



PROJECT IDENTIFICATION FORM (PIF)

PROJECT TYPE: Full-sized Project
THE GEF TRUST FUND

Submission Date:

* See guidelines for definition of milestones.

PART I: PROJECT IDENTIFICATION

GEF PROJECT ID¹: PROJECT DURATION: 4 years
GEF AGENCY PROJECT ID:
COUNTRY(IES): Lebanon
PROJECT TITLE: PCB Management Project
GEF AGENCY(IES): World Bank
OTHER EXECUTING PARTNER(S): MINISTRY OF ENVIRONMENT,
LEBANON
GEF FOCAL AREA (S)²: Persistent Organic Pollutants
GEF-4 STRATEGIC PROGRAM(S): POPs-SP1, POPs-SP2
NAME OF PARENT PROGRAM/UMBRELLA PROJECT (if applicable):
NA

INDICATIVE CALENDAR*	
Milestones	Expected Dates mm/dd/yyyy:
Work Program (for FSP)	April 2010
CEO Endorsement/Approval	June 2011
Agency Approval Date	September 2011
Implementation Start	October 2011
Mid-term Evaluation (if planned)	August 2013
Project Closing Date	August 2015

A. PROJECT FRAMEWORK

Project Objective: The main objectives are to facilitate the implementation of the obligations, duties, rights and responsibilities of the Republic of Lebanon towards the Stockholm Convention through the national public administration entrusted with this responsibility namely the Ministry of Environment (MoE), thus enhancing the adequate management of POPs and to draw partnership between the World Bank and MoE to develop and implement a national strategy to eliminate the potential releases of PCBs in a manner consistent with the Stockholm Convention.

Project Components	Indicate whether Investment, TA, or STA ^b	Expected Outcomes	Expected Outputs	Indicative GEF Financing ^a		Indicative Co-Financing ^a		Total (\$) c=a+b
				(\$) ^a	%	(\$) ^b	%	
Institutional and regulatory strengthening	TA	<ul style="list-style-type: none"> Revised legal framework including provisions for safe management of PCBs Enhanced capacity at MOE for the management of PCBs Enhanced capacity at Lebanese Customs Administration for the identification of PCBs/PCB containing equipments 	<ul style="list-style-type: none"> Specific regulations addressing PCBs Technical staff in the Service of Environmental Technology with special experience in PCB management Health, Safety and Environment unit created at "Electricité du Liban" EDL 	63,000	29	157,500	71	220,500

¹ Project ID number will be assigned by GEFSEC.

² Select only those focal areas from which GEF financing is requested.

Implementation of an environmentally sound management system for PCB oils and contaminated equipment	Investment	<ul style="list-style-type: none"> Update on preliminary PCB inventory in Lebanon Environmentally sound and sustainable management of PCB stockpiles and off-line PCB-contaminated equipment including the study of local and international destruction options as per Basel Convention Management plan for on-line PCB-contaminated electrical equipment developed 	<ul style="list-style-type: none"> Preliminary PCB inventory in closed, semi-closed and open applications updated 1,600³ off-line government owned transformers and waste oils disposed of according to Stockholm Convention 16,000⁴ on-line government owned PCB-contaminated equipment identified, safeguarded (if needed) and monitored until final decommissioning Cross contamination of government owned electrical equipment with PCB-contaminated oils eliminated 	1,940,400	34	3,780,000	66	5,720,400
Implementation of an environmentally sound Management system for PCB contaminated sites	Investment + STA	<ul style="list-style-type: none"> Sound management of PCB contaminated sites, based on assessment of risks to human health and the environment 	<ul style="list-style-type: none"> Guidelines for characterization of contaminated sites developed Methodology for assessing human health and environmental risks from exposure to contaminated sites developed Guidelines made for the environmentally sound management of the seven priority hotspots in Lebanon Demonstration of remediation activities at EDL repair shop in <i>Bauchrieh</i> 	157,500	20	630,000	80	787,500

³ This figure is likely under-estimated. The inventory will determine a more accurate figure

