



Project Document

United Nations Development Programme

Institutional Assistance for Economic Policy and Trade

Phase II

The UNDP Project at the Ministry of Economy and Trade was initiated in 2001 with substantive revisions carried out in 2004 and 2005. An external evaluation was carried out for the period between 2001-2010 assessing the effectiveness and efficiency of the Project in terms of achieved outputs and results. The evaluation proposed improvements through adjustments and implementation approach strategies. Accordingly an improved project design has been undertaken. The overall objective of phase II of this project will remain the same: to build-up and strengthen the institutional capacities of the Ministry of Economy and Trade with respect to economic policy formulation, public sector management and control, private sector development and other related matters falling within the competences of the Ministry.

The Project will support the Ministry in the realization of the above stated objectives through two specific outputs:

1. Support for sectoral trade and economic policy formulation and implementation provided
2. Institutional capacity of the Ministry of Economy and Trade developed and enhanced

Project Document

United Nations Development Programme Country: LEBANON Project Document

Project Title: Institutional Assistance for Economic Policy and Trade, Phase II

UNDAF Outcome(s): **Outcome 1** By 2014, good governance reforms, with specific focus on national dialogue and inclusive participation, and government effectiveness and Accountability are institutionalized at different levels

Expected CP Outcome(s): **Outcome 1** Performance of public institutions enhanced; public administration modernized

Expected Output(s):

- 1) Support for sectoral trade and economic policy formulation and implementation provided
- 2) Institutional capacity of the Ministry of Economy and Trade developed and enhanced

Implementing Partner: Ministry of Economy and Trade (MoET)

Responsible Party: UNDP

Brief Description

The Ministry of Economy and Trade (MoET) is mandated to undertake along with other line Ministries the formulation of Lebanon's economic and trade policies. Within the Government's overall objectives, MoET has the responsibility of developing the economy through stimulating external trade in light of international Agreement commitments.

With the support from UNDP Project established at MoET in 2001, the Ministry of Economy and Trade actively worked on modernizing and developing itself internally in line with the Government's overall reform program, in order to improve the business climate and reposition Lebanon as the centre of trade in the region. UNDP Project at the Ministry of Economy and Trade was initiated in 2001 with substantive revisions carried out in 2004 and 2005. An external evaluation, for the period 2001-2010, assessing the effectiveness and efficiency of the Project in terms of achieved outputs and results as well as proposing improvements through adjustments and implementation approach, strategies and resources including improved project design has been undertaken in November 2010. Accordingly, the overall objective of phase II of this project will remain the same: to build-up and strengthen the institutional capacities of the Ministry of Economy and Trade with respect to economic policy formulation, public sector management and control, private sector development and other related matter falling within the competences of the Ministry.

Programme Period: 2011-2013
Project Title: Institutional Assistance for
Economic Policy and Trade
Atlas Award ID: 00061014
Project ID: 00077082
Start date: January 1, 2011
End Date: December 31, 2013

PAC Meeting Date: December 14, 2010
Management Arrangements: Support to NIM

Total Budget required : USD 2,995,620

Total allocated resources:

o Government USD 2,995,620

Net for Activities: USD 2,852,972

GMS:

5% of Government Contribution USD 142,648

Agreed by Government: H.E. Mr. Mohammad Safadi
Minister of Economy and Trade

Signature: _____ Date: _____

Agreed by CDR: Eng. Nabil El-Jisr
President

Signature: _____ Date: _____

Agreed by UNDP: Mr. Selfeldin Abbaro
UNDP Resident Representative, a.i.

Signature: _____ Date: _____



List of Abbreviations

APR	Annual Project Report
CDR	Council for Development and Reconstruction
EDP	Education Development Project
EMIS	Education Management Information System
ESDP	Education Sector Development Plan
ESDS	Education Sector Development Secretariat
GoL	Government of Lebanon
MEHE	Ministry of Education and Higher Education
QPR	Quarterly Project Review
TPR	Tripartite Review
UNDP	United Nations Development Programme

I. SITUATION ANALYSIS

The Ministry of Economy and Trade (MoET) is mandated to undertake, along with other line Ministries, the formulation of Lebanon's economic and trade policies. Within the Government's overall objectives, MoET has the responsibility of developing the economy through stimulating external trade through negotiating and implementing commitments of international agreements, protecting intellectual property, protecting consumers, preventing anti-competitive practices, both in international and domestic trade, as well as ensuring food security needs by monitoring wheat levels in the market and ensuring enough reserves.

With the support from a UNDP Project established at MoET in 2001, the Ministry of Economy and Trade actively worked on institutional modernization and development in line with the Government's overall administrative and economic reform program. This was pursued in order to improve the business climate and reposition Lebanon as the centre of trade in the region. Accordingly, MoET has forged strategic partnerships with various national and international organizations such as the European Union (EU), the International Finance Corporation (IFC), the World Intellectual Property Organization (WIPO), the Lebanese Economic Association (LEA) and private sector institutions (such as Microsoft) amongst others. These partnerships have proven to be pivotal in building the Ministry's technical capacities, as well as solidifying its image with donor organizations for future project funding.

Furthermore, a wide range of institutional and administrative activities, including the introduction and upgrading of IT capabilities, have taken place over the past 10 years. This has resulted in the effective implementation of Lebanon's international trade and economic commitments (multilateral and bilateral trade agreements--free trade agreements with the EU, EFTA and Turkey and implementing the tariff dismantlement with Arab countries), as well as to strengthening the institutional capacities of the Ministry, and to drafting of laws to fulfil the requirements to accession of the WTO as well as other agreements.

The outlook for the Lebanese economy has been showing great potential. Lebanon's economy has been characterized by two key opposing trends: the first is the (relatively) high level of growth achieved, especially during the period of global financial crisis. Indeed, the banking, real estate, and tourism sectors were amongst the leading contributors to the country's economic recovery and average growth rate of 8% for the 2008 to 2010 period. At the same time, however, there remain large disparities between the country's economic centre, Beirut, and the rest of the country. Therefore, one of the main challenges facing policymakers is the attempt to create and broaden the opportunities for economic growth. The MoET will play a key role in this process, particularly by aligning international trade and Investment activities with national economic growth priorities.

II. STRATEGY

The UNDP Project at the Ministry of Economy and Trade was initiated in 2001 with substantive revisions carried out in 2004 and 2005. An external evaluation, for the period 2001-2010, was undertaken in November 2010. It sought to assess the effectiveness and efficiency of the Project in terms of achieved outputs and results. The evaluation is expected to lead to improvements by proposing adjustments in the implementation approach, including strategies, resources, and an enhanced project design. Accordingly, the overall objective of phase II of this project will remain the same: to build-up and strengthen the institutional capacities of the Ministry of Economy and Trade with respect to economic policy formulation, public sector management and control, private sector development and other related matter falling within the competences of the Ministry. However, and in light of the achievements made in the past 10 years, revisions of project deliverables will be reflected in the new project plan as described below.

