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LEBANON'S **PUBLIC WORKS PROJECTS**

2007 - 2017

A MONOPOLY FOR CERTAIN COMPANIES

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Editorial

A New Electoral Law or a New Lebanon?

By Jawad Nadim Adra

Even before the independence in 1943, the Zu'ama have been preaching on the ills and evils of sectarianism. However, the deeper the researchers have delved in the matter, the greater their realization that the Zu'ama and the citizens of Lebanon are more pragmatic than sectarian.

The Zu'ama have realized that sectarianism is the easiest and fastest way, not only for their leadership to emerge, but to thrive as well. "The Sunni have broken wings", "the Shia'a are disadvantaged" and "the Christians are threatened" are slogans we keep on hearing. As for the ordinary Lebanese citizens, they have "discovered" that, as the state remains absent and therefore the laws unimplemented, the Zu'ama have become their most guaranteed entry towards landing a job, having access to physicians or judges, avenging a relative or neighbor, protecting themselves or usurping public property.

Discussions about the "constituents" "Moukawinat" (مكوّنات) of Lebanon are frequent. The "Moukawinat" that make Lebanon, we are told, are not its heritage and culture- which, by the way, are being destroyed in broad daylight- nor its nature whose seas, mountains, air and trees have borne the worst brunt, nor its human resources that are forced to immigrate, but the "Moukawinat" that make Lebanon, we are told, are its sects. Yes, our leaders like to tell us that we, the Lebanese, are nothing but sects and tribes.

The question that arises is not what electoral law do we want but instead, what Lebanon do we want?

- Do we want a Lebanon where people are frequently killed in violent circumstances, often because of sectarian disputes, and displaced in large numbers every decade?
- Do we want a Lebanon where financial losses in an inefficient electricity sector amount to USD 2.5 billion annually?
- Do we want a Lebanon that, contrary to law, assigns private companies whose annual bills range between 3 to 4 USD billion (prices exceeding those of the market by at least USD 300 million) to purchase substandard petroleum products?
- Do we want a Lebanon that collects from the encroachers of a seaside property no more than USD 3 million a year, fully knowing that the state should instead be collecting USD 280 million or preferably be removing the culprits altogether who encroached on public property?
- Do we want a Lebanon where roughly USD 200 million goes down the drain in the Ministry of Telecommunications every

year while the Lebanese continue to suffer from constantly slow internet and poorly covered mobile phone network and services?

- Do we want a Lebanon with no budget for more than ten years or a Lebanon with an annual budget estimated at USD 11 billion and barely sufficient to pay public debt interests (USD 5 billion) and the salaries of workers and retirees (around USD 6 billion)?
- Do we want a Lebanon where around 30,000 citizens, both male and female, emigrate every year?
- Do we want a Lebanon that dumps its garbage and wastewater in the rivers, valleys and seas? A Lebanon that pays Sukleen around USD 1.5 billion in ten years?
- Do we want a Lebanon where roughly USD 280 million is dubiously spent through the Higher Relief Committee in just five years?
- Do we want a Lebanon where public schools and universities are close to collapse? Where children, youth and elderly die at the hospital entrances?

The electoral laws according to which the Lebanese have so far voted and the laws under discussion right now have all yielded and will continue to yield the same results.

"What is envisaged, as regards the electoral law, is to empower minorities, whether these minorities were sectarian or small groups inside the sect, towards representation in Parliament. This is how justice is served," said President Michel Aoun.

Surveys conducted by Information International show that 48% of the Lebanese support the "optional civil marriage" and 84% advocate for the abolition of sectarianism in Parliament, in the cabinet and in public services (Ii Poll, November 2016). These are not minorities; don't they deserve to be represented?

Let us grant our citizens the choice to be born, married and to vote, inherit, bequeath and die outside sectarian confines.

Will President Aoun, as a custodian of the Constitution, open this window to allow some fresh air into our stale political, social and economic lives?

Leader



LEBANON'S PUBLIC WORKS PROJECTS 2007-2017

A MONOPOLY FOR CERTAIN COMPANIES



Multiple ministries and public organizations (namely the Council for Development and Reconstruction, the Ministry of Public Works and Transport, the Council for South Lebanon, the Ministry of Energy and Water, the Central Fund for the Displaced, the Ministry of Justice, the Ministry of National Defence, the Ministry of Interior and Municipalities, the Ministry of Telecommunications, and the Port of Beirut) are sometimes awarding their public works projects to certain companies according to declared tenders, or at other times, by mutual consent. However, it is noticeable that a few companies, depending on their identity, quasi-monopolized the projects. For instance, these include the subsidiaries of the Council for Development and Reconstruction, the subsidiaries of the Ministry of Public Works and Transport, and so forth as shown in the following table.

Lebanon's Public Works Projects 2007-2017

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Responsible Party: Council for Development and Reconstruction					
Bahsas-Kousba Road	Dar Al-Handasah Nazih Taleb & Partners	Homan Engineering Company Ltd	21 Months	13	Lebanese Government
Supplying South Lebanon with Nahr Litani water in Channel 800 (Phase 1)	Dar Al-Handasah -Shaer & Partners + foreign companies	M.A. Kharafi & Sons (Kuwait) + Zero Glu Gorsh (Turkey)	2017	330	Arab Fund for Economic and Social Development (AFESD) + Kuwait Fund for Arab Economic Development (KFAED)
Construction of sewage networks in Jbeil district's villages	Dar Al-Handasah Nazih Taleb & Partners	L.R.A.C.S (Italian)	2017	44	Italy + Lebanese Government
Rehabilitation and Expansion of Sir Dinieh - Bkarsouna - Karsita Road	Dar Al-Handasah Nazih Taleb & Partners	Danash Contracting and Trading Co. + Agei (Turkish)	2016	28	Arab Fund for Economic and Social Development (AFESD) + Lebanese Government
Construction of new road links connected to the Amchit-Mayfouq road project	Dar Al-Handasah Nazih Taleb & Partners	Batco Group	2016	26.3	Lebanese Government
Batroun - Bejdarfel Road	Dar Al-Handasah Nazih Taleb & Partners	Ets Nassim Abou-Habib Pour L'Industrie & L'Entreprise Pour L'Industrie & L'Entreprise (NAH)	2015	18	Lebanese Government
The Arab Highway of Tripoli	Dar Al-Handasah Nazih Taleb & Partners	Geneco, General Construction & Contracting Co	2015	52	European Investment Bank (EIB) + Lebanese Government
Construction of a flyover in Msharafieh - the southern suburb	Dar Al-Handasah Nazih Taleb & Partners	Matta and Associates	2013	9	World Bank
Jbab El-Homr - Sir Al-Dannieh Road	Dar Al-Handasah Nazih Taleb & Partners	Antoine Makhoul Est. for Trading & Contracting	2010	24	Arab Fund for Economic and Social Development (AFESD) 80% + Lebanese Government 20%
Laying sewage networks and constructing a refinery to serve 30 villages in West Beqa'a	Dar Al-Handasah Nazih Taleb & Partners	Nesma Samcrete (Saudi Arabian)	December 2008	23	Islamic Development Bank (IDB)

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Replacement of Airport Bridge-Boulevard Chiyah with one Underpass and one Overpass	Dar Al-Handasah Nazih Taleb & Partners (Lebanese) + Mac Macdonald (British)	Abdullah Abdul Mohsin Al-Khodari Sons Company (Saudi Arabian)	December 2008	7.168	World Bank 70% + Lebanese Government 30%
Replacement of Antelias Bridge with two Bridges of reinforced concrete	Dar Al-Handasah Nazih Taleb & Partners (Lebanese) + Mac Macdonald (British)	Engineer Elie Selwan	December 2008	9.6	World Bank 70% + Lebanese Government 30%
Haddath El Jebbeh, Hasroun - Dimane Road (Kadisha Curve)	Dar Al-Handasah Nazih Taleb & Partners	Hamid Keyrouz Office	June 2008	12	Lebanese Islamic Bank 80% + Lebanese Government 20%
Bsharri-Al-Arz Roundabout	Dar Al-Handasah Nazih Taleb & Partners	Hamid Keyrouz Office	June 2008	9	Lebanese Government
Providing Coastal Kessrouan with drinking water from Al Madiq spring	Dar Al-Handasah Nazih Taleb & Partners	Taj Est. (Lebanese) + Baresel AG (German)	February 2008	48	Japan Bank for International cooperation (JBIC) + Lebanese Government
Adlieh Tunnel	Dar Al-Handasah Nazih Taleb & Partners	Engineer Elie Selwan	2008	8.929	World Bank 70% + Lebanese Government 30%
Gebrayel-Rahbe Road	Dar Al-Handasah Nazih Taleb & Partners	Homan Engineering Company Ltd	December 2007	6	Lebanese Islamic Bank
Construction of Brissa Lake's Dam - Koura District	Dar Al-Handasah Nazih Taleb & Partners	Batco + Elka	December 2007	13	Saudi Fund for Development (SFD) 90% + Lebanese Government 10%
Construction of an Underpass in Adlieh	Dar Al-Handasah Nazih Taleb & Partners (Lebanese) + Mac Macdonald (British)	Engineer Elie Selwan	December 2007	9.197	World Bank 70% + Lebanese Government 30%
Replacement of Dora Bridge with an Overpass	Dar Al-Handasah Nazih Taleb & Partners (Lebanese) + Mac Macdonald (British)	Nicolas Srouji Establishment for Contracting	December 2007	9	World Bank 70% + Lebanese Government 30%
Raskifa-Aito Road	Dar Al-Handasah -Shaer & Partners	General Company for Crushers & Contracting	April 2007	5.6	Lebanese Government

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Construction of overpasses over Hayek Roundabout	Dar Al-Handasah Nazih Taleb & Partners (Lebanese) + Mac Macdonald (British)	CMC+ Jalkh & Sons Trading & Contracting Co.	Spring 2007	5.73	World Bank 70%+ Lebanese Government 30%
Bchamoun-Aramoun Roundabout	Dar Al-Handasah Nazih Taleb & Partners (Lebanese) + Mac Macdonald (British)	Stephan Contracting Company	March 2007	2.2	World Bank 70%+ Lebanese Government 30%
Nahr El-Mot Highway	Dar Al-Handasah -Shaer & Partners	Alfred Matta & Jack Matta	March 2007	10	Arab Fund for Economic and Social Development (AFESD)70% + Lebanese Government 30%
Arab Highway - Jisr El-Namlieh - Chtaura - Taanayel	Time International Co. Ltd + Saudi Consult	A.R. Hourie Entreprises + CET	2017	122	Saudi Fund for Development (SFD)+ OPEC+ Lebanese Government
Mar Mikhael Tunnel	Time International Co. Ltd + Saudi Consult	Société Mouawad-Edde s.a.r.l.	2010	5.560	Arab Fund for Economic and Social Development (AFESD)90% + Lebanese Government 10%
Construction of Administration of Traffic and Motor Vehicles' building and installation of traffic lights and surveillance cameras	IBI (Canadian) + Time International Co. Ltd (Lebanese)	Telvent (Spanish company)	December 2008	30	World Bank 70% + Lebanese Government 30%
Rehabilitation of Bechara El-Khoury Tunnel	Time International Co. Ltd	Batco + Elka	November 2008	7	Abu Dhabi Fund for Development (ADFD)
Mathaf Tunnel	Time International Co. Ltd	Engineer Elie Selwan	2008	3.7	Arab Fund for Economic and Social Development (AFESD)90% + Lebanese Government 10%
Construction of an Underpass in Mathaf	Time International Co. Ltd	Engineer Elie Selwan	December 2007	3.7	Arab Fund for Economic and Social Development (AFESD) 90% + Lebanese Government 10%

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Organization of Roadside Parks	Time International Co. Ltd (Lebanese) + IBI (Canadian)	Duncan (American) + Nead (Lebanese)	December 2007	8	World Bank
Restoration of the facades of the northern markets of Tripoli (Part 2)	Time International Co. Ltd - Bitar	Afak-General Contractors	November 26, 2007	0.588	World Bank 80% + Lebanese Government 20%
Restoration of the facades of Sweika - Tripoli	Time International Co. Ltd - Bitar	Mounir Abou Ezzi for Contracting & Trading Est	October 31, 2007	0.659	World Bank 80% + Lebanese Government 20%
Construction of a building to resettle the residents of Khan Al-Askar – block B – Tripoli	Time International Co. Ltd - Bitar	Ets Nassim Abou-Habib Pour L'Industrie & L'Entreprise	September 25, 2007	0.920	World Bank 80% + Lebanese Government 20%
Restoration of the public squares of the northern markets of Tripoli	Time International Co. Ltd - Bitar	General Company for Crushers & Contracting	June 18, 2007	1.375	French Development Agency (AFD)
Construction of a building to resettle the residents of Khan Al-Askar – block A – Tripoli	Time International Co. Ltd - Bitar	Ets Nassim Abou-Habib Pour L'Industrie & L'Entreprise	May 18, 2007	0.860	World Bank 80% + Lebanese Government 20%
Restoration of the facades of the northern markets in Tripoli	Time International Co. Ltd - Bitar	Badawi Azour Trading & Contracting Sarl (BATCO)	March 13, 2007	1.020	World Bank 80% + Lebanese Government 20%
Tyre - Naqoura Highway	Rafik Khoury & Partners - Consulting Engineers	Danash Contracting and Trading Co.	2015	31	Islamic Development Bank (IDB)
Development of the waterfront from Saint-Georges to Summerland	Rafik Khoury & Partners	A.R. Hourie Entreprises	February 2008	12	Islamic Development Bank (IDB) 97% + Lebanese Government 3%
Rehabilitation of infrastructure in Hay El Sellom	Rafik Khoury & Partners	Danash Contracting and Trading Co.	December 2007	11.8	Lebanese Government
Restoration of souks and electrical works in Saida (Part 3)	Rafik Khoury & Partners	Geneco, General Construction & Contracting Co	October 25, 2007	1.058	World Bank 80% + Lebanese Government 20%
Tyre-Naqoura Road	Rafik Khoury & Partners	Danash Contracting and Trading Co.	August 2007	13	Lebanese Islamic Bank 70% + Lebanese Government 30%
Works of Business and Tourist Information Center and restoration of old souk and port road in Jbeil	Rafik Khoury & Partners	Afak-Somak	July 12, 2007	1.837	World Bank 80% + Lebanese Government 20%

