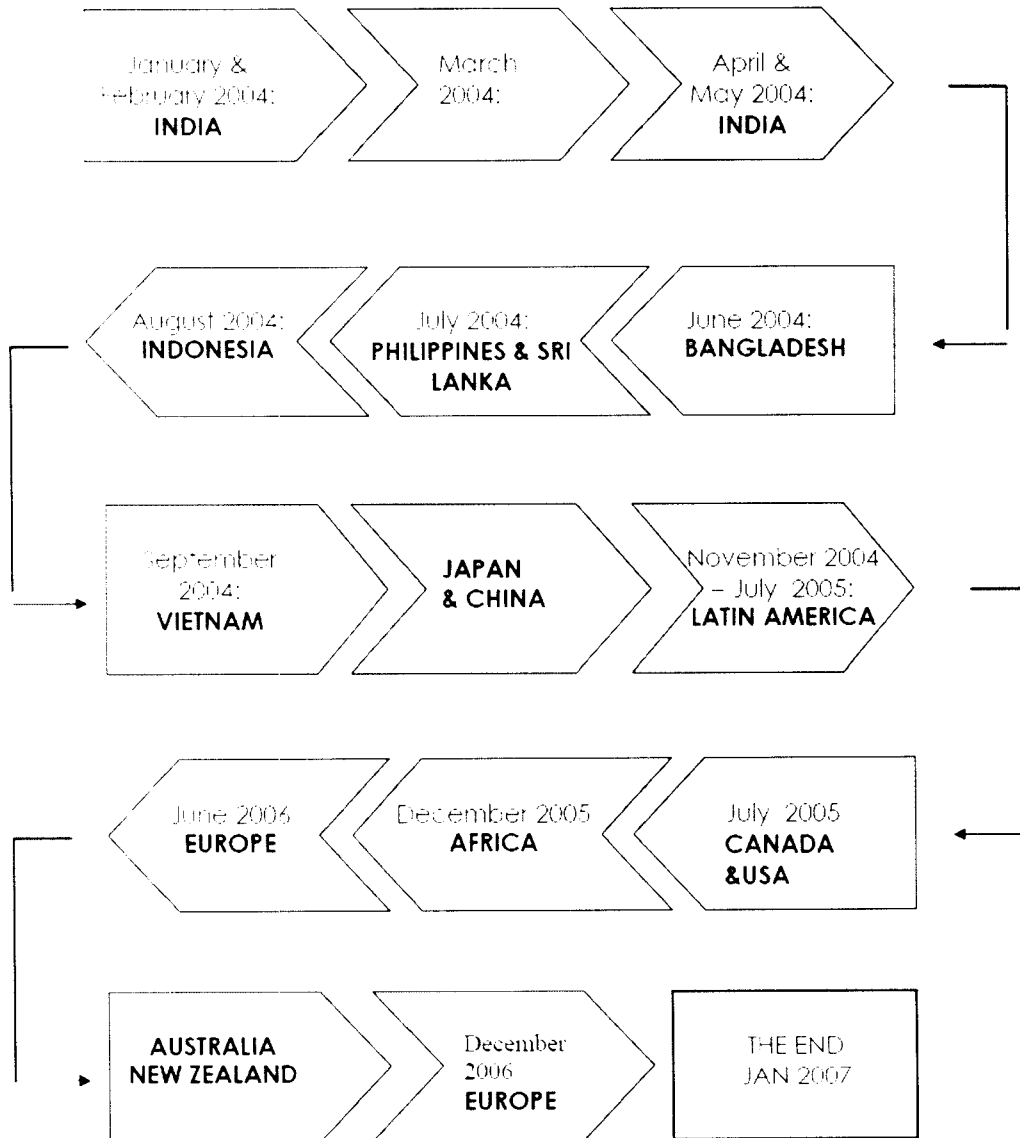
COSTS

Unfortunately the IFAT Secretariat is unable to provide funding and we kindly ask members to ensure that your event and/or part of the Journey reflects your own budget.

FURTHER INFORMATION

If you require jpgs of the FTO Mark, please apply to the IFAT Secretariat. In addition there is a short video of the start of the Journey and images of the Journey to date available from globaljourney@ifat.org along with high resolution Jpgs of images of the Journey around the world.

THE ROUTE OF THE GLOBAL JOURNEY



These are approximate dates for the Journey. Please confirm all dates directly with globaljourney@ifat.org. There is some flexibility in the date within each country, provided date changes are requested well in advance.

COUNCIL FOR DEVELOPMENT & RECONSTRUCTION
BEIRUT- LEBANON

No. : 3150/1

Beirut, 17/05/2006

Mrs. Mona Hammam
Resident Representative
United Nations Development Programme

United Nations House
Beirut, Lebanon

Dear Mrs. Hammam,


We acknowledge receipt of your letter dated 08 May 2006 pertaining to the "*Rural Dryland Development through Innovative Market Approaches, Financing Strategies and Local Initiatives for UNCCD Implementation*" project which is an extension of the completed "National Action Programme to Combat Desertification".

Two (2) duly signed and stamped original copies of the *Project Document* are enclosed for your perusal; the third copy is retained by CDR for our record.

Thanking you for your support to this project and looking forward to a continued fruitful collaboration in all our joint activities, we remain,

Yours sincerely,

Council for Development and Reconstruction

 Al-Fadl Chalak
President



Enclosures

cc-RR(WR)
O.I.C.
LK

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O.I.C.
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