In concrete terms, the Project will support the Ministry in the realization of the above stated objective through one main outcome and two specific outputs.

Project Outcome: Capacity gaps at both the policy formulation and institutional levels enhanced

Output 1: Support for sectoral trade and economic policy formulation and implementation provided

The Objective of this output is to aid policy makers and negotiators in making informed decisions regarding the drafting of policies and strategies based on reliable data and quantifiable measures. Moreover, circulation of reports, newsletters and studies on current trade and economic issues will enhance the Ministry's outreach to and interaction with various stakeholders including the general public, the Lebanese and international private sector, and the donor community and improve its image, thus attracting more funding. Additionally, the objective of this output is to draft, amend, comment on and follow up on economic and trade related regulations, including laws, implementing decrees, ministerial decisions, contracts, MoUs, bilateral and multilateral agreements, etc...

Activity 1.1: Economic sectoral studies and policies developed

- 1.1.1 Assist in Designing and publishing sectoral studies and newsletters.
- 1.1.2 Assist in the conducting impact assessments including on trade.
- 1.1.3 Coordinating the development and implementation of sectoral policies.
- 1.1.4 Preparing official documents, reports and position papers for meetings and negotiations, such as with WTO, ENP, MDGs (Goal 8), WB, etc...
- 1.1.5 Negotiating and following up on international trade commitments resulting from bilateral and multilateral trade agreements (e.g. WTO, EU, EFTA, etc...)
- 1.1.6 Coordinating policy meetings with various stakeholders and proposing strategies for SMEs and MFIs development
- 1.1.7 Facilitating the participation of entrepreneurs and SMEs of innovative projects in international competitions

Activity 1.2: Legislative and procedural reforms implemented for improving the business environment

- 1.2.1 Supporting the amendment of the Lebanese Code of Commerce
- 1.2.2 Support Modernizing and amending IPR legislation
- 1.2.3 Facilitating the adoption and adherence to IPR related international treaties
- 1.2.4 Support the enactment of the Competition Law and the establishment of a National Competition Authority
- 1.2.4 Implementing and defining Trade reforms.

1.2.5 Supporting the Legal Unit at the Ministry.

1.2.6 Coordinating work and following up on the enactment of the Information Technology Law and implementing Decrees.

Output 2: Institutional capacity of the Ministry of Economy and Trade developed and enhanced

In 2001, MoET launched an automation campaign aiming to increase its productivity, effectiveness, and transparency as a public institution. This step was inspired by similar international developments that sought to provide citizens' services in less time, and with maximum efficiency. In the absence of a Ministry IT unit, The UNDP IT Team assumed responsibility for and planned a full automation for the ministry's departments. The key principles involved were to improve operational performance by, a) clearly defining objectives and performance reviews against desired goals; and, b), optimal usage of resources for better results. The methodology utilized was to re-engineer work processes by taking simplification and organization as guidelines. Training the MoET's Human resources on new techniques is an ongoing activity along with building the ministry's systems and data bases, which should facilitate public services in an effective, secure, and prompt fashion.

The objective of this output is also to provide CPD and its staff with necessary economic and trade-related analytical skills for drafting reports and relating economic principles with their current daily activities. Furthermore, a joint project between UNDP/ MOET and BPG, a Lebanese NGO, has been implemented since 2004. BPG funded the establishment of a call centre at MoET for consumer complaints, which has now become a 24-hour functional hotline and one of the essential pillars in enhancing the national role of CPD. The call centre operator who is a UNDP Project staff will be integrated into MoET during Phase II of the project.

Additionally, the output aims at supporting the existing Trade Department's personnel strategy. Currently the Department dealing with foreign trade has only one person acting as Head. The Department needs to boost its staffing efforts, and consequently provide a lot of training on the understanding and negotiations of international trade agreements. Accordingly, support will be provided towards staffing, training, and facilitating technical assistance sponsored through international organizations and donors.

Finally the objective of the output is to support the Trade Remedies Investigative Authority (TRIA) in recommending decisions related to anti-dumping, countervailing, and safeguard measures. The initial phase will involve the creation of a management framework for the implementation of the Law on the Protection of National Production (of 12/2006), its Implementing Decree (number 1204 of 3/2008), and future amendments. Support will also go towards helping the TRIA respond to trade remedies cases initiated by international parties against Lebanon. Accordingly, policy advisory and technical consultation services on legal, economic and financial matters related to the full scope of the law and implementing decree will be given. This will also include creating processes and procedures for the management of daily tasks, and other activities needed to meet legal requirements for the initiation (pre-initiation, initiation, and preliminary determination phases for any provisional measures) and completion (final determination phase for any definitive measures) of investigations. Training activities for the transfer of knowledge will benefit from existing and new bilateral agreements covering this area.

It is to be noted that project staff, under the direction of H.E. the Minister, will continue to interface with international organizations in meetings on behalf of MoET for attracting donor funding and ensuring economic and trade obligations are met in a timely fashion as well as coordination activities among ministries and other stakeholders until such activities can be transferred to core staff.

Activity 2.1: Efficiency and responsiveness of the MoET enhanced through IT capacity development

2.1.1 Assessment of the IT environment conducted to identify internal and external communication and technology needs at MoET.

- 2.1.2 Provide IT team at MoET with extensive training.
- 2.1.3 Develop and implement an IT strategy for the MoET.
- 2.1.4 Train MoET staff in various departments on new enhanced applications.
- 2.1.5 Provide IT assistance for usage and utilization of applications.
- 2.1.6 Fully supporting Website ongoing development and maintenance.
- 2.1.7 Coordinate with WIPO on upgrading and enhancing the IPPO's IT systems.
- 2.1.8 Continuously enhance and upgrade systems.
- 2.1.9 Periodically submit to Finance Dept at MoET detailed IT budget needs to incorporate in annual budget reviews based on IT strategy.

Activity 2.2: Transfer of skills to the Consumers Protection Directorate (CPD) achieved

- 2.2.1 Training needs assessed for the CPD and learning plan developed.
- 2.2.2 Capacity of CPD staff developed.
- 2.2.3 Supporting the department in donors' coordination.
- 2.2.4 Facilitating the export of Lebanese products in specific sectors, by training relevant CPD staff on preparing and submitting official application forms on behalf of the Lebanese Government to countries that require such procedures (e.g. exporting honey, eggs, dairy products, meat, etc.. to the EU).
- 2.2.5 Consumer Protection hotline and complaint database established.
- 2.2.6 Transfer of knowledge through full integration of UNDP CP support staff into CPD.