⁴ This figure is likely under-estimated. The inventory will determine a more accurate figure

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Public awareness and training	TA + STA	<ul style="list-style-type: none"> Promotion of environmentally sound management, destruction and/or disposal technologies for contaminated PCB oils and equipment Training of public servants and other stakeholders on sound management of PCBs Public awareness campaign launched for sound management of PCBs Study of the feedback from the environmental awareness campaign and its impact factor Using the public awareness campaign on PCBs as a methodology for other environmental cases related to Stockholm Convention and other national priorities 	126,000	40	189,000	60	315,000
Project Management	Support to MOE with project management		252,000	44	315,000	56	567,000
Total project costs			2,538,900	33	5,071,500	67	7,610,400

^a List the \$ by project components. The percentage is the share of GEF and Co-financing respectively of the total amount for the component.

^b TA = Technical Assistance; STA = Scientific & Technical Analysis.

B. INDICATIVE CO-FINANCING FOR THE PROJECT BY SOURCE and by NAME (in parenthesis) if available, (\$)

Sources of Co-financing	Type of Co-financing	Project
Project Government Contribution	cash	2,835,000
Project Government Contribution	In-kind	945,000
EDL	cash	441,000
EDL	In-kind	315,000
Private Sector	cash	315,000
Private Sector	In-kind	220,500
Total Co-financing		5,071,500

C. INDICATIVE FINANCING PLAN SUMMARY FOR THE PROJECT (\$)

	Previous Project Preparation Amount (a) ⁵	Project (b)	Total c = a + b	Agency Fee
CIDA	250,000	0	250,000	0
GEF financing		2,538,900	2,538,900	252,000
Co-financing		5,071,500	5,071,500	
Total	250,000	7,610,400	7,860,400	252,000

⁵ Include project preparation funds that were previously approved but exclude PPGs that are awaiting for approval.

D. GEF RESOURCES REQUESTED BY AGENCY (IES), FOCAL AREA(S) AND COUNTRY(IES)¹

Not applicable

PART II: PROJECT JUSTIFICATION

A. STATE THE ISSUE, HOW THE PROJECT SEEKS TO ADDRESS IT, AND THE EXPECTED GLOBAL ENVIRONMENTAL BENEFITS TO BE DELIVERED:

Lebanon's National Implementation Plan (NIP), completed in 2006, identified the following top priorities in terms of POPs management: (i) awareness raising; (ii) institutional and regulatory strengthening; (iii) PCB management; and (iv) management of emissions of dioxins and furans. The Government of Lebanon (GOL), through its Ministry of Environment (MOE), has invited the World Bank for a partnership in the preparation and implementation of a POPs management project that addresses the top three POPs-related priorities highlighted in the NIP.

The objectives of the proposed Project are to facilitate the implementation of the obligations, duties, rights and responsibilities of the Republic of Lebanon towards the Stockholm Convention through the national public administration entrusted with this responsibility namely the Ministry of Environment (MoE), thus enhancing the adequate management of POPs and to draw partnership between the World Bank and MoE to develop and implement a national strategy to eliminate the potential releases of PCBs in a manner consistent with the Stockholm Convention.. The main goals of the proposed Project are outlined below:

1. *Institutional and regulatory strengthening:* The current legislation in Lebanon addresses the management of POPs. However, detailed rules and regulations could be proposed to be enacted, thus enhancing the overall management of POPs/PCBs and dioxins and furans. Emission and disposal standards regarding POPs do not exist, and control of discharges is very limited. In particular, Ministerial Decision 52/1 (dated 29/07/1996) provides maximum allowable limits for certain pollutants in three environmental receptors (air, water, soil), but does not include specific emission values for POPs from different industrial outputs into multiple environmental media. Ministerial Decision 8/1 (dated 30/01/2001) revised Ministerial Decision 52/1 by providing detailed environmental limit values for classified industrial establishments as well as wastewater treatment plants. The values cover emissions into air and water receptors but still do not mention POPs. Ministerial Decision 71/1 as a national regulation to enforce the Basel Convention (dated 19/05/1997) bans the import of PCBs, but there is no restriction on the manufacture or use of PCBs and PCB- containing equipment. Law 64/88 (dated 12/08/1988) addresses the protection of the environment from hazardous wastes and substances and states in its articles fines on pollution,