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Restoration of the square of Bab al-Serail and the tourist corridor, and the electrical works in Saida (Parts 1 & 2)	Rafik Khoury & Partners	South Company for Construction and Development (SCCD)	March 13, 2007	2.670	World Bank 80% + Lebanese Government 20%
Rehabilitation of cultural itineraries in the historic city of Tyre	Rafik Khoury & Partners	Water Resources and Development Company (WARD)	March 15, 2007	1.441	World Bank 80% + Lebanese Government 20%
Infrastructure works in some areas of Tyre	Rafik Khoury & Partners	Water Resources and Development Company (WARD)	March 20, 2007	0.945	World Bank 80% + Lebanese Government 20%
Rehabilitation of the sea route in the historic city of Tyre	Rafik Khoury & Partners	Water Resources and Development Company (WARD)	February 28, 2007	1.087	World Bank 80% + Lebanese Government 20%
Drinking water networks in Mennieh	BTD	Taj Est.	2017	9	Saudi Fund for Development (SFD)
Construction of drinking water networks in Bsharri	BTD	National Engineering & Contracting Company (Jordan)	2017	12	Arab Fund for Economic and Social Development (AFESD)
Construction of sewage treatment networks and plant in Kessrouan	BTD	Taj Est.	2016	200	French Development Agency (AFD) + Lebanese Government
Construction of sewage networks and connecting them to Chekka treatment plant	BTD	Ets. Nazih S. Braidi for Engineering & Contracting	2015	12	French Development Agency (AFD)
Rehabilitating, maintaining, and supplying Kousba-Fih (Koura District) with drinking water	BTD	Homan Engineering Company Ltd	June 2008	2.7	Kuwait Fund for Arab Economic Development (KFAED) 70% + Lebanese Government 30%
Construction of water diversion network and lines in Wadi El Ra'ayan	BTD	Al Hamra Company (Kuwait)	December 2007	7.465	Kuwait Fund for Arab Economic Development (KFAED)
Rehabilitation and maintenance of water networks in the villages of North Baalbeck (Group III)	BTD	Homan Engineering Company Ltd	August 2007	12	Lebanese Government
Extension of sewage and water supply networks in Baalbeck - Amshki	BTD	Taj Est.	August 2007	11.3	World Bank 85% + Lebanese Government 15%
Supplying Ain Ya'aqoub village with drinking water	BTD	Abdullah Abdul Mohsin Al-Khodari Sons Company (Saudi Arabian)	2007	6.2	Saudi Fund for Development (SFD)

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Supplying Barghash – Hrar, Kaf Al Tineh with drinking water	BTD	Abdullah Abdul Mohsin Al-Khodari Sons Company (Saudi Arabian)	2007	5.5	Saudi Fund for Development (SFD)
Ashrafieh Public School - Beirut	Spectrum Engineering Consultants S.A.R.L.	Abniah S.A.R. L.	December 2008	4.392	Kuwait Fund for Arab Economic Development (KFAED)
Installation of a main sewage line between Damour-Ghadeer	Spectrum Engineering Consultants S.A. R.L.	Homan Engineering Company Ltd	December 2007	8.5	Lebanese Islamic Bank
El-Aazra - Nahr Ibrahim Road	Spectrum Engineering Consultants S.A.R.L.	Ashada Group	November 2007	7.8	Lebanese Government
Jbab El-Homer - Hermel Road	Spectrum Engineering Consultants S.A. R.L.	CET	July 2007	6	Arab Fund for Economic and Social Development (AFESD)80% + Lebanese Government 20%
Vocational School in Bsharri	Spectrum Engineering Consultants S.A.R.L.	Khoury Company for Contracting	May 2007	1.5	Arab Fund for Economic and Social Development (AFESD) 78% + Lebanese Government 22%
Rehabilitation of Boulevard Camille Chamoun - Furn El-Chebbak	Spectrum Engineering Consultants S.A.R.L.	Danash Contracting and Trading Co.	April 2007	3.5	Lebanese Government
Bebnin Public School - Akkar District	Spectrum Engineering Consultants S.A.R.L.	Emaar S.A.L.	March 2007	2.642	World Bank 80% + Lebanese Government 20%
Sir Public School - Mennieh District	Spectrum Engineering Consultants S.A.R.L.	Emaar S.A.L.	March 2007	2.1	World Bank 80% + Lebanese Government 20%
Development of Infrastructure in Saida	Abdul Wahed Chehab Consulting Engineering Office	Arab Company for Civil Works	2015	13	Islamic Development Bank (IDB)
Construction of Saida Public School	Abdul Wahed Chehab Consulting Engineering Office	Eco Bitar	2013	5.9	Sultanate of Oman
Equipping Ftouh Kessrouan Governmental Hospital	Abdul Wahed Chehab Consulting Engineering Office	Under contracting	January 2008	5.4	OPEC + Islamic Development Bank (IDB)

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Al-Beddawi Vocational School - Tripoli District	Abdul Wahed Chehab Consulting Engineering Office	United Company for Construction Design S.A.R.L	November 2007	2.623	Arab Fund for Economic and Social Development (AFESD) 78% + Lebanese Government 22%
Establishment of Technical and Educational Center – Abu Samra (2)	Abdul Wahed Chehab Consulting Engineering Office	Contracting & Trading Corporation	August 2007	2.3	Kuwait Fund for Arab Economic Development (KFAED) 80% + Lebanese Government 20%
Jezzine Public Hospital (additional works)	Abdul Wahed Chehab Consulting Engineering Office	Trust Contracting Company	April 2007	2.7	Islamic Development Bank (IDB)
Deir El-Qamar Public School-Shouf District	Abdul Wahed Chehab Consulting Engineering Office	Trust Contracting Company	March 2007	1.5	Saudi Fund for Development (SFD)
Hazmieh-Boulevard Camille Chamoun Road	ACE	Nicolas Srouji Establishment for Contracting	24 Months	14	Kuwait Fund for Arab Economic Development (KFAED) 70% + Lebanese Government 30%
Qalamoun-Bedawi Highway	ACE	Antoine Makhlof Est. for Trading & Contracting	2012	45	Lebanese Islamic Bank + Lebanese Government
Construction of pipelines in A'assal spring for drinking water supply	ACE	Homan Engineering Company Ltd	November 2008	4.190	Kuwait Fund for Arab Economic Development (KFAED) 70% + Lebanese Government 30%
Construction of pipelines and water network and reservoirs in Barouk	ACE	Nicolas Srouji for Contracting Est	June 2008	4.2	Lebanese Government
Deir Ammar - Al-Abdeh Road	ACE	Homan Engineering Company Ltd	April 2008	20	OPIC + Lebanese Government
Bteghrine - Zaarour - Bqilaiaa (Kimam road - Phase 1)	ACE	Nicolas Srouji for Contracting Est	December 2007	7.5	Lebanese Government
Road link between Deir Mar Chaaya and Baabdat	ACE	Ets Nassim Abou-Habib Pour L'Industrie & L'Entreprise	June 2007	9.5	Lebanese Government
Road link between Bsalim and Matn Rapid Highway	ACE	Ets Nassim Abou-Habib Pour L'Industrie & L'Entreprise	March 2007	1.925	Lebanese Government

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Construction of an Olympic swimming pool in Dbayeh-Naccache - Matn District	Technical Office for Studies and Construction	AZTEC Co., Ltd	-	8.9	Lebanese Government
Bakhoun Public School- Mennieh District (21)	Engineer Amin Marhaba	Emaar S.A.L.	-	1.2	Saudi Fund for Development (SFD) 50%+ Lebanese Government 50%
Cultural Heritage Project in Tyre	-	Water Resources and Development Company (WARD)		17	World Bank
Construction of Kayssmany Dam and Lake in Baabda District	Liban Consult	Société Mouawad-Edde s.a.r.l.	2017	20	Kuwait Fund for Arab Economic Development (KFAED) + Lebanese Government
Construction of Manzoul Dam and Lake in Matn District	Dahnt-Pace	Ets Nassim Abou-Habib Pour L'Industrie & L'Entreprise	2017	15	Kuwait Fund for Arab Economic Development (KFAED) + Lebanese Government
Rehabilitation and Expansion of Bir El-Hayt - Qartaba Road	Akel & Jar Group	Ets Nassim Abou-Habib Pour L'Industrie & L'Entreprise	2016	34.5	Islamic Development Bank (IDB)
Establishment of the Faculty of Science Building - Lebanese University – North Lebanon	Laceco Architects & Engineers	Bina' & Emaar Group+ Ets Joseph Maalouf for Engineering & Contracting	2015	36	Saudi Fund for Development (SFD)+ Lebanese Government
Joun - Za'arouriye Road	CREDO	Stephan Contracting Company	2015	11.8	Saudi Fund for Development (SFD)+ Lebanese Government
Construction of sewage networks and a refinery in the coastal Tyre	Hydra Engineering Group (HEG)	Danash Contracting and Trading Co.	2015	38	European Investment Bank(EIB)
Chwaya - Cheba'a Road and Hebarieh-Cheba'a Road	Khatib & Alami - Consolidated Engineering Company	Nicolas Srouji for Contracting Est	2015	6	Islamic Development Bank (IDB)
Beirut - Syrian Borders Road	Khatib & Alami - Consolidated Engineering Company	STFA (Turkish Construction Company)	2015	84.5	Lebanese Government
Works in Ras Beirut Fishing Port	Spa Tech Specialist Engineering & Design Consultancy	JCC for Commerce & Contracting + Ets. Milad Abou Rjeily-General Contracting S.A.R.L.	2015	7.9	Lebanese Government

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Construction of drinking water networks and systems in Batroun	Geti	Copri Construction Entreprises (Kuwait)	2015	7	Lebanese Government + French Development Agency (AFD)
Drinking water networks in Batroun and Koura	Geti	Danash Contracting and Trading Co.	2015	6.5	French Development Agency (AFD)
Wadi Khaled Public School - Akkar District	Khatib & Alami - Consolidated Engineering Company	Refaat Saad Engineering Contracting Trading Est.	December 2008	1.762	Saudi Fund for Development (SFD) 50% + Lebanese Government 50%
Tebnin Public School - Bint Jbeil District	Khatib & Alami - Consolidated Engineering Company	Danash Contracting and Trading Co.	December 2008	3.504	Lebanese Government
Zqaq El Blat Public School	BAUEN	International Contractors Group	December 2008	4.492	Kuwait Fund for Arab Economic Development (KFAED)
Lebanese Electric Network Control Center (LENCC)	PPI	Areva Company (French)	October 2008	22.6	Arab Fund for Economic and Social Development (AFESD) 90% + Lebanese Government 10%
Ras Beirut Public School (6)	Quants Engineering Inc. Company	Badawi Construction Company	July 2008	3.41	Kuwait Fund for Arab Economic Development (KFAED)
The Carlton-Al Ghadeer sewer collector line of the southern coast of Beirut	ECO	Combined Group Contracting Company Kuwait (CGC)	May 2008	12.7	Islamic Development Bank (IDB)
Ras Beirut Public School (7)	Quants Engineering Inc. Company	Badawi Construction Company	May 2008	3.184	Kuwait Fund for Arab Economic Development (KFAED)
Mazraa Public School - Beirut	Quants Engineering Inc. Company	Abniah S.A. R. L.	May 2008	2.193	Kuwait Fund for Arab Economic Development (KFAED)
Msaytbeh Public School - Beirut	Quants Engineering Inc. Company	Abniah S.A. R. L.	April 2008	1.902	Kuwait Fund for Arab Economic Development (KFAED)
Kfardebian Public School - Kessrouan District (20)	Engineer Georges El Boustani	Ets Nassim Abou-Habib Pour L'Industrie & L'Entreprise	February 2008	1.190	Arab Fund for Economic and Social Development (AFESD) 50% + Lebanese Government 50%
Al-Zahrani-Tyre Highway (Part of Abou El-Aswad, Borj Rahal)	Concer Engineering Consultant	CET (Lebanese) + Qasioun (Syrian)	December 2007	31.5	Lebanese Islamic Bank 77% + Lebanese Government 23%