Activity 2.3: Transfer of skills to the Trade Department Achieved

- 2.3.1 Training needs assessed for the Trade Department and learning plan developed.
- 2.3.2 Capacity of Trade Department staff developed.
- 2.3.3 Supporting the Trade Department in donors' coordination.

Activity 2.4: Management framework for the implementation of the Law on Protection of National Production and Transfer of skills to the Trade Remedies Investigation Authority (TRIA) created

- 2.4.1 Training, staffing, and administration needs assessed for the TRIA and learning plan developed.
- 2.4.2 Capacity of TRIA staff developed.
- 2.4.3 Supporting the TRIA in attracting donors' continuous technical assistance trainings.

Section III - Results and Resources Framework

<p>Intended Outcome as stated in the Country Programme Results and Resource Framework: Building and Strengthening the Institutional Capacities of MoET with respect to economic policy formulation, public sector management and control, private sector development and other related matter falling within the competences of the Ministry.</p> <p>Outcome indicators as stated in the Country Programme Results and Resources Framework, including baseline and targets: Indicator: % of Paris III commitments implemented Baseline: Limited implementation of Paris III reforms Target: Fiscal and economic policies developed and coordinated</p> <p>Project title and ID: Support to the Ministry of Economy and Trade- Phase II</p>				
<p>Outcome 1: Capacity gaps at both the policy formulation and institutional levels enhanced.</p>				
<p>Intended Outputs</p>				
<p>Output 1: Support for sectoral trade and economic policy formulation and implementation provided</p> <p>Baseline: There is a need to develop and implement well-founded trade and economic policies, and to revisit trade related and commercial legislations and procedures to improve the business environment as well as to strengthen the commercial legal framework aimed at encouraging investment</p>	<p>OUTPUT TARGETS (YEARS)</p> <p>Targets 2011</p> <ul style="list-style-type: none"> - Quarterly Trade Newsletters and economic reports published - WTO negotiations advanced or completed - BDCs funding allocated and 	<p>Responsible Partners</p> <p>UNDP and MoET</p>	<p>Indicative Activities</p> <p>Activity 1.1 Economic sectoral studies and policies developed</p> <ul style="list-style-type: none"> 1.1.1 Assisting in Designing and publishing sectoral studies and newsletters. 1.1.2 Assisting the Conducting of impact assessment including on trade. 1.1.3 Coordinating the development and implementation of sectoral policies. 	<p>Inputs</p> <p>Costs estimated over a three-year period</p> <p>Project Manager/Advisor 6,700*12*3=241,200</p> <p>3 Support staff 2,300*3*12*3=248,400</p> <p>1 Driver :1,177*12*3=42,372</p> <p>2 SME officers: 2600*2*12*3=187,200</p>