The proposed Project will include a component aimed at strengthening the GOL's ability to recognize, evaluate, control, phase out and monitor the use of PCBs from all potential sources with special focus on electrical equipment. Activities will include a comprehensive review of current hazardous waste management regulations, and the development of proposed revisions to this framework that will specifically address PCBs. Roles and responsibilities of various public administrations and other stakeholders for the monitoring, management and final disposal of PCB oils and contaminated equipment will be clearly delineated. Also, an assessment will be conducted of the existing capacity at the MOE to adequately oversee the national management of PCBs, and recommendations will be made on actions needed to strengthen that capacity. Specific institutional strengthening measures will address *Electricité Du Liban* (EDL), the owner of the country's electricity distribution grid and the largest holder of PCBs. EDL has already established an internal committee to discuss PCB-related issues. Under the Project, a Health, Safety and Environment Unit will be designed and regulations will be drafted for its establishment at EDL. The terms of reference for the recruitment of its personnel will be drafted and enacted as per national rules and regulations. This unit will have the capacity to oversee EDL's PCB management policies and requirements, which will result from the revision of the regulatory framework. Similarly, the Lebanese Customs, which operate under the Ministry of Finance, will be trained and equipped to enhance their capacity in screening for POPs material in general, and PCBs in specific.

2. *Sound management of PCB oils and contaminated equipment:* Preliminary Inventories of production, export, import, use and distribution of PCBs and PCB-containing equipment were conducted during the preparation of the Lebanon NIP. The existing, preliminary inventory recognized the overwhelming importance of the energy sector as a potential source of PCBs, primarily contained in electrical transformers. Such transformers are located in: (i) power plants (thermal and hydroelectric); (ii) substations; and (iii) distribution stations. The inventory did not cover potentially contaminated equipment in-use in facilities in other sectors (e.g., tourism, public complexes, hospitals), nor the distribution stations which amount, according to the Directorate of Distribution at EDL (GEF/MoE/UNEP Preliminary PCB Inventory 2005 Report, p. 17) to over 16,000 transformers of different sizes.

Samples from each of Lebanon's seven power plants suggested that only the *Zouk* and *Jieh* plants contain significant quantities of PCB oils. In fact, up to around 4.74 tonnes of PCB oil stored in 10 out-of-service transformers were found in the *Zouk* plant and roughly 57 tonnes of contaminated oils were found stored in in-service transformers in the *Jieh* power plant. The remaining five power plants are relatively new (post-1995), and no PCB contamination was found in the equipment sampled. However, evidence indicated that some of the transformers in these plants had been retrofitted and refilled with dielectric fluids that were not pre-screened for PCBs, and therefore, a more extensive analysis of the equipment in these newer power plants may also reveal the presence of PCBs. In 2008, the GOL received resources from the Canadian International Development Agency (CIDA) for stock-taking and inventory update of the PCBs, as well as removal and destruction of approximately 19.75 tonnes of PCB contaminated oils and transformers that are stored in the *Zouk* and *Jieh* plants.

Lebanese substations, owned by EDL and other utility companies, have reported using PCB-free oils exclusively. During the NIP inventory, samples taken from a limited number of substations did not show evidence of PCB contamination. However, a more exhaustive sampling plan would be required to unequivocally rule out the presence of PCBs in substation transformers.

EDL owns and operates more than 16,000 distribution transformers distributed across the country. No estimates exist of the number of distribution transformers that may be contaminated with PCBs. Some level of cross contamination between transformers may be occurring during routine filtration of dielectric fluids, since the same filtration unit is used on both PCB and non-PCB containing dielectric fluids. Old and/or damaged transformers are gradually being phased-out and replaced with new transformers that contain PCB-free oils. However, hundreds of older transformers, likely contaminated with PCBs, will remain in use in the medium term. EDL now uses only dry-type capacitors, which do not represent a potential repository of PCBs.