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Baalbeck Public School	Mustapaha Fawaz BTUTP	Al-Bonyan for Engineering & Contracting S.A.R.L.	December 2007	2.988	Saudi Fund for Development (SFD)
Construction of an administrative district's building in Sir Al-Dannieh (Phase 1)	Consulting and Contracting Engineers	Société Isopack S.A.R.L.	December 2007	1.150	Lebanese Government
Construction of a wastewater treatment plant in Tripoli	Liban Consult + Cabinet Merlin	Degremont (French)	December 2007	78	European Investment Bank (EIB)
El-Mina Public School-Tripoli District	Banaco	Batco	November 2007	1.866	Lebanese Government
Equipping Tebnin Governmental Hospital	ATIC	Under contracting	November 2007	3.8	Islamic Development Bank (IDB)
Douma Public School-Batroun District	Engineer Khalil Nader BAUEN	Mounir Abou Azzi (M.A.) Contracting & Trading Est.	October 2007	1.828	Saudi Fund for Development (SFD) 50%+ Lebanese Government 50%
Bziza Public School - Koura District	Louis Saade Architects	Engineer Maroun Chaccour	September 2007	1.135	Saudi Fund for Development (SFD) 50%+ Lebanese Government 50%
Mtein Public Vocational School-Matn District	Engineer Georges Boustani	Building and Reconstruction Company	July 2007	2.177	Arab Fund for Economic and Social Development (AFESD) 78% + Lebanese Government 22%
Rehabilitation of southern entrance of Baalbeck and Hai Al-Qala'a (Fortress Neighborhood)	ACE Engineering Consultants Office	South Company for Construction and Development (SCCD)	June 30, 2007	2.683	World Bank 80% + Lebanese Government 20%
Rehabilitation of the northern city of Baalbeck and footpaths	ACE Engineering Consultants Office	South Company for Construction and Development (SCCD)	June 30, 2007	2.248	World Bank 80% + Lebanese Government 20%
Rehabilitation of Chekka Tunnel	Dr. Bilal Hamad	Antoine Makhoul Est. for Trading & Contracting	June 2007	3.9	Lebanese Government
Mechmech Public School	Khatib & Alami	Refaat Saad Engineering Contracting Trading Est.	June 2007	1.73	Arab Fund for Economic and Social Development (AFESD) 50% + Lebanese Government 50%
Khaldeh Public School - Aley District	Engineer Khalil Nader	Engineer Jean Mefrej	June 2007	2.4	World Bank 80% + Lebanese Government 20%

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Rehabilitation of traditional mud houses in Hai Al-Qala'a - Baalbeck	ACE Engineering Consultants Office	Engineer Georges Sfeir - General Contracting	May 15, 2007	0.235	World Bank 80% + Lebanese Government 20%
Construction of a building for the Ministry of Education & Higher Education	DSJ	Akaria Co. Sarl	April 2007	20	Lebanese Government
Nabi Chit Public School - Baalbeck District	Consulting and Contracting Engineers	Al-Bonyan Engineering & Contracting S.A.R.L.	March 2007	1.607	Saudi Fund for Development (SFD)
Abadieh Public School - Baabda District	Engineer Louis Saade	Refaat Saad Engineering Contracting Trading Est.	March 2007	1.568	Saudi Fund for Development (SFD)
Implementation of additional works related to the water project of Tyre	Geti	Danash Contracting and Trading Co.	2007	8.7	Arab Fund for Economic and Social Development (AFESD) + Lebanese Government
Construction of a water purification plant in Taybeh	ASSACO	Mohammed Abdulmohsin Al-Kharafi & Sons Company (MAK Group)	2007	7.8	Islamic Development Bank (IDB)
Responsible Party: Ministry of Public Works & Transport					
International Road of Baalbeck-Syrian Borders	General Directorate of Roads and Buildings	Wahab Raja Engineering Est	-	4.609	Lebanese Government
Establishment of Nabatieh Serail (Phase 1)	General Directorate for Roads	Yamen For Trading And General Contracting Co.	2010	1.787	Lebanese Government
Construction of Al-Dalafeh-Barghaz Bridge on Litani River	General Directorate of Roads and Buildings	Nicolas Srouji Establishment for Contracting	December 2008	1	Lebanon
Homos - Abboudieh Crossroad (from Cheikh Abbass roundabout to the Syrian border)	General Directorate of Roads and Buildings	Mohammad Salim Chaalan Foundation	February 2008	1.385	Lebanese Government
Cleaning and rehabilitation of rainwater drainage systems and sanitary sewers within Beirut's southern suburb	General Directorate of Roads and Buildings	Aljihad Group for Commerce and Contracting	December 2007	4	Lebanese Government
Cleaning and rehabilitation of rainwater drainage systems and sanitary sewers within Beirut's northern suburb	General Directorate of Roads and Buildings	Stephan Contracting Company	December 2007	5.487	Lebanese Government

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Cleaning and rehabilitation of rainwater drainage systems and sanitary sewers within Beirut, West Sham Road	General Directorate of Roads and Buildings	South Company for Construction and Development (SCCD)	September 2007	3	Lebanese Government
Rashaya - Al-Masna'a Road	PIU	Jalkh & Sons Trading & Contracting Co. + CMC	May 2007	11	World Bank 80% + Lebanese Government 20%
Rehabilitation of Hermel Entrance	Khalil Barakat	Global Contracting	May 2007	1	Lebanese Government
Chmestar-Daraya - Hadath Baalbeck-Buday-Chlifa (Baalbeck District)	Engineer Hussein Kanaan	Global Contracting	-	2.4	World Bank 70% + Lebanese Government 30%
Construction of Deport Station in Bahsas-Tripoli	Banaco	Public Company for Breakers and Contracting	-	7	Lebanese Government
Restoration of the Government Palace - behind Mathaf-Beirut	Engineer Ghadia Faour	Engineer Mohsen Daher	2016	2.4	Lebanese Government
Rehabilitation of Saida - Jba'a Road	Ministry of Public Works & Transport	Arab Company for Civil Works	2015	7.1	European Investment Bank(EIB) 70% + Lebanese Government 30%
Establishment of Tourza - A'abdin Diversion Road - Bsharri District	Central Maintenance Department of the Ministry of Public Works & Transport	Hamid Keyrouz Office	2015	5.9	Lebanese Government
Deir Zanoun-Ryak Road - Zahle District	Central Maintenance Department of the Ministry of Public Works & Transport	Kambris Contractors & Developer Co	2015	11	Lebanese Government
Deir Zannoun-Ryak Road	Central Maintenance Department of the Ministry of Public Works & Transport	Kambris Contractors & Developer Co	2014	10	Lebanese Government
Works in Saida Fishing Port (Phase 1)	Liban Consult	JCC for Commerce & Contracting + Ets. Milad Abou Rjeily-General Contracting S.A.R.L.	2014	18.8	Lebanese Government
Jadra-Chehim Road	Ministry of Public Works & Transport	True For General Trading & Contracting Co.	2014	6.9	Lebanese Government
Establishment of a fishing port in Jiyeh	Engineer Hani Osta	SOTEC	2010	4.886	Lebanese Government

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Cleaning and rehabilitating the rainwater networks of Beirut - East Sham Road	Dar Al-Handasah Nazih Taleb & Partners	Jean Mefrej	February 2008	1.436	Lebanese Government
Cleaning and rehabilitating rainwater and sanitary sewers' networks of Jounieh and its suburbs	ACE	Hamid Keyrouz Office	December 2007	2.9	Lebanese Government
Establishment of Bint Jbeil Serail	Hassan Al Jishi for Engineering Studies	Contracting & Trading Corporation	December 2007	3.259	Lebanon
Responsible Party: Ministry of Energy & Water					
Construction of Assi River Dam	Dar Al-Handasah Nazih Taleb & Partners	Al-Bonyan Engineering and Contracting + Sabin (Iranian)	-	226.5	Lebanese Government
Construction of Yammouneh Dam and Lake - Baalbeck	Dar Al-Handasah Nazih Taleb & Partners	New Lebanon + Perlite (Iranian)	2015	13	Lebanese Government
Construction of Assi River Dam and Irrigation of Bekaa Lands	Dar Al-Handasah Nazih Taleb & Partners	Hattab Bros Engineering Est + CWE (Chinese)	October 2008	31.463	Lebanese Government
Works and installation of generators in Jiyeh electrical power plant	MVV Decon	Man Diesel agent in Lebanon - Hammoud Establishment for Trading & Contracting (HETC)	-	116.2	Lebanese Government
Works and installation of generators in Zouk electrical factory	MVV Decon	Man Diesel agent in Lebanon - Hammoud Establishment for Trading & Contracting (HETC)	-	244.5	Lebanese Government
Construction of Bala'a Dam and Lake in Batroun	Khatib & Alami - Consolidated Engineering Company	Société Mouawad - Edde s.a.r.l.	2017	33.8	Lebanese Government
Construction of Mseilha Dam and Lake in Batroun district	Liban Consult	Batco+ Maltauro (Italian company)	2017	55	Lebanese Government
Construction of Beqa'ata Dam and Lake in Matn & Kessrouan districts	Gecom + Stucky (Swiss)	Khoury for Contracting Company + ROCAD Construction Nigeria Ltd	2016	60	Lebanese Government
Construction of Younine Dam and Lake-Baalbeck	Gecom	Al-Bonyan Engineering & Contracting S.A.R.L.+ Sabin (Iranian)	2015	75.6	Lebanese Government
Construction of Qaissamani Dam	Engineer Antoine Al-Maoushi	Ets.Nazih Braidı for Engineering & Contracting + Gürıř İnřaat ve Mühendislik A.ř	October 2008	14.740	Lebanese Government

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Construction of Chabrouh Dam - Kessrouan District	Veritas + Coyne et Belier+ Liban Consult	Société Mouawad-Eddé (Lebanese)+ Vinci (French)	Early 2008	43.932	Lebanese Government
Responsible Party: Electricité du Liban					
Installation of high voltage lines 66 Kv	Electricité du Liban (E.D.L.)	Mites and several other companies	-	30.1	Lebanese Government
Installation of main electricity transformers of 220 Kv powered by compressed gas	Electricité du Liban (E.D.L.)	Matelec Group	-	107.9	Lebanese Government
Laying underground cables of 220 Kv	Electricité du Liban (E.D.L.)	Prysmian Group (France) agent in Lebanon - SLOMIA General Trading & Contracting	-	20	Lebanese Government
Construction of a power line (66 Kv) from Feytroun Station to Halat	Electricité du Liban (E.D.L.)	The General Contracting Center	-	2	Electricité du Liban
Electrical works in Saida and Tyre (on request)	Electricité du Liban (E.D.L.)	Kawtharani Trading & General Contracting Est.	April 2007	4	Electricité du Liban
Electrical works in Batroun and Koura (on request)	Electricité du Liban (E.D.L.)	Engineer Jean Mfarej	March 2007	1.5	Electricité du Liban
Responsible Party: Directorate General of Land and Maritime Transport					
Works at Ouzai Fishing Port	Liban Consult	Ets. Milad Abou Rjeily-General Contracting S.A.R.L.	-	1.477	Lebanese Government
Works at Okaibe Fishing Port	Liban Consult	Ets. Milad Abou Rjeily-General Contracting S.A.R.L.	-	2.401	Lebanese Government
Works at Khayzaran Fishing Port	B. E.S.T	SOTEC	-	2.963	Lebanese Government
Expansion of Dar El-Mreisse Fishing Port	B. E.S.T	Ets. Milad Abou Rjeily-General Contracting S.A.R.L.	-	3.108	Lebanese Government
Works at Dora Fishing Port	Engineer Hani Osta	Khoury Company for Contracting	-	3	Lebanese Government
Works at Jiyeh Fishing ort	Engineer Hani Osta	SOTEC	-	4.886	Lebanese Government
Responsible Party: Establishment of the Water of Beirut & Mount Lebanon					
Construction of Janna Dam (Phase 2)	Khatib & Alami - Consolidated Engineering Company+ Artelia (French)	Brazilian Company	2018	22.0	Establishment of the Water of Beirut & Mount Lebanon

Project Name	Consultant	Contractor	Completion Date	Approximate Cost (USD Million)	Funding Sources
Construction of Janna Dam - Nahr Ibrahim (Phase 1)	Khatib & Alami - Consolidated Engineering Company	Al Inma' Engineering & Contracting	2015	11	Establishment of the Water of Beirut & Mount Lebanon
Construction of a tunnel to divert water from Fawar Antelias Cave to Dbayeh factory	CREDO	Stephan Contracting Company	September 2007	5.2	Establishment of the Water of Beirut & Mount Lebanon
Responsible Party: Tenders Authority - Ministry of Interior and Municipalities					
Establishment of Nabatieh Governmental Serail		Yamen For Trading And General Contracting Co.	-	3.643	Lebanese Government
Responsible Party: Ministry of Justice					
Strengthening and renovating the Palace of Justice in Beirut	CODE - Consultants & Designers	Est. Antoine Naim Makhoulouf	2015	13.3	Lebanese Government
Responsible Party: Office d'Exploitation du Port de Tripoli					
Expansion and development of Tripoli's Port (Part 2)	B. E.S. T. (Lebanese Company) + Soghria (French)	China Harbour Engineering Company Ltd. (Chinese)		25	European Investment Bank(EIB) 80% + Lebanese Government 20%
Expansion and development of Tripoli's Port (Part 1)	B. E.S. T. (Lebanese) + Soghria (French)	Jan De Nul Group Company (Belgian) + Hydromar (Lebanese)	September 2008	25	European Investment Bank (EIB) 80% + Lebanese Government 20%
Responsible Party:Council for South					
Sawiri Public School - Western Beqa'a	Council for South	Arab Company for Trading & Contracting	-	1.550	Lebanese Government
Rachaya Public School - Rachaya District	Council for South	Hammoud Establishment for Trading and Contracting H.E.T.C.	December 2007	1.16	Lebanon
Responsible Party:Port of Beirut					
Expansion of the container terminal in Beirut Port	-	A.R. Hourie Entreprises	2013	128	Beirut Port

Source: Lebanese Contractor Magazine

N.B: We cited the information provided by the Lebanese Contractor Magazine. We do not aim at defaming or praising the companies, but rather at revealing the reality of general contracting works in Lebanon and the companies that undertake these projects. It is factually noted that a limited number of companies monopolizes most of the projects.