<p>Output Indicators:</p> <ul style="list-style-type: none"> - Sectoral studies and newsletters published and disseminated. - Assessment on impact of trade conducted. - Sectoral policies developed. - Entrepreneurs, start-ups, BDCs, SMEs and MFIs supported - Number of legislations drafted, amended and passed. - Number of reformed procedures. <p>Targets:</p> <ul style="list-style-type: none"> - Trade and Economic KPIs monitored. - Sectoral policies implemented. - Business environment and country ranking improved - Access to Finance for SMEs and MFI beneficiaries facilitated and enhanced - Business and trade legal environment improved. - Monopolistic Practices prevented - International Trade Commitments met - Export Potential improved - IT, E-commerce, e-transactions environment regulated and enhanced 	<p>disbursed Yr1</p> <ul style="list-style-type: none"> - Review of existing Laws undertaken <p>2012</p> <ul style="list-style-type: none"> - Quarterly Trade Newsletters and economic reports published - WTO negotiations advanced or completed - BDCs funding allocated and disbursed Yr2 - New laws and procedures developed and drafted <p>2013</p> <ul style="list-style-type: none"> - Quarterly Trade Newsletters and economic reports published - WTO negotiations advanced or completed - BDCs funding allocated and disbursed Yr3 - New laws and procedures enacted 	<p>1.1.4 Preparing Official Documents, reports and position papers for meetings and negotiations, such as with WTO, ENP, MDGs (Goal 8), WB, etc...</p> <p>1.1.5 Negotiating and following up on international trade commitments resulting from bilateral and multilateral trade agreements (e.g. WTO, EU, EFTA, etc...)</p> <p>1.1.6 Coordinating Policy meetings with various stakeholders and proposing strategies for SMEs and MFIs development</p> <p>1.1.7 Facilitating the participation of Entrepreneurs and SMEs of innovative projects in international competitions</p> <p>Activity 1.2 Legislative and procedural reforms implemented for improving the business environment</p> <p>1.2.1 Supporting the amendment of the Lebanese Code of Commerce.</p> <p>1.2.2 Support modernizing and amending IPR legislation</p> <p>1.2.3 Facilitating the adoption and adherence to IPR related international treaties</p> <p>1.2.4 Support the enactment of</p>	<p>3 Legal Specialists:</p> <p>3,500*3*12*3=378,000</p> <p>2 Economic Officers:</p> <p>2500*2*12*3=180,000</p> <p>2 UNVs</p> <p>1,500*2*12*3=108,000</p> <p>Local consultants: \$6,800</p> <p>Printing and Publications : \$ 45,000</p> <p>Travel: 165,000</p> <p>Miscellaneous: 30,000</p> <p>Cost for Outcome 1 : 1,631,972</p> <p>F&A at 5% = \$ 81,598</p> <p>Total Cost for Outcome 1=</p>
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<p>Output 2: Institutional capacity of the Ministry of Economy and Trade developed and enhanced</p> <p>Baseline: Despite support provided in the first phase of the project, the capacities of the Ministry's IT structure, consumers protection and trade departments, and of the Trade Remedies Investigation Authority (TRIA) are limited and still need improvements.</p> <p>Output Indicators:</p> <ul style="list-style-type: none"> - IT team expanded - IT needs assessed - IT strategy developed and implemented - Informed and targeted Consumer Protection (CP) decisions applied - Training needs assessed for relevant departments. - Capacity Development initiatives implemented for relevant departments. - Creating processes and procedures for management of daily tasks - Training and transfer of knowledge to TRIA <p>Targets:</p> <ul style="list-style-type: none"> - Render internal procedures and features 	<p>Targets 2011</p> <ul style="list-style-type: none"> - Install new powerful hardware - Install and upgrade applications - Launch new interactive website - launch new web search services - At least 50 new CP Inspectors trained on various trade and economic topics -All MoET Trade Dept. employees trained on various trade and economic topics -TRIA Staff recruited 	<p>UNDP and MoET</p>	<p>the competition Law and the establishment of a National Competition Authority</p> <p>1.2.4 Implementing and defining Trade reforms.</p> <p>1.2.5 Supporting the legal unit at the Ministry.</p> <p>1.2.6 Coordinating work and following up on the enactment of the Information Technology law and implementing Decrees.</p> <p>Activity 2.1 Efficiency and responsiveness of the MoET enhanced through IT capacity development</p> <p>2.1.1 Conducting an assessment of the IT environment to identify internal and external communication and technology needs at MoET.</p> <p>2.1.2 Provide the IT team at MoET with extensive training</p> <p>2.1.3 Develop and implement an IT strategy for the MoET</p> <p>2.1.4 Train MoET staff in various departments on new enhanced applications</p> <p>2.1.5 Provide IT assistance for usage and utilization of applications</p> <p>2.1.6 Fully support Website development and maintenance</p> <p>2.1.7 Coordinate with WIPO on upgrading and enhancing the IPR Department's IT systems</p>	<p>1,713,570</p> <p>1 Advisor: 5,000*12*3=180,000 3 IT Specialists: 2,700*3*12*3=\$291,600</p> <p>Call Center Executive: 1,850*12*3= \$66,600</p> <p>2Senior Trade Specialists: 3300*2*12*3=237,600</p> <p>Local consultants: \$118,200 Travel: \$192,000 IT Equipment: \$90,000</p> <p>Audio Visual Equipment: \$ 15,000</p> <p>Miscellaneous: \$30,000</p>
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<p>of the MoET systems more efficient</p> <ul style="list-style-type: none"> - MoET citizen services automated - Website developed and updated with highly interactive platform - CP Database created - IPR Department services modernised and archiving system installed - Consumers Protection Department (CPD) staff fully trained on various trade and economic issues. - Databases on complaints and raids fully automated. - Trade Department fully trained and operational at the MoET. - TRIA fully trained and operational at MoET 	<p style="text-align: center;">2012</p> <ul style="list-style-type: none"> - Launch WIPO IPR System - Electronically Link CPD and Customs - Improve search engine for reporting and retrieving data - Integration of UNDP hotline operator into MoET as core staff -Continuation of Training and Transfer of knowledge and files - All TRIA employees trained on pre-initiation, and preliminary determination of investigation results and recommendation building <p style="text-align: center;">2013</p> <ul style="list-style-type: none"> - Plan and implement online trademark 	<p>2.1.8 Continuously enhance and upgrade systems</p> <p>2.1.9 Periodically submit to Finance Dept at MoET detailed IT budget needs to incorporate in annual budget reviews based on IT strategy</p> <p>Activity 2.2 Transfer of skills to the Consumers Protection Department achieved</p> <p>2.2.1 Training needs assessed for the Consumers' Protection Department (CPD) and learning plan developed.</p> <p>2.2.2 Capacity of CPD staff developed.</p> <p>2.2.3 Supporting the department in donors' coordination.</p> <p>2.2.4 Facilitating the export of Lebanese products in specific sectors, by training relevant CPD staff on preparing and submitting official application forms on behalf of the Lebanese Government to countries that require such procedures (e.g. exporting honey, eggs, dairy products, meat, etc.. to the EU).</p> <p>2.2.5 Consumer Protection hotline and complaint database established.</p> <p>2.2.6 Transfer of knowledge</p>	<p>Cost of Outcome 2 : \$ 1,221,000</p> <p>F&A at 5% 61,050</p> <p>Total Cost of outcome 2 : \$ 1,282,050</p>
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	<p>application through Ministry website</p> <ul style="list-style-type: none"> -All CP Inspectors trained on various trade and economic topics -Full Transfer of knowledge and files to various relevant departments 	<p>through full integration of UNDP CP support staff into CPD.</p> <p>Activity 2.3 Transfer of skills to the trade department achieved</p> <ul style="list-style-type: none"> 2.3.1 Training needs assessed for the Trade Department and learning plan developed. 2.3.2 Capacity of Trade Department staff developed. 2.3.3 Supporting the Trade department in donors' coordination. <p>Activity 2.4 Management framework for the implementation of the Law on Protection of National Production and Transfer of skills to the Trade Remedies Investigation Authority (TRIA) created</p> <ul style="list-style-type: none"> 2.4.1 Training and staffing needs assessed for the TRIA and learning plan developed. 2.4.2 Capacity of TRIA staff developed. 2.4.3 Supporting the TRIA in attracting donors' continuous technical assistance trainings. 	
Total UNDP GMS			142,648 USD
Total Cost for 3 Years			2,995,620 USD

<p>SMEs and MFIs supported</p> <ul style="list-style-type: none"> - Number of legislations drafted, amended and passed. - Number of reformed procedures. <p>Targets:</p> <ul style="list-style-type: none"> - Trade and Economic KPIs monitored. - Sectoral policies implemented. - Business environment and country ranking improved - Access to Finance for SMEs and MFI beneficiaries facilitated and enhanced - Business and trade legal environment improved. - Monopolistic Practices prevented - International Trade Commitments met - Export Potential improved - IT, E-commerce, e-transactions environment regulated and enhanced 						75100-Facilities and Administration	27,199.5
<p>Output 2: Institutional capacity of the Ministry of Economy and Trade developed and enhanced</p> <p>Baseline: Despite support provided in the first phase of the project, the capacities of the Ministry's IT structure, consumers protection and trade departments, and of the Trade Remedies Investigation Authority (TRIA) are limited and still need improvements.</p> <p>Output Indicators:</p> <ul style="list-style-type: none"> - IT team expanded - IT needs assessed - IT strategy developed and implemented - Informed and targeted Consumer Protection (CP) decisions applied - Training needs assessed for relevant departments. - Capacity Development initiatives implemented for relevant departments. - Creating processes and 	<ul style="list-style-type: none"> - Install new powerful hardware - Install and upgrade applications - Launch new interactive website - Launch new web search services - At least 50 new CP Inspectors trained on various trade and economic topics - All MoET Trade Dept. employees trained on various trade and economic topics - TRIA Staff recruited 	<p>UNDP & MOET</p>	<p>X</p>	<p>X</p>	<p>X</p>	<p>MoET</p>	<p>258,600</p>
						71400- Services- Ind. Contractual	39,400
						71300- Local Consultants	

procedures for management of daily tasks Training and transfer of knowledge to TRUA Targets: <ul style="list-style-type: none"> - Render internal procedures and features of the MoET systems more efficient - MoET citizen services automated - Website developed and updated with highly interactive platform - CP Database created - IPR Department services modernised and archiving system installed - Consumers Protection Department (CPD) staff fully trained on various trade and economic issues. - Databases on complaints and raids fully automated. - Trade Department fully trained and operational at the MoET. TRUA fully trained and operational at MoET							71600- Travel	64,000
							72800- IT Equipment	30,000
							74230- Audiovisual Equipment	5,000
								10,000
							74500- Expenses	
							74500- Miscellaneous	
							75100-Facilities and Administration	20,350
TOTAL								998,540