The proposed Project will build on results of preliminary PCB inventories in Lebanon, and will finance a comprehensive update of the existing database. This will include sampling and analysis of potentially contaminated oils and equipment owned by the electricity sector, as well as by other economic sectors that have never been controlled. Results from this inventory will provide a clearer picture of the extent of PCB contamination in electrical equipment across the country, on the basis of which, a long-term PCB management plan will be developed. The management plan that is envisioned will consist of a cost-effective schedule to phase out potentially contaminated on-line equipment that are owned by the government, in a manner consistent to the targets of the Stockholm Convention, and according to, among other factors, age of equipment, level of risk, location and capacity. The management plan will also include an assessment of disposal options for government owned off-line equipment and PCB waste oils. Safeguarding, storage and disposal options will be evaluated for government owned electrical equipment and contaminated oils that are currently in storage, as well as those which will be taken off-line in the future and until 2025. Environmentally sound disposal and/or treatment options may include combustion as well as non combustion treatment technologies. A long-term plan, which will include options for financing the costs of disposal, will be developed. Lessons learned from the disposal project financed by the Canadian Trust Fund for POPs will be of great value to this assessment. The overall PCB management plan will be developed in conjunction with EDL and other relevant utility companies.

Based on the results of the inventory and on the conclusions of the management and disposal plan, the proposed Project will also finance the environmentally sound disposal of government-owned equipment and contaminated oils that are off-line and in storage. It is difficult to estimate, before the results of the inventory are available, the volume of PCB contaminated equipment and oils that will be disposed of under the Project. This will not only depend on what is found in storage across the country during the inventory phase, but also on the decisions that will be made by utility companies regarding equipment that will be taken off-line during the course of the Project.

Co-financing from EDL and other utilities are expected under this Project component.

3. *Management of PCB contaminated sites:* The NIP identified seven potential PCB hotspots in Lebanon. These sites are considered hotspots either because they sustained aerial bombing during armed conflict, during which PCB spills took place, and/or because significant leakages are known to have occurred and may still be occurring. These hotspots are (dates of shelling are indicated in parenthesis): (i) Power plants - *Deir Aamar* (2000) and *Baalbeck* (2000); (ii) Substations- *Bsalim* (1993, 1996, 1999 and 2000), *Jamhour* (1993, 1996, 1999 and 2000), *Deir Nbouh* (2000), *Hazmieh* (1975 – 1990); and (iii) the EDL repair shop located in *Bauchrieh*.

Bauchrieh, one of Beirut's northern and highly urbanized suburbs, is considered the most critical hotspot in Lebanon. EDL stores all damaged distribution transformers in its designated warehouse and repair shop in *Bauchrieh*. An estimated 1,600 transformers are scattered around the site, many damaged and broken. PCB-contaminated equipment is usually handled and disposed of haphazardly, or sold to third parties as scrap, without prior knowledge or verification of the potential presence of PCBs. Oil is now entirely stored in barrels for resale or disposal.

The proposed Project will develop a methodology to characterize and assess the risks to human health and the environment posed by the seven hotspots where PCB contamination is known to have occurred. All sites will be evaluated using this methodology, and environmentally sound management options will be proposed for each site depending on the level of risk they represent. Options will range from containment of polluted areas to remediation of highly polluted sites. Feasibility studies will then be carried out on each site to evaluate the most cost-effective alternative to eliminate risks of PCB exposure to human health and the environment and to remediate the site. Depending on the results of these studies, the government will initiate works at the high priority site of *Bauchrieh*, aimed at reducing the risks of POPs exposure to the surrounding population and treating the observed pollution.