(2007-2017)

115 Projects

for the Council of Development and Reconstruction (CDR)

of **USD 1.9 billion**

of which **USD 692 million** goes for the following contractors:

- M.A. Kharafi & Sons (Kuwait)
+ Zero Glu Gorsh (Turkey)
- A.R. Hourie Entreprises
- Taj Est.

Responsible Party
Council of Development and Reconstruction (CDR)

Number of projects according to consultants

24

Dar Al Handasah

13

Time International Co. Ltd

10

Rafik Khoury & Partners

10

BTD

7

ACE

7

Abdul Wahed Chehab Consulting Engineering Office

Number of contractors

20

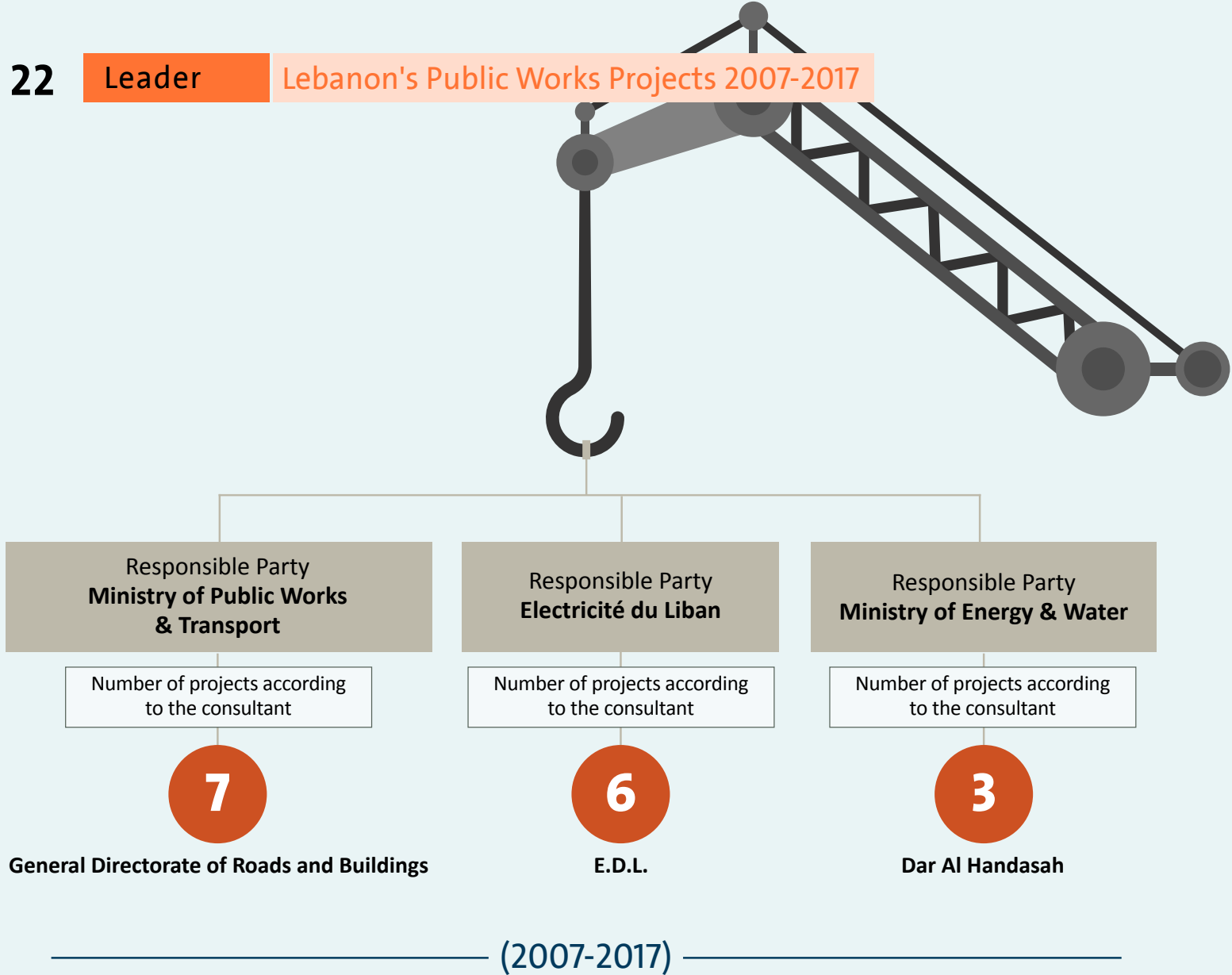
11

6

6

3

6



20 projects

for the Ministry of
Public Works and Transport

of **USD 105.2 million**

of which **USD 44 million** goes
for the following contractors:

- Kambris Contractors & Developer Co.
- Aljihad Group for Commerce and Contracting

6 projects

for Electricité
du Liban

of **USD 165.5 million**

of which **USD 107 million**
goes for the following contractor:

- Matelec Group

11 projects

for the Ministry of Energy
and Water

of **USD 914.7 million**

of which **USD 587.2 million**
goes for the following contractors:

- Man Diesel agent in Lebanon- Hammoud Establishment for Trading & Contracting (HETC)
- Al-Bonyan for Engineering & Contracting S.A.R.L.





2017 BUDGET

LOOSE EXPENSES NOT MET BY TAXES AND FEES

“An ordinary budget burdened with taxes, fees, waste, and unproductive expenses in extraordinary and dangerous times”. This is what describes the 2017 budget, the first budget to be approved by Parliament since the last budget of 2005.



Additional Spending

The expenditures of 2005 budget were recorded at LBP 10,000 billion. Since then, the non-adoption of public budget has led to the adoption of the twelfth rule in government expenditures and tax collection. This rule is valid for one month or more but not exceeding one year. Thus, the government spending increased significantly in the following years. It totaled LBP 105,464 billion (USD 70.3 billion) from 2006 to 2017, distributed over the following years as shown below in table No.1: These amounts include the much-talked-about USD 11 billion that was considered as a stolen amount. In fact, it is an additional spending that goes beyond the 2005 budget without legal justification.

Table No.1: Additional Spending of 2005 Public Budget

Year	Expenditures (LBP Billion)	Estimated Additional Spending of 2005
2005	10,000	-
2006	11,195	1,195
2007	11,840	1,840
2008	11,475	1,475
2009	16,304	6,304
2010	19,537	9,537
2011	19,826	9,826
2012	21,063	11,063
2013	21,300	11,300
2014	21,927	11,927
2015	23,362	13,362
2016	22,933	12,933
2017	24,702	14,702
Total	-	105,464

Source: Bills of public budgets in the said years

N.B: These estimated expenditures are stated in the bills of public budget for the said years. As for the actual expenditures, they remain tentative until issuing the "Statement of Account" that will show the actual expenditures and revenues.

Expenditures of 2017

The expenditures of 2017 amounted to LBP **24,701** billion compared to LBP **10,000** billion in 2005, i.e. an increase of LBP **14,701** billion (**147%**). Table No.2 shows the expenditures of 2005, 2007, and 2017 budgets.

The budget of the following ministries contributed to the large increase. The increase represents the expenditures spent by non-service ministries or investment-related ministries.

- **Ministry of National Defense:** around LBP **1957** billion (230%)
- **Ministry of Interior & Municipalities:** around LBP **1033** billion (233%)
- **Prime Minister:** around LBP **1043** billion (210%)
- **President of the Republic:** around LBP **16** billion (353%)
- **Ministry of Education & Higher Education:** around LBP **842** billion (96%)
- **Public Debt Service:** around LBP **3200** billion (82%)

Table No.2: Expenditures of 2017 budget compared to 2010 and 2005 budgets (Amounts in LBP thousands)

Sections	2005	2010	2017
Presidency of the Republic	4,71,000	15,577,000	20,472,800
Parliament	43,900,000	65,750,000	73,674,000
Prime Minister's Office	497,354,853	1,725,595,892	1,540,587,398
Constitutional Council	1,724,190	1,708,340	1,889,500
Ministry of Justice	49,053,902	124,310,139	162,690,813
Ministry of Foreign Affairs & Emigrants	106,246,050	148,099,500	167,390,500
Ministry of Interior & Municipalities	443,953,908	970,931,752	1,476,290,269
Ministry of Finance	1,197,881,228	443,718,655	608,074,001
Ministry of Public Works & Transport	167,332,347	542,021,202	360,198,677
Ministry of National Defense	852,267,250	1,569,170,000	2,809,649,400
Ministry of Education & Higher Education	877,734,000	1,293,355,452	1,719,669,380
Ministry of Public Health	360,266,913	486,658,209	679,970,275
Ministry of Economy & Trade	7,008,370	70,741,300	28,234,500
Ministry of Agriculture	41,106,044	78,000,000	68,212,060
Ministry of Telecommunications	12,127,750	10,989,500	7,099,500
Ministry of Labor	108,580,244	359,672,000	415,711,500
Ministry of Information	29,102,500	31,793,500	46,880,400
Ministry of Energy & Water	61,201,900	731,859,500	178,071,000
Ministry of Tourism	14,156,788	18,716,000	25,830,000
Ministry of Culture	17,482,960	27,436,000	39,818,500
Ministry of Environment	3,909,000	7,325,000	9,945,500
Ministry of Displaced	5,590,000	7,562,800	7,121,327
Ministry of Youth & Sports	9,314,500	28,806,500	14,175,500
Ministry of Social Affairs	87,299,569	142,833,608	223,767,500
Ministry of Industry	5,843,400	5,847,837	7,997,000
Due Debts	3,900,000,000	6,100,000,000	7,100,000,000
Pensions and Termination Indemnities	900,000,000	1,400,000,000	2,250,000,000
Budget Reserves	194,992,224	760,120,314	2558,532837
Public Institutions' Support	-	2,369,000,000	2,00,000,000
Total Public Budget	10,000,000,000	19,537,600,000	24,701,954,137

Source: Public budget bills for the years 2005-2010-2017

N.B: An amount of LBP 1,200 billion was allocated for the salary scale in the section of 2017 budget reserves.

Waste and Unnecessary Spending

At a time when the Lebanese government is striving to increase and impose more taxes and fees, the 2017 budget bill includes many sections on spending that may be incorporated under the title of “inefficient spending” or “waste”. The amount of such spending totaled around LBP 1000 billion including:

- **LBP 115 billion** for free private schools, some of which are located near public schools, which means that the government pays twice for the same work.
- **LBP 6 billion** for the national program to support the poorest families. The distribution of these funds does not take into account the situation of the poorest families but it is subject to political and sectarian considerations. It is a small amount compared to the situation of poverty in Lebanon.
- **LBP 13 billion** for social and health projects in partnership with NGOs. The projects are fictitious and the organizations are associated with political and religious authorities.
- **LBP 4.3 billion** (USD 2.86 million) for planting tree saplings in the governmental ministries and departments.
- **LBP 11.1 billion** (USD 7.4 million) for holiday and representational allowances.
- **LBP 4.5 billion** for exhibitions and festivals.
- **LBP 13.5 billion** for internal and external delegations and conferences.
- **LBP 300 million** for the Association of Lebanese Industrialists.
- **LBP 885 million** for the Syrian-Lebanese Higher Council. The legitimate question is about the role of the Council after the diplomatic exchange and the establishment of two embassies in Damascus and Beirut.
- **LBP 2.1 billion** to support the project on enhancing the implementation of the Council of Ministers’ decisions.
- **LBP 1.025 billion** as contribution to the Hajj and Omra affairs authority.
- **LBP 905 million** for the Lebanese National Commission for Women’s Affairs.
- **LBP 100 million** for the Lebanese Women’s Council (LWC).
- **LBP 18 billion** as contribution to the United Nations Development Program (UNDP), which is adopted in most ministries and employs highly-paid staff.
- **LBP 2 billion** for the nonoperational Economic and Social Council.
- **LBP 3.4 billion** for the nonoperational ELYSSAR, a public agency for the planning and development of Beirut’s south-western suburbs.
- **LBP 1 billion** for the Supreme Council for Privatization (SCP).
- **LBP 2 billion** for the National Council for Traffic Safety.
- **LBP 871 million** for the Public Authority for Consumer Markets.
- **LBP 700 million** as contribution to the bodies dealing with minors and delinquents.
- **LBP 15 billion** for renting ESCWA building. (Solidere Company, the owner of the building, benefits from this high rental cost).