EXPECTED OUTPUTS And baseline, associated indicators and annual targets	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	Funding Source	PLANNED BUDGET	
		Q 1	Q 2	Q3	Q4			Budget Description	Amount
<p>Output 1: Support for sectoral trade and economic policy formulation and implementation provided</p> <p>Baseline: There is a need to develop and implement well-founded trade and economic policies, and to revisit trade related and commercial legislations and procedures to improve the business environment as well as to strengthen the commercial legal framework aimed at encouraging investment</p> <p>Output Indicators:</p> <ul style="list-style-type: none"> - Sectoral studies and newsletters published and disseminated. - Assessment on impact of trade conducted. - Sectoral policies developed. - Entrepreneurs, start-ups, BDCs, 	<p>- Quarterly Trade Newsletters and economic reports published</p> <p>- WTO negotiations advanced or completed</p> <p>- BDCs funding allocated and disbursed Yr2</p> <p>- New laws and procedures developed and drafted</p>						71300- Local Consultants	2,266	
							71400- Contractual Services- Ind.	425,724	
							71500-UN Volunteers- Stipend & Allow	36,000	
		X	X	X	X	UNDP & MOET	74200-Printing and Publications	15,000	
							74500- Miscellaneous Expenses	10,000	
							71600- Travel	55,000	

<p>SMEs and MFIs supported</p> <ul style="list-style-type: none"> - Number of legislations drafted, amended and passed. - Number of reformed procedures. <p>Targets:</p> <ul style="list-style-type: none"> - Trade and Economic KPIs monitored. - Sectoral policies implemented. - Business environment and country ranking improved - Access to Finance for SMEs and MFI beneficiaries facilitated and enhanced - Business and trade legal environment improved. - Monopolistic Practices prevented - International Trade Commitments met - Export Potential improved - IT, E-commerce, e-transactions environment regulated and enhanced 						27,199.5
<p>Output 2: Institutional capacity of the Ministry of Economy and Trade developed and enhanced</p> <p>Baseline: Despite support provided in the first phase of the project, the capacities of the Ministry's IT structure, consumers protection and trade departments, and of the Trade Remedies Investigation Authority (TRIA) are limited and still need improvements.</p> <p>Output Indicators:</p> <ul style="list-style-type: none"> - IT team expanded - IT needs assessed - IT strategy developed and implemented - Informed and targeted Consumer Protection (CP) decisions applied - Training needs assessed for relevant departments. - Capacity Development initiatives implemented for relevant departments. - Creating processes and 	<ul style="list-style-type: none"> - Launch WIPO IPR System - Electronically Link CPD and Customs - Improve search engine for reporting and retrieving data - Integration of UNDP hotline operator into MoET as core staff - Continuation of Training and Transfer of knowledge and files - All TRIA employees trained on pre-initiation, and preliminary determination of investigation results and recommendation building 	<p>X</p> <p>X</p> <p>X</p> <p>X</p> <p>X</p>	<p>UNDP & MOET</p> <p>X</p>	<p>MoET</p>	<p>71400- Services- Ind. Contractual</p>	258,600
					71300- Local Consultants	39,400

<p>procedures for management of daily tasks</p> <ul style="list-style-type: none"> - Training and transfer of knowledge to TRIA <p>Targets:</p> <ul style="list-style-type: none"> - Render internal procedures and features of the MoET systems more efficient - MoET citizen services automated - Website developed and updated with highly interactive platform - CP Database created - IPR Department services modernised and archiving system installed - Consumers Protection Department (CPD) staff fully trained on various trade and economic issues. - Databases on complaints and raids fully automated. - Trade Department fully trained and operational at the MoET. <p>TRIA fully trained and operational at MoET</p>						<p>71600- Travel 64,000</p> <p>72900- IT Equipment 30,000</p> <p>74230- Audiovisual Equipment 5,000</p> <p>10,000</p>
				<p>74500- Miscellaneous Expenses</p> <p>76100-Facilities and Administration</p>	<p>20,350</p>	
TOTAL						938,540

Year: 2013

EXPECTED OUTPUTS <i>And baseline, associated indicators and annual targets</i>	PLANNED ACTIVITIES <i>List activity results and associated actions</i>	TIMEFRAME				RESPONSIBLE PARTY	Fund ing Source	PLANNED BUDGET	
		Q 1	Q 2	Q3	Q4			Budget Description	Amount
<p>Output 1: Support for sectoral trade and economic policy formulation and implementation provided</p> <p>Baseline: There is a need to develop and implement well-founded trade and economic policies, and to revisit trade related and commercial legislations and procedures to improve the business environment as well as to strengthen the commercial legal framework aimed at encouraging investment</p> <p>Output Indicators:</p> <ul style="list-style-type: none"> - Sectoral studies and newsletters published and disseminated. - Assessment on impact of trade conducted. - Sectoral policies developed. - Entrepreneurs, start-ups, BDCs. 	<p>- Quarterly Trade Newsletters and economic reports published</p> <p>- WTO negotiations advanced or completed</p> <p>- BDCs funding allocated and disbursed Yr3</p> <p>- New laws and procedures enacted</p>						71300- Local Consultants	2,266	
							71400- Contractual Services- Ind.	425,724	
							71500-UN Volunteers- Stipend & Allow	36,000	
		X	X	X	X	UNDP & MOET	74200-Printing and Publications	15,000	
							74500- Miscellaneous Expenses	10,000	
							71600- Travel	55,000	