Financing for this component will be provided, in its majority, by the MOE, EDL and through contributions from utilities and the private sector. GEF resources will be used for the development of a methodology to assess and manage human health and environmental risks from exposure to PCBs emanating from contaminated sites. This methodology will be used to train MOE team members and other stakeholders, as well as to evaluate risks from the seven priority hotspots in Lebanon (this needs to be cleared by MoE/DG before the idea of committing GoL/MoE funds for this purpose is approved). Lessons learned from the remediation of the *Bauchrieh* site will be used to develop guidelines for the remediation of the other hotspot sites in the future.

4. *Public awareness and training:* An intrinsic objective of this Project is to enhance the country's capacity to manage PCBs. For this reason, activities will be built into each component, which will disseminate knowledge and expertise to a range of stakeholders. For example, training events will be organized for representatives of government agencies and the private sector, focused on methodologies to carry out testing of contaminated equipment, best practices to manage on-line equipment containing PCBs, adequate procedures for management of waste oils, safeguarding of contaminated equipment and oils, packaging, transporting and disposal options. It is expected that activities financed under the Project involving government-owned PCB contaminated equipment and oils will serve as demonstrations for the private sector. Together with other training and dissemination activities, they have been designed with the aim of assisting non-government stakeholders to comply with upcoming regulations concerning the management of PCBs in Lebanon.

B. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH NATIONAL/REGIONAL PRIORITIES/PLANS:

Lebanon became a Party to the Stockholm Convention in January 2003 (Law 432) and completed its NIP in 2006. The top national priorities identified in the NIP included strengthening institutional and regulatory capacity for the management of POPs, increasing public awareness, and reducing/eliminating releases of intentionally produced POPs - particularly PCBs. These national priorities are well reflected in the various components of this proposed Project.

The proposed Project will build upon the work carried out by the GOL and supported by GEF and CIDA. The ultimate impact will be the reduction and prevention of POPs releases to the global environment, specifically PCBs. With enhanced PCB management capacity and demonstrated approaches to reduce and/or eliminate exposure risks from existing sources of PCBs, Lebanon will be on track to meeting its duties/responsibilities, commitments and rights under the Stockholm Convention, for its priority chemical.

C. DESCRIBE THE CONSISTENCY OF THE PROJECT WITH GEF STRATEGIES AND STRATEGIC PROGRAMS:

The proposed Project is fully aligned with GEF strategic programs under the POPs focal area. Specifically, the Project will: (i) strengthen the government's technical capacity for NIP implementation, at the MOE, EDL and other relevant public administrations; and (ii) provide the GOL technical and financial assistance to respond to the top priorities identified in the NIP in terms of PCBs and public awareness.

The proposed Project is also consistent with the GEF's Sound Chemicals Management Framework Strategy. The strengthening of regulatory and institutional capacity to integrate PCB management into the current framework for management of hazardous wastes will allow the government to consistently address other chemical pollutants.

D. JUSTIFY THE TYPE OF FINANCING SUPPORT PROVIDED WITH THE GEF RESOURCES:

Grant resources will be provided to the government and to public utility companies to partially cover the costs long-term management and disposal of publically-owned, PCB-contaminated oils and electrical equipment. Grant financing will also be provided to increase the level of public awareness on issues involving PCBs, a top priority of the government as per the NIP. In the absence of these grant resources and of the associated technical assistance (TA) and scientific and technical analysis (STA), it is unlikely that the GOL will be financially able to fully meet its commitments under the Stockholm Convention.

E. OUTLINE THE COORDINATION WITH OTHER RELATED INITIATIVES:

Among the efforts and activities undertaken by the government to meet its obligations under the Stockholm Convention, the GOL received resources from the GEF in 2008 that will be used in the implementation of a project titled "Demonstrating and Promoting Best Techniques and Practices for Reducing Health-Care Waste to Avoid Environmental Releases of Dioxins and Mercury". This is a global project implemented by UNDP and will be executed in Lebanon through the Ministry of Environment. The overall objective of the project is to demonstrate and promote best practices and techniques for health-care waste management in order to minimize or eliminate releases of persistent organic pollutants and mercury to the environment. This project falls within the efforts undertaken by the Ministry of Environment in fulfilling Lebanon's commitments towards the Stockholm Convention following the development of Lebanon's National Implementation Plan for POPs management. Coordination with UNDP will be ensured regarding institutional strengthening activities involving the MOE, to guarantee that capacity building initiatives undertaken by the two projects are not duplicated.