- **LBP 200 billion** to support interest on investment, agricultural, industrial, tourism sector, and technological loans.
- **LBP 13 billion** for the Railways and Public Transport Authority that is barely functioning.
- **LBP 35 billion** to exempt the pupils from parental contributions.
- **LBP 2 billion** to implement joint projects in vocational education.
- **LBP 445 billion** for public sector hospitalization.
- **LBP 500 million** for Yaduna Foundation- Women Heart Health Center (WHHC).
- **LBP 20 million** for the National Council for Hunting.
- **LBP 7.07 billion** for the postal system (But how will this amount be spent after the privatization of the postal sector?)
- **LBP 500 million** as contribution to the General Labor Union.
- **LBP 500 million** as contribution to the Lebanese Press Editors Syndicate (LPES).
- **LBP 350 million** as contribution to the Lebanese Press Syndicate.
- **LBP 20 billion** as contribution to Télé Liban.
- **LBP 2 billion** as contribution to the Lebanese National Media Council.
- **LBP 10 billion** as contribution to the Petroleum Sector Management Authority.
- **LBP 2 billion** for the expenses of external tourism offices.
- **LBP 7 billion** for advertising expenses.
- **LBP 5.7 billion** to support tourism festivals.
- **LBP 1 billion** as contribution from the Ministry of Culture to non-profit organizations.
- **LBP 1.2 billion** as contribution from the Ministry of Environment to environmental associations.
- **LBP 1.3 billion** as contribution from the Ministry of Displaced to associations in the villages of displacement.
- **LBP 5 billion** as contribution to the sports clubs.
- **LBP 100 million** for the reproductive health project.
- **LBP 700 million** for the Higher Council for Childhood.
- **LBP 10 billion** for delinquency prevention and juvenile protection projects.
- **LBP 165.7 billion** as contribution from the Ministry of Social Affairs to associations dealing with social, humanitarian, and health affairs.

**"LBP 11.1 billion
(USD 7.4 million)
for holiday and
representational
allowances"**

**"LBP 20 billion
(USD million)
as contribution to
Télé Liban"**

**"LBP 4.3 billion
(USD 2.86 million)
for planting tree
saplings in the
governmental
ministries and
departments"**

New Taxes and Fees

The 2017 budget includes a large number of taxes and fees, some of which are imposed for the first time while existing ones have been raised. The Lebanese government estimates the new tax revenues at LBP 2460 billion. Table No. 3 below shows the taxes and fees of 2017 budget compared to the old budget.

Table No.3: Old and New Taxes and Fees

Taxes and fees according to the old Budget	Taxes and fees according to the new Budget
-	Any person who unlawfully occupies public maritime or river properties or other properties located on the railway line shall pay triple the amount of fees of similar licensed occupations in accordance with the rates and prices introduced by the Decree No. 2522/92. (It should be noted that the above is a low percentage compared to the value of illegally occupied properties. The revenues are estimated at around LBP 100 billion, while the actual value should not be less than LBP 1500 billion, which means that the fees are biased against the government).
If the industrial and commercial institutions are operating when subject to income tax on the basis of real profit, they are not subject to taxes but are considered as an element of industrial or commercial investment.	If the industrial and commercial institutions are operating when subject to income tax on the basis of real profit, they are subject to a tax of 2% of their rental value.
In case of vacant buildings, the tax is no longer imposed as no income is generated.	The tax is no longer imposed on the new buildings constructed by the real estate companies and subject to income tax when the buildings are vacant for a maximum period of 18 months. Except as provided in the previous paragraph, the tax is no longer imposed on the buildings when they are vacant for a maximum period of 6 months.
The direct estimate can be extended for a new 3-year period by decision of the Ministry of Finance if the economic conditions are stable and the rents remain stable.	The rental values are annually raised according to the target inflation rate set by the Banque du Liban. Increases ranging from 50% to 200% have also been introduced according to the date of occupancy of buildings.
The offshore companies are exempted from income taxes on profits. They are instead subject to an annual tax of LBP 1 million.	The offshore companies are exempted from income taxes on profits. They are instead subject to an annual tax of LBP 1 million.
The rate of fees shall be 0.003 (3/1000).	The rate of fees shall be 0.004 (4/1000).

Taxes and fees according to the old Budget	Taxes and fees according to the new Budget
-	<ul style="list-style-type: none"> • To pay LBP 500,000 as fees to obtain a license for investing public water in agriculture. • To pay LBP 7.5 billion as fees to obtain a license for investing public water in industry. • To pay LBP 50 million as fees to obtain a license for investing public water in water sales. • To pay LBP 2.5 million as fees to obtain a license for filling and selling water
<p>If the power of attorney does not mention any amount of money:</p> <ul style="list-style-type: none"> • A special power of attorney: LBP 15,000 • A general power of attorney: LBP 25,000 • An irrevocable power of attorney: LBP 50,000 	<p>If the power of attorney does not mention any amount of money:</p> <ul style="list-style-type: none"> • A special power of attorney: LBP 5,000 • A general power of attorney: LBP 10,000
Police record: LBP 2,000	Police record: LBP 4,000
Every bill issued by the Ministry of Telecommunications for the subscribers of phones and internet services: no fees	Every bill issued by the Ministry of Telecommunications for the subscribers of phones and internet services: LBP 2,500
Each receipt indicating discharge, delivery, arrival, or deposit: LBP 100	Each receipt indicating discharge, delivery, arrival, or deposit: LBP 250
Unpaid bill: LBP 100	Unpaid bill: LBP 250
Internet or mobile phone bill: no fees	Internet or mobile phone bill: LBP 1500
<p>License to build, rebuild, or add a building.</p> <ul style="list-style-type: none"> • For every floor: LBP 2,000 per square meter provided that the fees do not exceed LBP 250,000 	1.5% of the speculative value determined by the speculation committee of each Mohafaza, provided that the fees of each floor do not exceed LBP 500,000
-	An excise duty of 4% is imposed upon importation of diesel. It is collected by the Customs.
<p>Traffic fees for vehicles aged 13 years and above.</p> <ul style="list-style-type: none"> • Vehicles of 1 to 10 horsepowers: LBP 33,000 • Vehicles of 41 to 50 horsepowers: LBP 230,000 	<p>Traffic fees for vehicles aged 13 years and above.</p> <ul style="list-style-type: none"> • Vehicles of 1 to 10 horsepowers: LBP 40,000 • Vehicles of 41 to 50 horsepowers: LBP 250,000
<p>Traffic fees for vehicles aged between 5 and 12 years.</p> <ul style="list-style-type: none"> • Vehicles of 1 to 10 horsepowers: LBP 75,000 • Vehicles of 41 to 50 horsepowers: LBP 510,000 	<p>Traffic fees for vehicles aged between 5 and 12 years.</p> <ul style="list-style-type: none"> • Vehicles of 1 to 10 horsepowers: LBP 90,000 • Vehicles of 41 to 50 horsepowers: LBP 610,000

Taxes and fees according to the old Budget	Taxes and fees according to the new Budget
Traffic fees for vehicles aged two to four years. <ul style="list-style-type: none"> ● Vehicles of 1 to 10 horsepowers: LBP 155,000 	Traffic fees for vehicles aged two to four years. <ul style="list-style-type: none"> ● Vehicles of 1 to 10 horsepowers: LBP 185,000 ● Vehicles of 41 to 50 horsepowers: LBP 1.400 million
Leaving Lebanese territory by land: no fees	Leaving Lebanese territory by land: LBP 5,000
Leaving Lebanese territory by air or sea. <ul style="list-style-type: none"> ● Tourist class: LBP 50,000 ● Business class: LBP 70,000 ● First class: LBP 100,000 	Leaving Lebanese territory by air or sea. <ul style="list-style-type: none"> ● Tourist class: LBP75,000 ● Business class: LBP 110,000 ● First class: LBP 150,000 ● Passenger who travels on a private aircraft: LBP 400,000
The profits of stock companies are subject to a tax of 15%.	The profits of stock companies are subject to a tax of 17%.
The notary fees	The notary fees are doubled.
Profit on disposal of fixed assets tax, including real estate: no fees	Profit on disposal of fixed assets tax, including real estate: 15%
Tax on interest received from banks: 5%	Tax on interest received from banks: 7%
Value Added Tax: 10%	Value Added Tax: 11%
Tax on the production of one ton of cement: No fees	Tax on the production of one ton of cement: LBP 6,000
Consumption fees imposed on beverages: <ul style="list-style-type: none"> ● LBP 60 ● LBP 200 ● LBP 400 	Consumption fees imposed on alcoholic beverages: <ul style="list-style-type: none"> ● LBP 300 ● LBP 1,000 ● LBP 2,000
Tax on the prizes of foreign and Lebanese national lottery sold in Lebanon: 10%	Tax on the prizes of foreign and Lebanese national lottery sold in Lebanon: 20% for the prizes exceeding LBP 10,000
Leave the option for citizens to decide.	The domicile is exclusively adopted as a means of payment of each of the following fees: <ul style="list-style-type: none"> ● Traffic fees ● Fees of water, electricity and telephone subscriptions

Source: Bill of 2017 budget

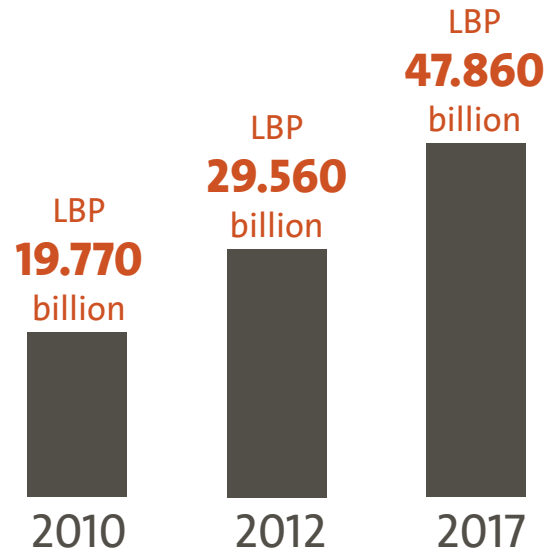
Secret Expenditures of Security Agencies

The public budget allocates secret expenditures to the security agencies. These expenditures are used to establish networks of informers, to pay money for obtaining useful information, or to pay allowances to senior officers and elements who succeeded in their work or perhaps for other purposes. These known and limited amounts are secretly spent without recourse to the financial regulators.

The secret expenditures of the 2017 budget totaled LBP 47,860 billion. They are distributed as follows:

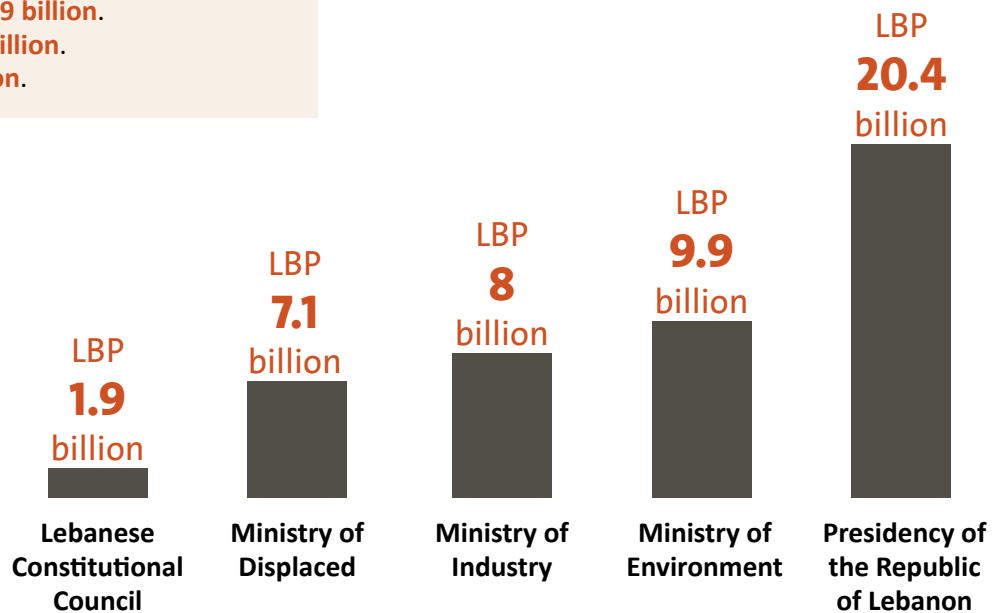
- LBP 18 billion** for the Lebanese Army.
- LBP 15 billion** for the Internal Security Forces (ISF).
- LBP 10 billion** for the Lebanese General Security.
- LBP 4.5 billion** for the General Directorate of State Security.
- LBP 360 million** for the airport Security.

This amount has risen significantly since 2014, as the 2010 bill budget was only **LBP 19,770 billion**. It rose to **LBP 29,560 billion** in 2012.