<p>SMEs and MFIs supported</p> <ul style="list-style-type: none"> - Number of legislations drafted, amended and passed. - Number of reformed procedures. <p>Targets:</p> <ul style="list-style-type: none"> - Trade and Economic KPIs monitored. - Sectoral policies implemented. - Business environment and country ranking improved - Access to Finance for SMEs and MFI beneficiaries facilitated and enhanced - Business and trade legal environment improved. - Monopolistic Practices prevented - International Trade Commitments met - Export Potential improved - IT, E-commerce, e-transactions environment regulated and enhanced 						75100-Facilities and Administration	27,199.5
<p>Output 2: Institutional capacity of the Ministry of Economy and Trade developed and enhanced</p> <p>Baseline: Despite support provided in the first phase of the project, the capacities of the Ministry's IT structure, consumers protection and trade departments, and of the Trade Remedies Investigation Authority (TRIA) are limited and still need improvements.</p> <p>Output Indicators:</p> <ul style="list-style-type: none"> - IT team expanded - IT needs assessed - IT strategy developed and implemented - Informed and targeted Consumer Protection (CP) decisions applied - Training needs assessed for relevant departments. - Capacity Development initiatives implemented for relevant departments. - Creating processes and 	<ul style="list-style-type: none"> - Plan and implement online trademark application through Ministry website -All CP inspectors trained on various trade and economic topics -Full Transfer of knowledge and files to various relevant departments 	X	X	X	X	<p>MoET</p> <p>71400- Services- Ind. Contractual</p> <p>71300- Local Consultants</p>	258,600
LINDP & MOET							39,400

<p>procedures for management of daily tasks</p> <ul style="list-style-type: none"> - Training and transfer of knowledge to TRIA <p>Targets:</p> <ul style="list-style-type: none"> - Render internal procedures and features of the MoET systems more efficient - MoET citizen services automated - Website developed and updated with highly interactive platform - CP Database created - IPR Department services modernised and archiving system installed - Consumers Protection Department (CPD) staff fully trained on various trade and economic issues. - Databases on complaints and raids fully automated. - Trade Department fully trained and operational at the MoET. <p>TRIA fully trained and operational at MoET</p>		<p>71600- Travel 64,000</p> <p>72800- IT Equipment 30,000</p> <p>74230- Audiovisual Equipment 5,000</p> <p>10,000</p>	
<p>TRIA fully trained and operational at MoET</p>		<p>74500- Miscellaneous Expenses</p> <p>75100-Facilities and Administration 20,350</p>	
TOTAL			998,540

IV. MANAGEMENT ARRANGEMENTS

The Ministry of Economy and Trade is designated as the National Executing Agency for this project. The Executing Agency will be responsible for managing the project and will provide overall support to enable it to achieve its intended outputs and results. The Executing Agency will thus be accountable to UNDP for all resources allocated by the latter, whether their source is UNDP or from government cost sharing. This accountability calls for very concrete capacities in the administrative, technical and financial spheres.

The UNDP National Execution modality will prevail, with the support of the UNDP country office. In addition to regular technical backstopping and monitoring activities regularly provided, the UNDP Country Office shall provide the Executing Agency with support services for the execution of the programme. This will ensure that technical and substantive expertise is available to the Programme for coordination, recruitment, and procurement and contracting. (See Annex 1: Standard Letter of Agreement between UNDP and the Government for the Provision of Support Services).

Services shall be provided in accordance with UNDP procedures, rules and regulations. The Government, through its designated executing agency, shall retain overall responsibility for the execution of the project and shall be responsible for and bound by any contracts signed by the UNDP Resident Representative, on behalf of the Executing Agency and upon its request, for the procurement of goods and services and /or recruitment of personnel for the programme. Costs incurred by UNDP Country Office for providing the above described support services will be partly recovered from the Programme budget.

A Project Board will be established to provide technical support, share relevant information, and review progress. The Project Board will comprise: (i) Executive: a representative of UNDP providing in particular technical guidance to the project and secretariat services; (ii) Senior Supplier: a representative of the MoET; (iii) Senior Beneficiaries: representatives of the administration at the MOET. Additional partners/stakeholders can be invited as Observers to share relevant information as and when required. The Project Board, which will meet at least twice a year and will be reviewing annual workplans and budget.

Project Management: The Project Manager will be responsible for day-to-day management and decision making for the project. S/he will also be responsible for planning, budgeting and managing project activities; facilitating support services from the UNDP country office; training and mentoring national staff; oversight, guidance and insuring technical quality of short-term consultants; to prepare and provide the mandatory reports on project progress and achievements, and financial management; and for early flagging of events and changes in the environment which can affect project implementation and delivery and for providing suggestions for problem solving. The Project Manager will report to UNDP's Programme Manager and the National Focal Point.

The Project Staff (as per the organizational chart) will support in project implementation. Staff will report to the Project Manager. For specific tasks the project will be recruiting consultants to provide advice and technical support in project implementation.

MOET and UNDP will also designate the governance Programme Manager to be the Project Assurance and provide objective and independent project oversight and monitoring functions, as well as facilitate relations with other UNDP programmes and cost-sharing donors.

Project Office: The project will be located at the premises of the MOET.

Sustainability: The project will be implemented with a view to achieving sustainable improved institutional capacity and permanent beneficial effects on the Lebanese economic system, present and future.

At the end of the project it is expected that the independence, financial autonomy and human capacity of the MOET will have been reinforced to allow it to better perform its mandate with no or minimal external support.

In accordance with the decisions and directives of UNDP's Executive Board reflected in its policy on cost recovery, the contribution shall be subject to cost recovery by UNDP for two distinct cost categories related

to the provision of support services, namely UNDP General Management Support (GMS) and UNDP Implementation Support Services (ISS).

GMS is recovered with a flat rate of 5% for contribution from government of Lebanon funds and 7% for contribution from other donors. GMS cover the following services:

- Project identification, formulation, and appraisal
- Determination of execution modality and local capacity assessment
- Briefing and de-briefing of project staff and consultants
- General oversight and monitoring, including participation in project reviews
- Receipt, allocation and reporting to the donor of financial resources
- Thematic and technical backstopping through Bureaus
- Systems, IT infrastructure, branding, knowledge transfer

UNDP direct costs incurred for Implementation Support Services (ISS), as long as they are unequivocally linked to the specific project, are built into the project budget against a relevant budget line and, in case of clearly identifiable transactional services, charged to the project according to standard services rates. ISS includes the following services:

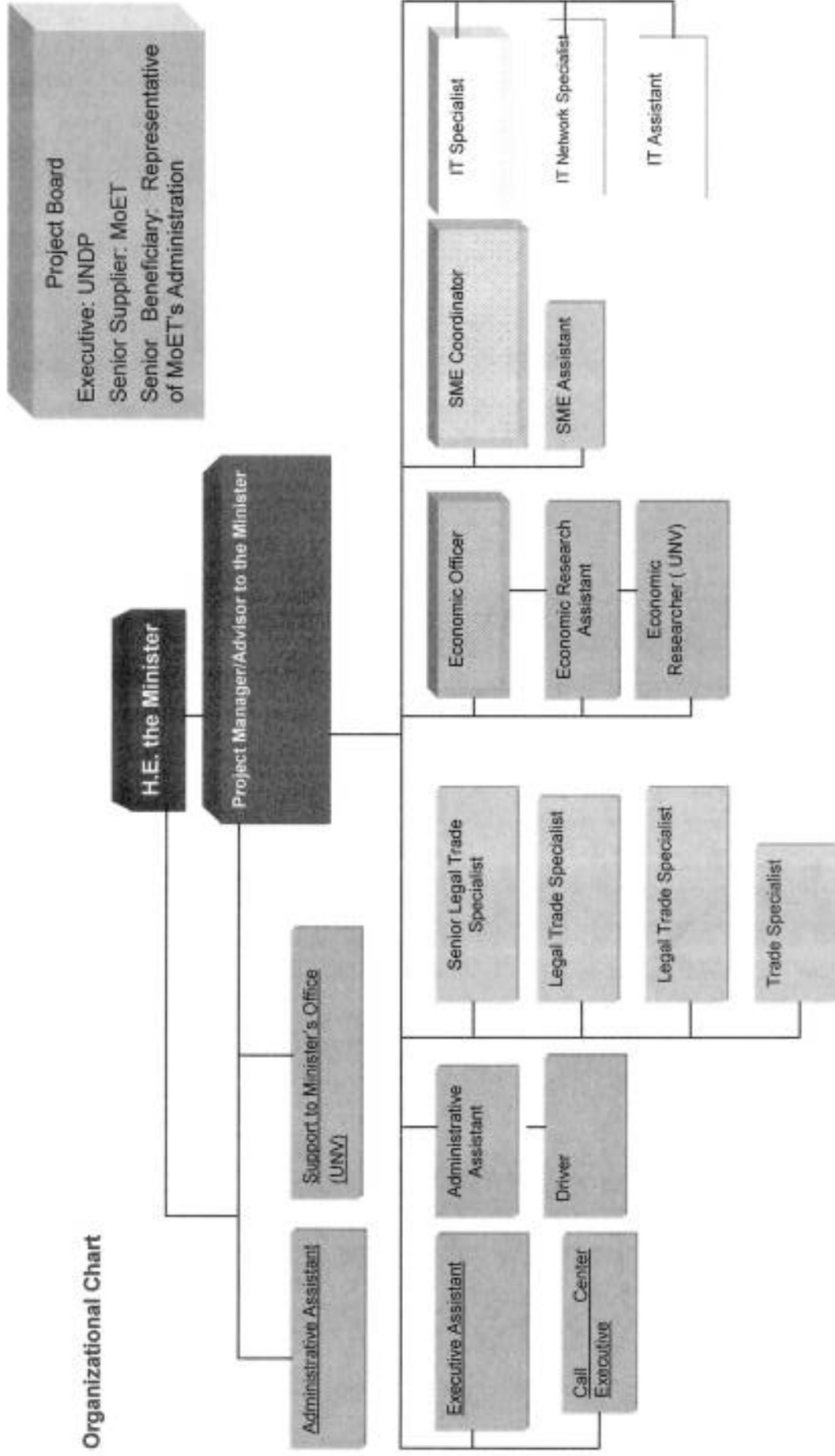
- Payments, disbursements and other financial transactions
- Recruitment of staff, project personnel, and consultants
- Procurement of services and equipment,¹ including disposal
- Organization of training activities, conferences, and workshops, including fellowships
- Travel authorization, visa requests, ticketing, and travel arrangements

Shipment, custom clearance, vehicle registration, and accreditation

¹ This would include any fee to IAPSO.

V.

Organizational Chart



VI. MONITORING FRAMEWORK AND EVALUATION

In accordance with the programming policies and procedures outlined in the UNDP User Guide, the project will be monitored through the following:

Within the annual cycle

- On a quarterly basis, a quality assessment shall record progress towards the completion of key results, based on quality criteria and methods captured in the Quality Management table below.
- An Issue Log shall be activated in Atlas and updated by the Project Manager to facilitate tracking and resolution of potential problems or requests for change.
- Based on the initial risk analysis submitted (see annex 1), a risk log shall be activated in Atlas and regularly updated by reviewing the external environment that may affect the project implementation.
- Based on the above information recorded in Atlas, a Quarterly Progress Reports (QPR) shall be submitted by the Project Manager to the Project Board through Project Assurance, using the standard report format available in the Executive Snapshot.
- a project Lesson-learned log shall be activated and regularly updated to ensure on-going learning and adaptation within the organization, and to facilitate the preparation of the Lessons-learned Report at the end of the project
- a Monitoring Schedule Plan shall be activated in Atlas and updated to track key management actions/events

Annually

- **Annual Review Report.** An Annual Review Report shall be prepared by the Project Manager and shared with the Project Board and the Outcome Board. As minimum requirement, the Annual Review Report shall consist of the Atlas standard format for the QPR covering the whole year with updated information for each above element of the QPR as well as a summary of results achieved against pre-defined annual targets at the output level.
- **Annual Project Review.** Based on the above report, an annual project review shall be conducted during the fourth quarter of the year or soon after, to assess the performance of the project and appraise the Annual Work Plan (AWP) for the following year. In the last year, this review will be a final assessment. This review is driven by the Project Board and may involve other stakeholders as required. It shall focus on the extent to which progress is being made towards outputs, and that these remain aligned to appropriate outcomes.

In case a project evaluation is required, please indicate the justification and proposed timing for the evaluation. A project evaluation is required only when mandated by partnership protocols such as GEF. However, a project evaluation may be required due to the complexity or innovative aspects of the project.

Quality Management for Project Activity Results

Replicate the table for each activity result of the AWP to provide information on monitoring actions based on quality criteria. To be completed during the process "Defining a Project". This table shall be further refined during the process "Initiating a Project".