In parallel, MoE has been collaborating with various partners to clean up sites along the Lebanese coast that have been contaminated by heavy fuel oil during the oil spill catastrophe that hit Lebanon during July 2006 war. The remediation actions undertaken in the context of the oil spill activities have provided MoE with an experience that can be invested in addressing PCB disposal options as the treatment of some oil spill wastes can be done through co-incineration in local cement industries, a scenario applicable to PCB wastes as well.

F. DISCUSS THE VALUE-ADDED OF GEF INVOLVEMENT IN THE PROJECT DEMONSTRATED THROUGH INCREMENTAL REASONING :

Under the baseline scenario, a non detailed regulatory framework that addresses PCBs will greatly hamper the government's ability to phase out all PCB contaminated equipment by 2025, in line with the targets of the Stockholm Convention. The national PCB inventory needs to be detailed and public awareness about the risks of PCBs and other POPs needs to be assessed and addressed. Although institutional capacity exists at the government level or within power utility companies to put in place environmentally sound practices for the management and disposal of PCBs, the capacity to put knowledge into implementation is required. Evidence shows that existing management practices for PCB oils have not prevented cross contamination of originally PCB-free equipment, and that imposed spills and leaks during armed aggressions from PCB-contaminated equipment have occurred across the country, with potentially severe impacts on human health and the environment. Under this current scenario, enforcement is hampered by multiple reasons, mainly feeble economical conditions, environmental fiscal tools and general understanding of the problem as well as insufficient human resources to attend to environmental priorities in relation to POPs. No incentives exist for public or private owners of electrical equipment to prevent any further cross contamination, to assess current levels of contamination of their equipment, nor to put in place measures that would ensure its safe handling.

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Under the baseline scenario, no resources will be available for the disposal of PCB-contaminated oils and electrical equipment that will be taken off-line in the future. Procedures for draining, repackaging, safeguarding and storing potentially substantial volumes of PCBs, for indefinite lengths of time, will likely not be developed, and PCB spills and leakages will continue to occur at storage sites and repair shops, posing relevant occupational health risks to employees and to the overall environment.

Under the alternative scenario, Project resources will be used to update the regulatory framework in order to recognize, evaluate, control, monitor thus managing and ultimately eliminating the use of PCB-containing equipment, in line with Lebanon's commitment to the Stockholm Convention. The Project will strengthen capacity, both in the public and private sectors in the use of adequate procedures for the safe-handling and disposal of PCBs. The Project will also develop a management plan that will ultimately lead to the decommissioning of all on-line PCB-contaminated equipment, by 2025. All publically-owned, off-line contaminated equipment will be disposed under the Project, thereby permanently eliminating a significant source of POPs. The combination of these measures will set the context for the government to put in place and to engage the private sector in a plan that will gradually phase out all PCB-contaminated equipment in Lebanon.

Furthermore, in partnership with the GEF but within the context of this Project, the GOL will be able to leverage resources to address an issue of highest priority, namely the management of PCB contaminated sites. Seven sites around the country are known to have been polluted with PCBs and represent high risks to the environment and the surrounding populations. This Project will develop procedures to systematically evaluate and manage environmental and human health risks posed by these sites. The government will demonstrate management alternatives for contaminated sites that will reduce overall risks, and taking advantage of the increased exposure and awareness generated by the Project, hopes to put in place a plan to address all of the identified hotspots.