Some may consider these expenditures as low compared to the terrorist security challenges faced by Lebanon at the current delicate and dangerous stage. The level of these expenditures may, however, be seen as high as they equal the expenditures of five ministries and departments:

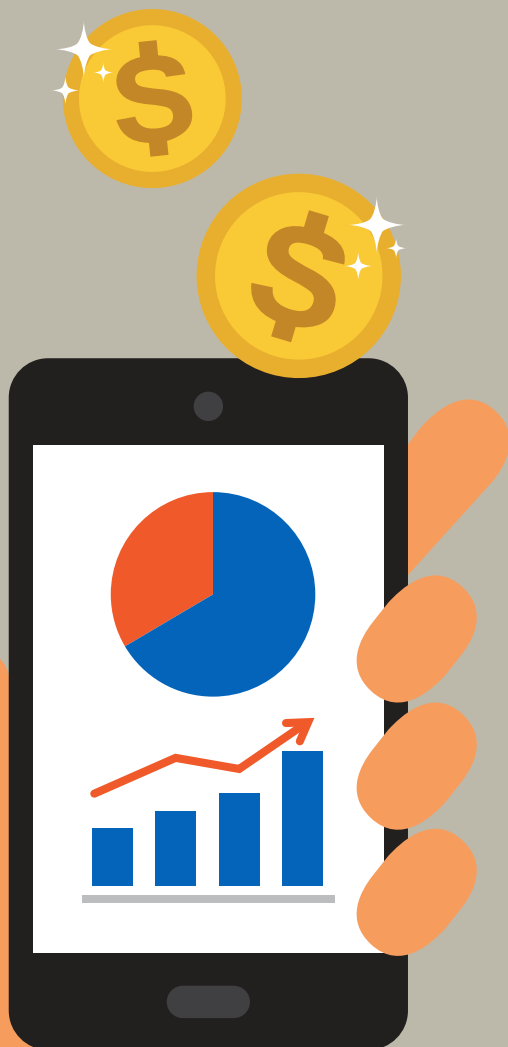
- Presidency of the Republic of Lebanon: **LBP 20.4 billion**.
- Lebanese Constitutional Council: **LBP 1.9 billion**.
- Ministry of Environment: **LBP 9.9 billion**.
- Ministry of Displaced: **LBP 7.1 billion**.
- Ministry of Industry: **LBP 8 billion**.



TELECOMMUNICATIONS SECTOR IN LEBANON

ANNUAL REVENUES OF USD 1.3 BILLION

Hoping to force the two Lebanese mobile phone operators to reduce the costs of calls, which ranks as some of the highest in the world, as well as with a view to improve the quality of their services, a “Polite Struggle” campaign was waged by some Lebanese citizens to halt cellular calls on Sunday, January 8th, 2017. This has brought to surface the issue of mobile phones in Lebanon.



The Law and Reality

Law No. 218, issued on May 13th, 1993, authorizes the Ministry of Posts and Telecommunications (currently the Ministry of Telecommunications) to globally call for a tender to establish the GSM Advanced Digital Cellular Radio System project or any other similar project on the basis of BOT, provided that it trains the ministry's staff in how to manage, operate, and maintain the facilities and equipment. This article of the law is very important, as it allows the ministry to manage the mobile network at the end of the contract. However, in fact, no training has taken place and thus the ministry has not taken full possession of the mobile phone sector.

On February 25th, 1994, the tender went to the two global companies, Telecom Finland (named LibanCell) and France Télécom FTMC (named Cellis), which established the two mobile networks at their own expense and charged the subscribers a fee of USD 500 for buying a phone line. The term of the contract was 10 years, extendable by two more years.

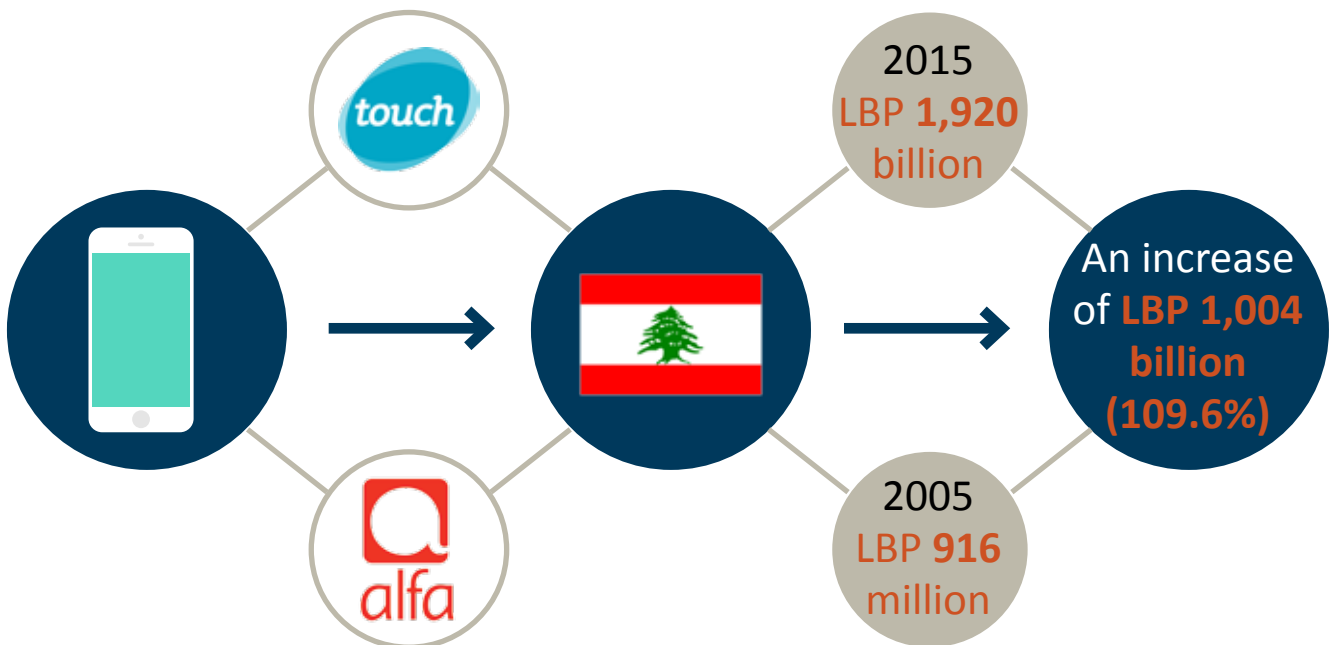
Two years prior to the expiration of the contract, the Lebanese government terminated it on August 2002 and paid an amount of USD 186 million to both companies in compensation for acquiring their assets, provided that they continue to manage the sector on behalf of it until January 31, 2003, and receive a fixed sum in addition to a percentage of total cellular revenues. Yet, this supposedly temporary situation is still ongoing under the pretext that the government is unable to manage the sector (despite the Law imposing mandatory training for staff in order to handle such a task). A global tender was launched by the government in order to operate the two mobile networks, and the winners were the Kuwaiti company "Zain" (MTC) that manages LibanCell network, and the Egyptian company "Orascom" (Alfa).

Since 2004, the Lebanese government has not reacquired nor reprivatized the mobile phone sector to bring it under its direct management. This is what has led to the current situation and to the poor quality of service in the sector.

The Revenues

According to the 2015 budget bill, the estimated revenues generated from the use of mobile phones are LBP 1,920 billion, compared to LBP 916 million in the 2005 budget bill, i.e. an increase of LBP 1,004 billion (109.6%). This reflects the importance of the mobile phone sector and the revenues it has contributed to the Lebanese government budget. Considering that the two companies are operating the sector on behalf of the government, any decline in revenues due to a boycott such as the "Polite Struggle" will affect the government's budget as well as the companies' revenues.

After all, the matter of reducing the charges, improving the performance, or managing the mobile phone sector remains in the hands of Parliament and the Cabinet.



Public Sector

LBP 2.5 BILLION

TO THE FAMILIES OF FORMER PRESIDENTS AND MPs

At its legislative sessions on January 18 and 19, 2017, the Lebanese Parliament approved the law proposed by MP Antoine Zahra to amend the existing Law No. 25/74 in order to increase the allowances and compensations of the families of deceased former presidents and MPs.

Law No. 25/74

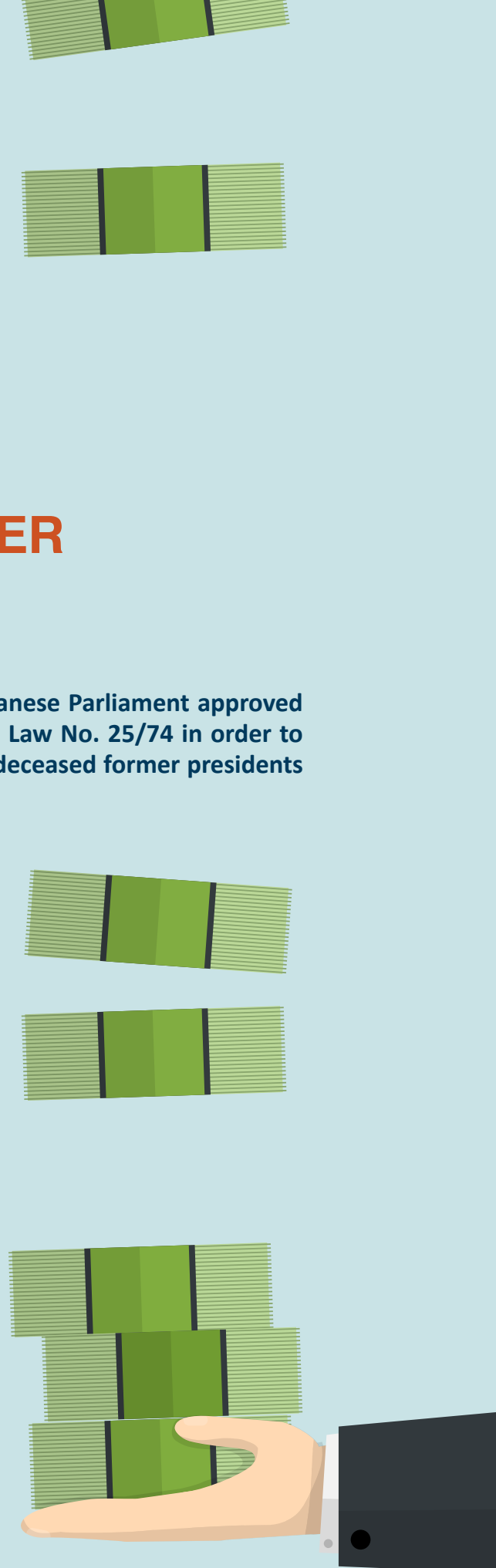
Law No. 25/74 stipulates the following:

Article 1:

- 1 Whoever is elected as president receives at the end of his/her term 75 % of the allowances and compensations allocated to the president.
- 2 Whoever is elected as speaker of Parliament receives at the end of his/her term 75% of the allowances and compensations allocated to the speaker of Parliament.
- 3 Whoever is appointed as prime minister receives at the end of his/her term 75% of the allowances and compensations allocated to the prime minister.
- 4 Whoever is a former MP receives the following proportions of the allowances and compensations earned by the MP in power:
 - For one full round of parliamentary elections: 55%
 - For two rounds of parliamentary elections: 65%
 - For three or more rounds of parliamentary elections: 75%

Article 3:

In case of death of the beneficiaries under this law, their families have the right to receive 75% of the allowances and compensations due to them.



The New Law and its Costs

Law No. 25/74 was amended by the Lebanese Parliament and a new law was passed, No. 7, dated February 10, 2017, amending the first paragraph of Article 3 of the previous one. The text of article became: "In case of death of the beneficiaries of this law, their families have the right to earn all the allowances and compensations due to them under this law." (Rather than the 75% stipulated under the previous law).

A new paragraph was added based on Law No. 25/74 to calculate the compensations.

As for the figures and financial costs, this amended law means that there will be a yearly additional cost of about LBP 2.54 billion (USD 1.7 billion) for the compensations and allowances of the families of the deceased former presidents and MPs, to be added to the cost of the former presidents and MPs amounting to LBP 30 billion (USD 20 billion).