OUTPUT 1: Support for Sectoral Trade and Economic Policy Formulation and Implementation Provided		
Activity Result 1 (Atlas Activity ID)	<i>Economic Sectoral Studies and Policies Developed</i>	Start Date: 1 January 2011 End Date:31/December/2013
Purpose	<i>Quarterly Trade Newsletters and economic reports published</i>	
Description	<i>Designing and publishing sectoral studies and newsletters and Conducting impact assessment on trad..Coordinating the development and implementation of sectoral policies. Preparing Official Documents, reports and position papers for meetings and negotiations, such as with WTO, ENP, MDGs (Goal 8), WB, etc... Negotiating and following up on international trade commitments resulting from bilateral and multilateral trade agreements (e.g. WTO, EU, EFTA, etc. Coordinating Policy meetings with various stakeholders and proposing strategies for SMEs and MFIs development. Facilitating the participation of Entrepreneurs and SMEs of innovative projects in international competitions</i>	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	Quality Method <i>Means of verification. what method will be used to determine if quality criteria has been met?</i>	Date of Assessment <i>When will the assessment of quality be performed?</i>
Sectoral Studies	The number of sectoral studies and newsletters designed and published.	
Activity Result 2 (Atlas Activity ID)	<i>Legislative and procedural reforms implemented for improving the business environment.</i>	Start Date: 1 January 2011 End Date:31/December/2013
Purpose	<i>Review of existing Laws in addition to developing and drafting new laws and ensuring they are enacted.</i>	
Description	<i>Drafting, amending, commenting and following up on trade related regulations, including laws, implementing Decrees, ministerial decisions.</i>	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	
Legal amendments	Number of existing laws reviewed and the number of new laws drafted and enacted.	
OUTPUT 2: Institutional Capacity of the Ministry of Economy and Trade developed and enhanced		
Activity Result 1 (Atlas Activity ID)	Efficiency and Responsiveness of the MoET enhanced through IT capacity development	Start Date: 1 January 2011 End Date:31/December/2013

Purpose	Install new powerful hardware, improve the search engine for reporting and retrieving data in addition to planning and implementing online trademark application through the Ministry website.	
Description	Conduct an assessment of the needs of the Ministry of Economy and Trade in terms of IT and equip the department and train staff across departments in the use of the new equipment and applications.	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	<i>Means of verification. what method will be used to determine if quality criteria has been met?</i>	
<i>Trainings</i>	<i>Number of officials trained and impact of trainings</i>	
<i>Procured equipment</i>	<i>Assets inventory</i>	
Activity Result 2 (Atlas Activity ID)	Transfer of skills to the Consumers Protection Department achieved	Start Date: 1 January 2011 End Date:31/December/2013
Purpose	CP Inspectors trained on various trade and economic topics In addition to the Integration of UNDP hotline operators into MoET as core staff.	
Description	Training needs assessed for the Consumers' Protection Department (CPD and Capacity of CPD staff developed).	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	-	
<i>Needs Assessment</i>	A training needs assessment carried out	
<i>Trainings</i>	At least 50 new CP inspectors trained	
<i>Procured equipment</i>	Hot line application installed and relevant equipment purchased	
Activity Result 3 (Atlas Activity ID)	Transfer of skills to the Trade Department Achieved.	Start Date: 1 January 2011 End Date:31/December/2013
Purpose	CP Inspectors trained on various trade and economic topics In addition to the Integration of UNDP hotline operators into MoET as core staff.	
Description	Training needs assessed for the Trade Department and Capacity of staff developed.	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	<i>Means of verification. What method will be used to determine if quality criteria has been met?</i>	
<i>Trainings</i>	Number of staff trained	
Activity Result 4 (Atlas Activity ID)	Management framework for the implementation of the Law on Protection of National Production and Transfer of skills to the Trade Remedies Investigation Authority	Start Date: 1 January 2011 End Date:31/December/2013

	(TRIA) created	
Purpose	CP Inspectors trained on various trade and economic topics In addition to the Integration of UNDP hotline operators into MoET as core staff.	
Description	Staff recruited and All TRIA employees trained and a full Transfer of knowledge and files carried out.	
Quality Criteria <i>how/with what indicators the quality of the activity result will be measured?</i>	<i>Means of verification. What method will be used to determine if quality criteria has been met?</i>	
Recruited Staff	Number of staff recruited	
Trainings	Number of staff trained	

VII. LEGAL CONTEXT

If the country has signed the Standard Basic Assistance Agreement (SBAA), the following standard text must be quoted:

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together a Project Document as referred to in the SBAA [or other appropriate governing agreement] and all CPAP provisions apply to this document.

Consistent with the Article III of the Standard Basic Assistance Agreement, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

The implementing partner agrees to undertake all reasonable efforts to ensure that none of the UNDP funds received pursuant to the Project Document are used to provide support to individuals or entities associated with terrorism and that the recipients of any amounts provided by UNDP hereunder do not appear on the list maintained by the Security Council Committee established pursuant to resolution 1267 (1999). The list can be accessed via <http://www.un.org/Docs/sc/committees/1267/1267ListEng.htm>. This provision must be included in all sub-contracts or sub-agreements entered into under this Project Document".

If the country has not signed the SBAA, the following standard text must be quoted:

This document together with the CPAP signed by the Government and UNDP which is incorporated by reference constitute together the instrument envisaged in the Supplemental Provisions to the Project Document, attached hereto.

Consistent with the above Supplemental Provisions, the responsibility for the safety and security of the implementing partner and its personnel and property, and of UNDP's property in the implementing partner's custody, rests with the implementing partner.

The implementing partner shall:

- a) put in place an appropriate security plan and maintain the security plan, taking into account the security situation in the country where the project is being carried;
- b) assume all risks and liabilities related to the implementing partner's security, and the full implementation of the security plan.

UNDP reserves the right to verify whether such a plan is in place, and to suggest modifications to the plan when necessary. Failure to maintain and implement an appropriate security plan as required hereunder shall be deemed a breach of this agreement.

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VIII. Risk Analysis

#	Description	Date Identified	Type	Impact & Probability (1=low, 5=high)	Countermeasures / Mngt response	Owner
1	Lack of responsiveness and coordination from internal stakeholders	Project initiation date	Administrative	This would the creation of ownership and accountability <i>P=2</i> <i>I=4</i>	Engaging internal stakeholders at all stages of the project's implementation and in the formulation of the annual work plans and linked initiatives	UNDP
2	Lack of funds	Project initiation date	Financial	This would substantially delay the initiation of project activities <i>P = 3</i> <i>I = 5</i>	Follow-up by MOET and UNDP CO with funding agencies	UNDP
3	Political instability and security situation in the country	Project initiation date	Political	Political or security changes can hinder access to site and delay in receiving legal issues <i>P = 2</i> <i>I = 5</i>	Close coordination with UN DSS	UNDP
4	Difficulty in identifying qualified experts on the various areas covered by the different project outputs	Project initiation date	Administrative	This may cause a delay in implementation of some training activities <i>P = 3</i> <i>I = 4</i>	Close coordination with UNDP's HR Department, UNVs, and other projects such as TOKTEN to identify the most qualified experts	UNDP