G. INDICATE RISKS, INCLUDING CLIMATE CHANGE RISKS, THAT MIGHT PREVENT THE PROJECT OBJECTIVE(S) FROM BEING PROPERLY ACHIEVED, AND IF POSSIBLE INCLUDING RISK MITIGATION MEASURES THAT WILL BE TAKEN:

The following risks have been identified at this early stage of Project preparation:

- *Accidental spillage of PCBs with subsequent pollution of the soil, ground water or surface water during handling, treatment or disposal* – In order to avoid this risk the Project will ensure that a sound environmental management framework is developed to include all needed safeguarding provisions, in line with World Bank safeguard procedures.
- *Insufficient resources raised to cover the costs of PCB phaseout by 2025* – The GOL is committed to meeting its commitments under the Stockholm Convention and knows that this goal will require the demonstration of cost-effective methods to gradually phase out and eliminate existing PCBs and contaminated equipment. This Project will be designed with the objective of involving public administrations other than the MOE, as well as the private sector, in the planning of an adequate PCB management plan that involves and ultimately has the buy-in of all stakeholders. In this way, financial concerns will be shared by all stakeholders and will be addressed over a medium to long term horizon with an attempt to utilize its resources to promote environmental fiscal reform through the hazardous waste model,

H. DESCRIBE, IF POSSIBLE, THE EXPECTED COST-EFFECTIVENESS OF THE PROJECT:

The Project cost-effectiveness will be determined during Project preparation based on the estimated PCBs to be managed, collected and disposed. Through Project demonstration activities, potential alternatives will be assessed and the least cost option will be selected. The priority will be for studying the safe and environmental disposal of PCB wastes locally (such as in the Portland Cement Industry). Estimates of cost-effectiveness for alternatives will be provided at the time of Project submission.

I. JUSTIFY THE COMPARATIVE ADVANTAGE OF GEF AGENCY:

Under the GEF IV, the World Bank has demonstrated its ability to manage complex, multi-stakeholder investment projects under the POPs focal area, in particular on PCB management and elimination in China and Moldova. Relevant lessons learned from implementation of those projects will be built into the design of this Project. Moreover, more than 85% of the GEF resources requested for this Project will finance investment activities, which fall within the comparative advantage of the World Bank. The remaining resources will be used to finance strengthening of regulatory frameworks, enhancing national capacity through financing well designed initiatives and awareness raising. Moreover, a model for direct execution for the non investment components will be developed along with a proactive model enacted by MoE that includes checks and balances as well as internal and external audit mechanisms integrated in the management structure of the project. All critical Project components that, in the interest of sustainability, cannot be excluded from the overall approach. These elements reinforce the Bank's goal of promoting institution strengthening, infrastructure development and implementation of policy statements.

In addition to the technical competence and comparative advantage of the World Bank in financing investment activities of this project, the Bank is currently embarking on the preparation of the Country Partnership Strategy (CPS) for Lebanon. Furthermore, the Bank is engaged in an on-going policy dialogue with the GOL. The CPS and the policy dialogue are essential elements to have a beneficial and fruitful exchange and consensus building at various circles and levels of policy- making. This will be ultimately beneficial to reinforce ownership as well as secure the required political and financial support for the proposed project.

PART III: APPROVAL/ENDORSEMENT BY GEF OPERATIONAL FOCAL POINT(S) AND GEF AGENCY(IES)

A. RECORD OF ENDORSEMENT OF GEF OPERATIONAL FOCAL POINT (S) ON BEHALF OF THE GOVERNMENT(S):

(Please attach the [country endorsement letter\(s\)](#) or [regional endorsement letter\(s\)](#) with this template).

NAME	POSITION	MINISTRY	DATE (Month, day, year)
MOHAMMAD NAJI RAHAL	MINISTER	ENVIRONMENT	MARCH 18, 2010

B. GEF AGENCY(IES) CERTIFICATION

This request has been prepared in accordance with GEF policies and procedures and meets the GEF criteria for project identification and preparation.

Agency Coordinator, Agency name	Signature	Date (Month, day, year)	Project Contact Person	Telephone	Email Address
Steve Gorman GEF Executive Coordinator The World Bank			Kanta K. Rigaud MNA Regional GEF Coordinator	X34269	Kkumari@worldbank.org