The table below shows the additional cost imposed by the new law:

Position	Current Allowances and Compensations (LBP)	Previous Allowances and Compensations (LBP)	Allowances and Compensations of families before passing the new law (LBP)	Allowances and Compensations of families after passing the new law (LBP)	The increase in allowances and compensations (LBP)	Rate of increase (%)	Number of beneficiary families	Total of additional cost (LBP)
President of the Republic	12,500,000	9,375,000	7,031,250	9,375,000	2,343,750	33.4	4	9,375,000
Speaker of Parliament	11,825,000	8,868,750	6,651,561	8,868,750	2,217,189	33.4	3	6,651,567
Prime Minister	11,825,000	8,868,750	6,651,561	8,868,750	2,217,189	33.4	5	11,085,945
One-time MP	11,000,000	6,050,000	4,537,500	6,050,000	1,512,500	33.4	40	60,500,000
Two-times MP	11,000,000	7,150,000	5,362,500	7,150,000	1,787,500	33.4	12	21,450,000
Three-times MP	11,000,000	8,250,000	6,187,500	8,250,000	3,062,500	33.4	50	103,125,000
Total	-	-	-	-	-	-	114	213,187,512 per month and 2,546,250,144 per year

Source: Law No.717

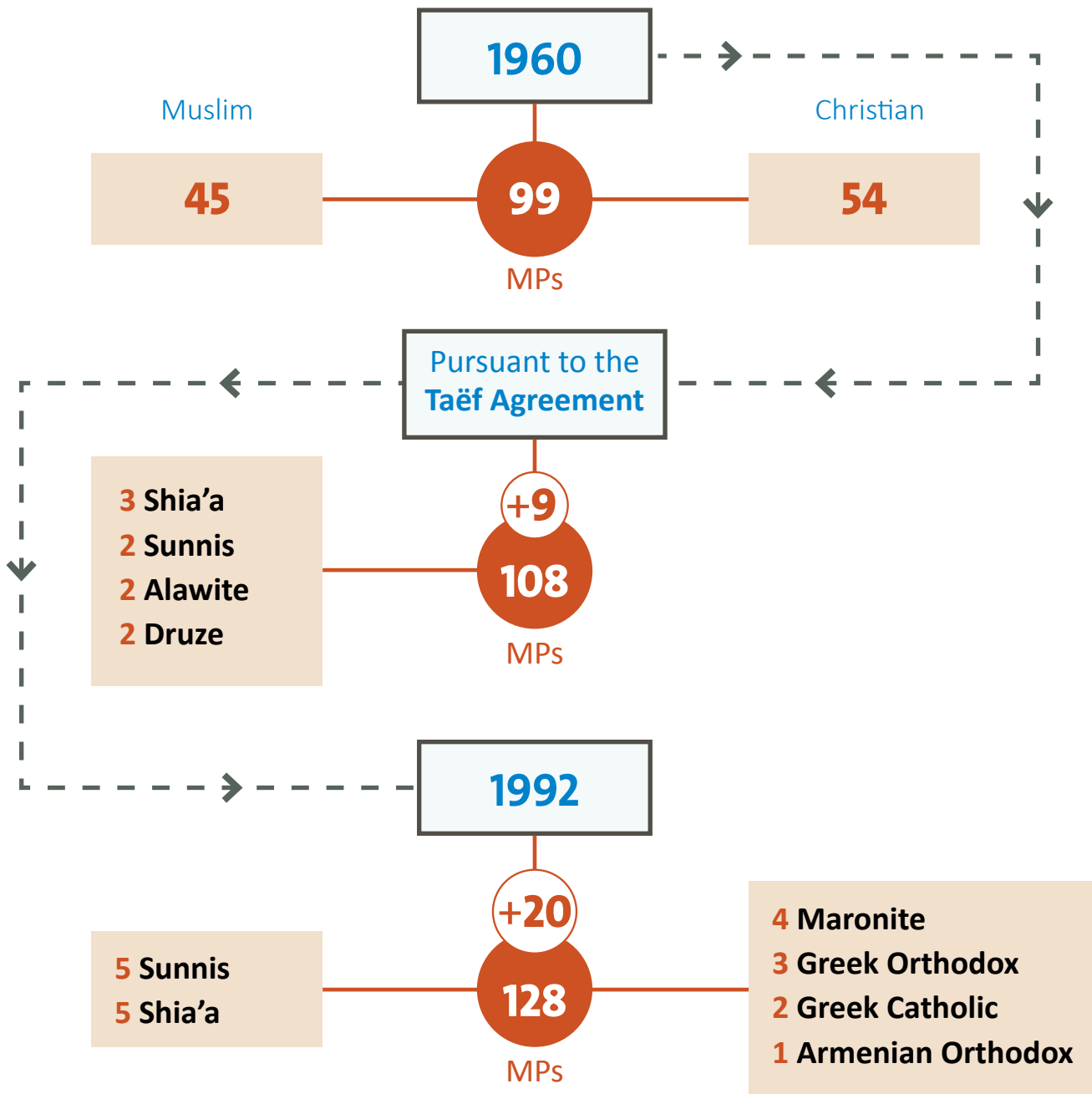
In view of the Lebanon's severe economic crisis, the Parliament that was supposed to consider increasing the salary of civil servants and teachers and to accept the wage hike is considering increase taxes and has already increased allowances for MPs.

NUMBER OF MPS TO BE REDUCED TO **108**

As stipulated by the Taëf Agreement, Foreign Minister Gebran Bassil, head of the FPM, has proposed a reduction in the number of MPs from 128 to 108.



Six Christian MPs for every 5 Muslim MPs was the formula adopted in Lebanese parliamentary elections from independence in 1943 until 1972. However, due to the civil war that broke out in 1976, elections were suspended for many years. According to the 1960's electoral Law, the number of MPs was 99, distributed between Christians (54) and Muslims (45). However, in accordance to the Taëf Agreement and in order to achieve equality between Muslims and Christians, it was agreed to raise the number of MPs to 108 by adding nine Muslim MPs (3 Shia'a, 2 Sunnis, 2 Alawite, and 2 Druze). Therefore, the number of MPs became equally distributed between Muslims and Christians (54 Muslims and 54 Christians). Further, in response to Syria's desire to grant parliamentary seats to its allies, the electoral law was amended for the 1992 elections where the number of MPs became 128 after adding 10 Muslim MPs (5 Sunnis and 5 Shia'a) and 10 Christian MPs (4 Maronite, 3 Greek Orthodox, 2 Greek Catholic, and 1 Armenian Orthodox). The following table shows how the 99, 108, and 128 MPs are distributed among districts and sects.



Distribution of 99, 108, and 128 MPs According to Districts and Sects

Electoral District	99 MPs (based on 1960s Law)	108 MPs (based on Taëf Agreement)	128 MPs (current status)
First District of Beirut	8 MPs: <ul style="list-style-type: none"> • 3 Armenian Orthodox • 1 Maronite • 1 Greek Catholic • 1 Evangelical • 1 Greek Orthodox • 1 Armenian Catholic 	No Amendment	In the 2009 elections, the number of MPs of the three districts of Beirut has been amended. The number of MPs of the first district of Beirut became five .
Second District of Beirut	3 MPs: <ul style="list-style-type: none"> • 1 Sunni • 1 Shia'a • 1 Christian Minorities 	No Amendment	Following the amendment, the number of MPs became four .
Third District of Beirut	5 MPs: <ul style="list-style-type: none"> • 4 Sunnis • 1 Greek Orthodox 	Two MPs were added, one Sunni and one Druze	Following the amendment, one Shiite MP was added and the number of MPs became ten .
Baabda	5 MPs: <ul style="list-style-type: none"> • 3 Maronite • 1 Shia'a • 1 Druze 	One Shiite MP was added and the number of MPs became six	No Amendment
Aley	5 MPs: <ul style="list-style-type: none"> • 2 Maronite • 2 Druze • 1 Greek Orthodox 	No Amendment	No Amendment
Shouf	8 MPs: <ul style="list-style-type: none"> • 3 Maronite • 2 Sunni • 2 Druze • 1 Greek Catholic 	No Amendment	No Amendment
Matn	5 MPs: <ul style="list-style-type: none"> • 3 Maronite • 1 Greek Orthodox • 1 Armenian Orthodox 	No Amendment	Three MPs were added: <ul style="list-style-type: none"> • 1 Maronite • 1 Greek Orthodox • 1 Greek Catholic The number of MPs became eight.
Kessrouan	4 Maronite MPs	No Amendment	One Maronite MP was added and the number of MPs became five .
Jbeil	3 MPs: <ul style="list-style-type: none"> • 2 Maronite • 1 Shia'a 	No Amendment	No Amendment

Electoral District	99 MPs (based on 1960s Law)	108 MPs (based on Taëf Agreement)	128 MPs (current status)
Batroun	2 Maronite MPs	No Amendment	No Amendment
Koura	2 Greek Orthodox MPs	No Amendment	One Greek Orthodox MP was added and the number of MPs became three.
Zgharta	3 Maronite MPs	No Amendment	No Amendment
Bsharri	2 Maronite MPs	No Amendment	No Amendment
Mennieh-Dennieh	2 Sunni MPs	No Amendment	One Sunni MP was added and the number of MPs became three.
Akkar	4 MPs: <ul style="list-style-type: none"> • 2 Sunnis • 1 Maronite • 1 Greek Orthodox 	One Alawite MP was added and the number of MPs became five.	Two MPs were added, one Greek Orthodox and one Sunni and the number of MPs became seven.
Tripoli	5 MPs: <ul style="list-style-type: none"> • 4 Sunnis • 1 Greek Orthodox 	Two MPs were added, one Sunni and one Alawite and the number of MPs became seven.	One Maronite MP was added and the number of MPs became eight.
Baalbeck-Hermel	7 MPs: <ul style="list-style-type: none"> • 4 Shia'a • 1 Sunni • 1 Maronite • 1 Greek Catholic 	One Shiite MP was added and the number of MPs became eight.	Two MPs were added, one Shiite and one Sunni and the number of MPs became ten.
Zahle	5 MPs: <ul style="list-style-type: none"> • 1 Greek Catholic • 1 Maronite • 1 Sunni • 1 Shia'a • 1 Greek Orthodox 	No Amendment	Two MPs were added, one Greek Catholic and one Armenian Orthodox and the number of MPs became seven.
Western Beqa'a-Rashaya	3 MPs: <ul style="list-style-type: none"> • 1 Sunni • 1 Druze • 1 Greek Orthodox 	No Amendment	Three MPs were added: <ul style="list-style-type: none"> • 1 Sunni • 1 Maronite • 1 Shia'a
Hasbaya-Marjeyoun	4 MPs: <ul style="list-style-type: none"> • 2 Shia'a • 1 Sunni • 1 Greek Orthodox 	One Druze MP was added and the number of MPs became five	No Amendment
Bint Jbeil	2 Shia'a MPs	No Amendment	One Shiite MP was added and the number of Shiite MPs became three.

Electoral District	99 MPs (based on 1960s Law)	108 MPs (based on Taëf Agreement)	128 MPs (current status)
Tyre	3 Shia'a MPs	No Amendment	One Shiite MP was added and the number of Shiite MPs became four .
Nabatieh	3 Shia'a MPs	No Amendment	No Amendment
Zahrani	2 MPs: <ul style="list-style-type: none"> • 1 Shia'a • 1 Greek Catholic 	One Shiite MP was added and the number of MPs became three	No Amendment
Saida	1 Sunni MPs	No Amendment	One Sunni MP was added and the number of Sunni MPs became two .
Jezzine	3 MPs: <ul style="list-style-type: none"> • 2 Maronite • 1 Greek Catholic 	No Amendment	No Amendment
Total	99 MPs: <p>54 Christian MPs:</p> <ul style="list-style-type: none"> • 30 Maronite • 11 Greek Orthodox • 6 Greek Catholic • 4 Armenian Orthodox • 1 Armenian Catholic • 1 Evangelical • 1 Minorities <p>45 Muslim MPs:</p> <ul style="list-style-type: none"> • 20 Sunnis • 19 Shia'a • 6 Druze 	108 MPs: <p>54 Christian MPs:</p> <ul style="list-style-type: none"> • 30 Maronite • 11 Greek Orthodox • 6 Greek Catholic • 4 Armenian Orthodox • 1 Armenian Catholic • 1 Evangelical • 1 Minorities <p>54 Muslim MPs:</p> <ul style="list-style-type: none"> • 22 Shia'a • 8 Druze • 2 Alawite 	128 MPs: <p>64 Christian MPs:</p> <ul style="list-style-type: none"> • 34 Maronite • 14 Greek Orthodox • 8 Greek Catholic • 5 Armenian Orthodox • 1 Armenian Catholic • 1 Evangelical • 1 Minorities <p>64 Muslim MPs:</p> <ul style="list-style-type: none"> • 27 Shia'a • 8 Druze • 2 Alawite

Source: Parliamentary Electoral Laws

In case of nullification of the 20 parliamentary seats:

The Shia'a alliance (Amal Movement and Hezbollah) will lose 4 seats: one Shia'a seat in Tyre, Bint Jbeil, Baalbeck and Hermel and one Sunni seat in Baalbeck and Hermel.

- **The Future Movement will lose 12 seats:** the two Shia'a seats in Western Beqa'a and the third district of Beirut, the four Sunni seats in Akkar, Mennieh-Dennieh, Saida and Western Beqa'a, the two Maronite seats in Western Beqa'a and Tripoli, the two Greek Orthodox seats in Akkar and Koura, the Catholic and the Armenian Orthodox seat of Zahle.
- **The Free Patriotic Movement (FPM) will lose 4 seats:** the Maronite seat in Kessrouan and the three seats in Matn (one Maronite seat, one Greek Catholic seat, and one Greek Orthodox seat).

BILLS AND PROPOSALS OF PARLIAMENTARY ELECTORAL LAWS

More than 24 bills and proposals of parliamentary electoral laws are being discussed today. This number may increase every day and every week, from now on until the adoption of the law that is supposed to take place before expiration of Parliament's mandate on June 20, 2017.

However, the main debates are about the many versions of law that may be adopted as they are or after being amended. What is new in these proposals is the adoption of proportional representation in whole or in part in the parliamentary elections, and not the plurality voting system that has been used in the parliamentary elections since the independence.

Bill of Najib Mikati's Government

This bill was adopted at the government session on August, 7, 2012. Its key articles are the following:

- To adopt a proportional voting system that gives each electoral list a number of seats and the number of votes it receives.
- To vote by means of prepared papers.
- To adopt two preferential votes. This can detect the most popular MPs.
- To adopt a gender quota so that each list includes at least one candidate of the opposite gender without any guarantee to win. This quota is for candidates and not for winning the elections.
- To divide Lebanon into 13 electoral districts.

It is noteworthy that these divisions have promoted the dominance of sects in districts instead of finding mixed districts:

- **4 Sunni-majority districts** comprising 34 MPs:
 - The Second District of Beirut
 - West Beqa'a and Rashaya
 - Tripoli
 - Akkar and Mennieh-Dennieh
- **3 Shiite-majority districts** comprising 33 MPs:
 - South
 - Nabatieh
 - Baalbeck-Hermel
- **3 Shiite-majority districts** comprising 32 MPs:
 - Bsharri, Batroun, Koura, and Zgharta
 - Baabda and Matn
 - Jbeil and Kessrouan
- **2 Christian-majority districts** comprising 16 MPs:
 - Zahle
 - First District of Beirut
- **One Druze-majority district** comprising 13 MPs:
 - Aley and Shouf

The Orthodox Proposal

Hereunder the text of the proposal submitted by Change and Reform bloc MPs Alain Aoun and Neemtallah Abi Nasr on September 10, 2012:

- The proportional representation is adopted in the parliamentary elections.
- Lebanon is one single district.
- The MPs allotted to each sect are elected by the voters of the same sect. For example, there are 34 Maronite MPs in Lebanon. All Lebanese Maronite voters cast for the list of 34 Maronite candidates distributed according to the Aqdiyah, e.g. 2 from Batroun and 5 from Kessrouan, as they cannot be from the same region.
- The electoral lists are registered at the Ministry of Interior and Municipalities within 40 days prior to the date set for elections.
- The voters cast their ballots using the official ballot papers prepared beforehand by the Ministry of Interior and Municipalities.
- Jewish voters (with no MP) are entitled to vote for Muslim and Christian candidates.
- Every voter shall cast one preferential vote for a candidate on the list for which he/she voted.

Limited Voting

Limited voting is a proposal prepared by the Maronite league. It is based on:

- The adoption of the current electoral divisions, i.e. Lebanon consists of 26 electoral districts.
- The adoption of the plurality voting system.
- The redistribution of seats by moving the Maronite seat of Tripoli to Batroun and the two Evangelical and Minorities' seats from the Third District of Beirut to the First District of Beirut.
- Each voter shall vote for one candidate if the district in which he/she votes has only 3 MPs. He/she shall vote for two candidates if the district in which he/she votes has 4 to 6 MPs, and for three candidates if the district in which he/she votes has 7 to 10 MPs.

One Vote

Kataeb party Chief MP Sami Gemayel suggested the adoption of an electoral law based on "the one-man-one-vote system". Apart from the number of MPs in the electoral districts, the voters are equal. They shall only vote for one MP.

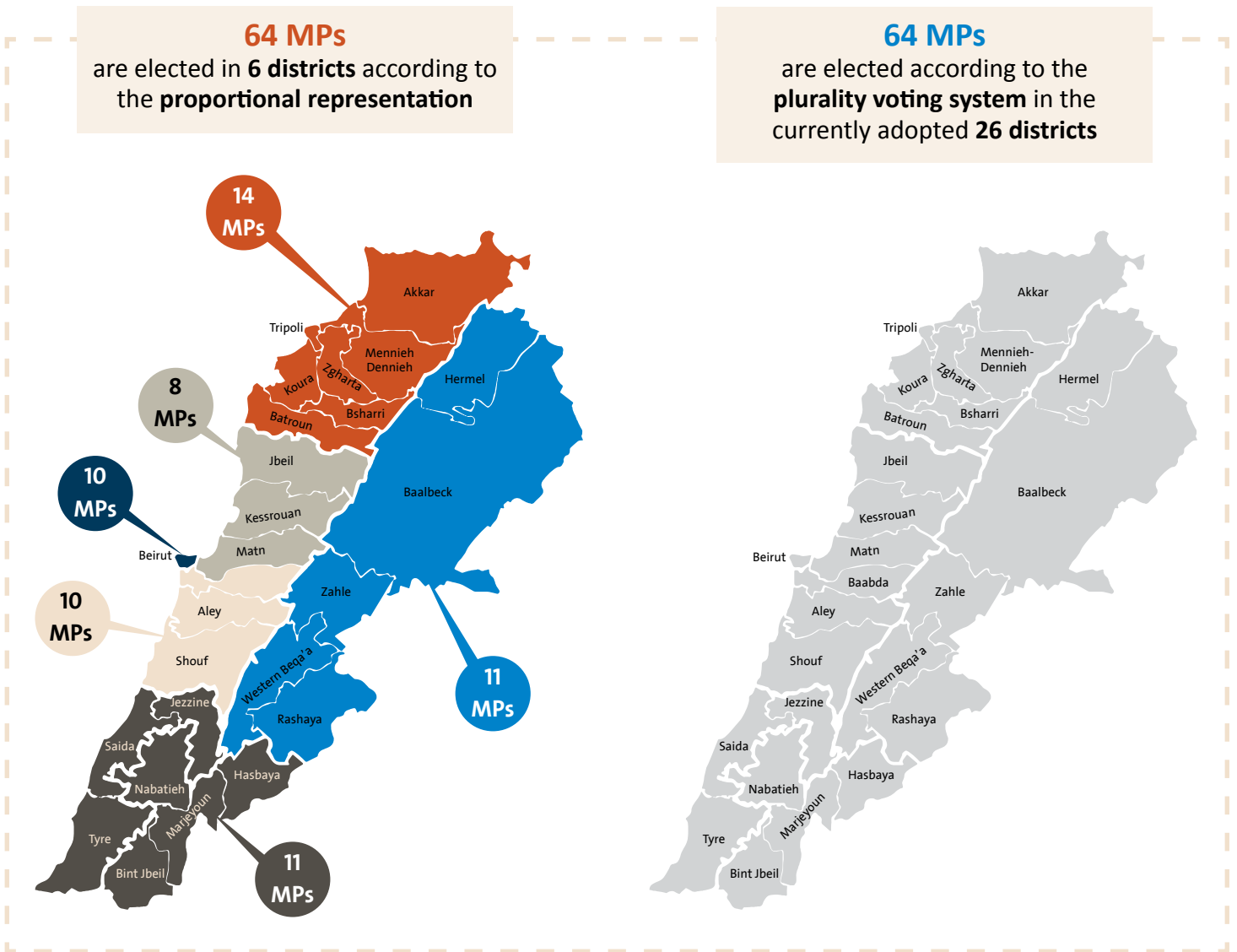
MP Ali Bazzi's Proposal

Development and Liberation bloc MP Ali Bazzi proposed on February 6, 2013 a parliamentary electoral law that is based on the following:

- **64 MPs** are elected in 6 districts according to the proportional representation:
 - Beirut: 10 MPs
 - North Lebanon: 14 MPs
 - South Lebanon: 11 MPs
 - Beqa'a: 11 MPs
 - North Mount Lebanon (Jbeil-Kessrouan-Matn): 8 MPs
 - South Mount Lebanon (Shouf-Aley-Baabda): 10 MPs

- **64 MPs** are elected according to the plurality voting system in the currently adopted 26 districts.

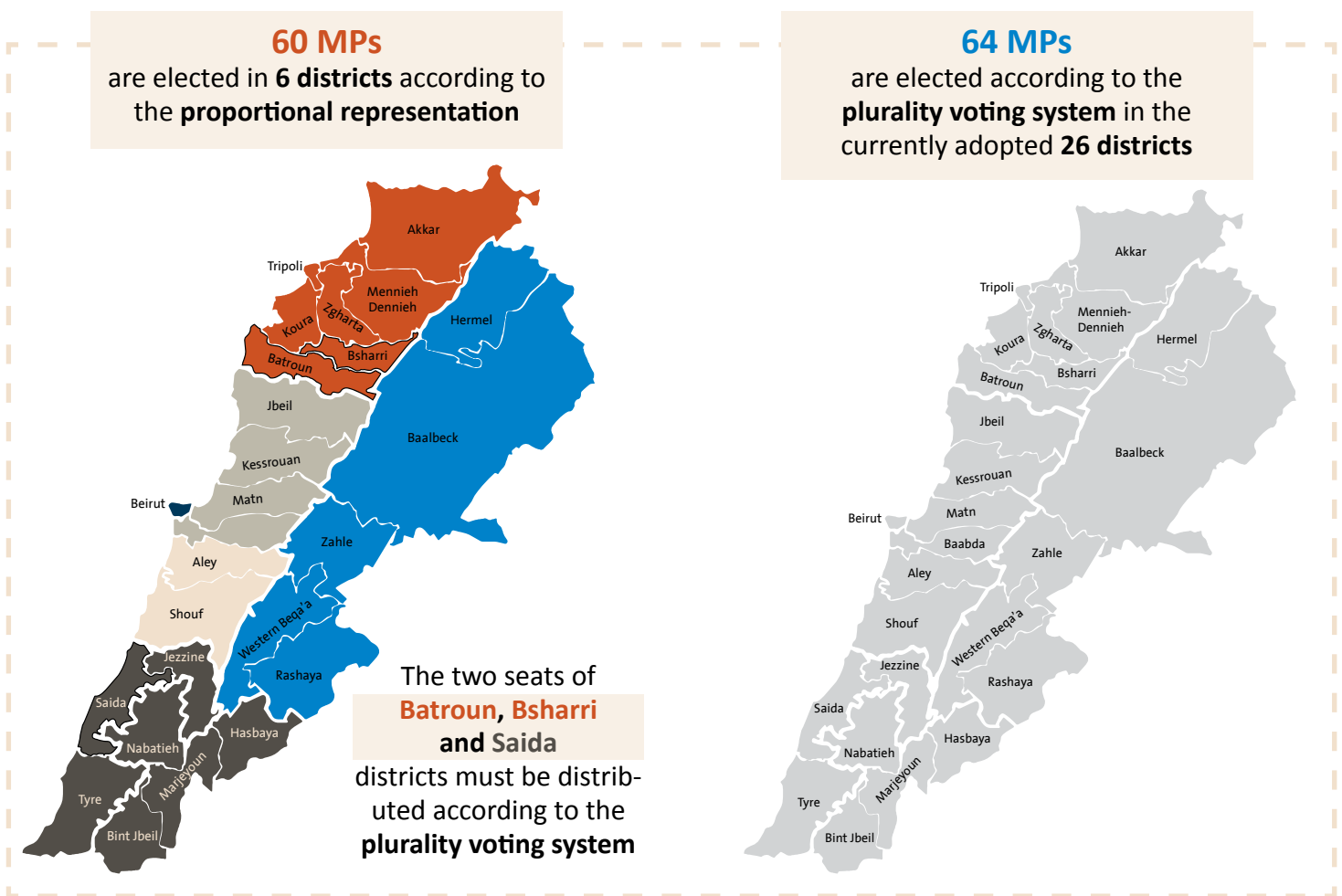
One of the fundamental flaws of this law is that it adopts different criteria in distributing the seats according to sects and districts. In the Third District of Beirut (10 MPs), the Future Movement has a strong power. It has kept 2 seats according to the plurality voting system and 8 seats according to the proportional representation. As for Zahle, 5 seats were kept according to the plurality voting system and 2 seats according to the proportional representation.



The Proposal of Lebanese Forces- Future Movement- Progressive Socialist Party

This proposal is based on the distribution of seats between the two voting systems:

- 60 MPs are elected in the districts according to the proportional representation as specified in the proposal of MP Ali Bazzi (i.e the Mohafazat). Mount Lebanon district is divided into two districts. Baabda shall be within North Mount Lebanon district and South Mount Lebanon shall be only composed of the two districts of Shouf and Aley.
- 68 MPs are elected in 26 electoral districts according to the plurality voting system.
- The seats are differently distributed. The two seats of Batroun, Bsharri, and Saida districts must be distributed according to the plurality voting system. However, according to the proposal of MP Ali Bazzi, these seats are equally distributed between the two proportional and plurality voting systems.
- The voters cast their ballots using the official ballot papers prepared beforehand by the Ministry of Interior and Municipalities.
- The voters cast for a closed list according to the proportional voting system. They are entitled to cast a preferential vote for one candidate within the list.



Qualifying Vote

This proposal has not been officially developed. It is a preliminary version approved by the Parliament Speaker Nabih Berri and FPM Chief Gebran Bassil. Its key articles are the following:

- The electors of each sect shall vote within the district to twice the number of MPs according to the plurality voting system. In Jezzine, for example, there are 3 MPs (2 Maronite and 1 Greek Catholic). The Christian electors vote for 6 candidates: 4 Maronite and 2 Greek Catholic, and no Muslim elector votes for any candidate. In Saida, Muslim electors (Shia'a and Sunni) vote for 4 Sunni candidates, i.e. twice the number of seats, and no Christian elector votes. In South Lebanon Mohafaza, the proportional representation is adopted and all electors vote for the lists qualified at the Qada'a level. In this way, Lebanon will have at the first qualified phase of elections 256 candidates of which 128 will be elected in the second phase.

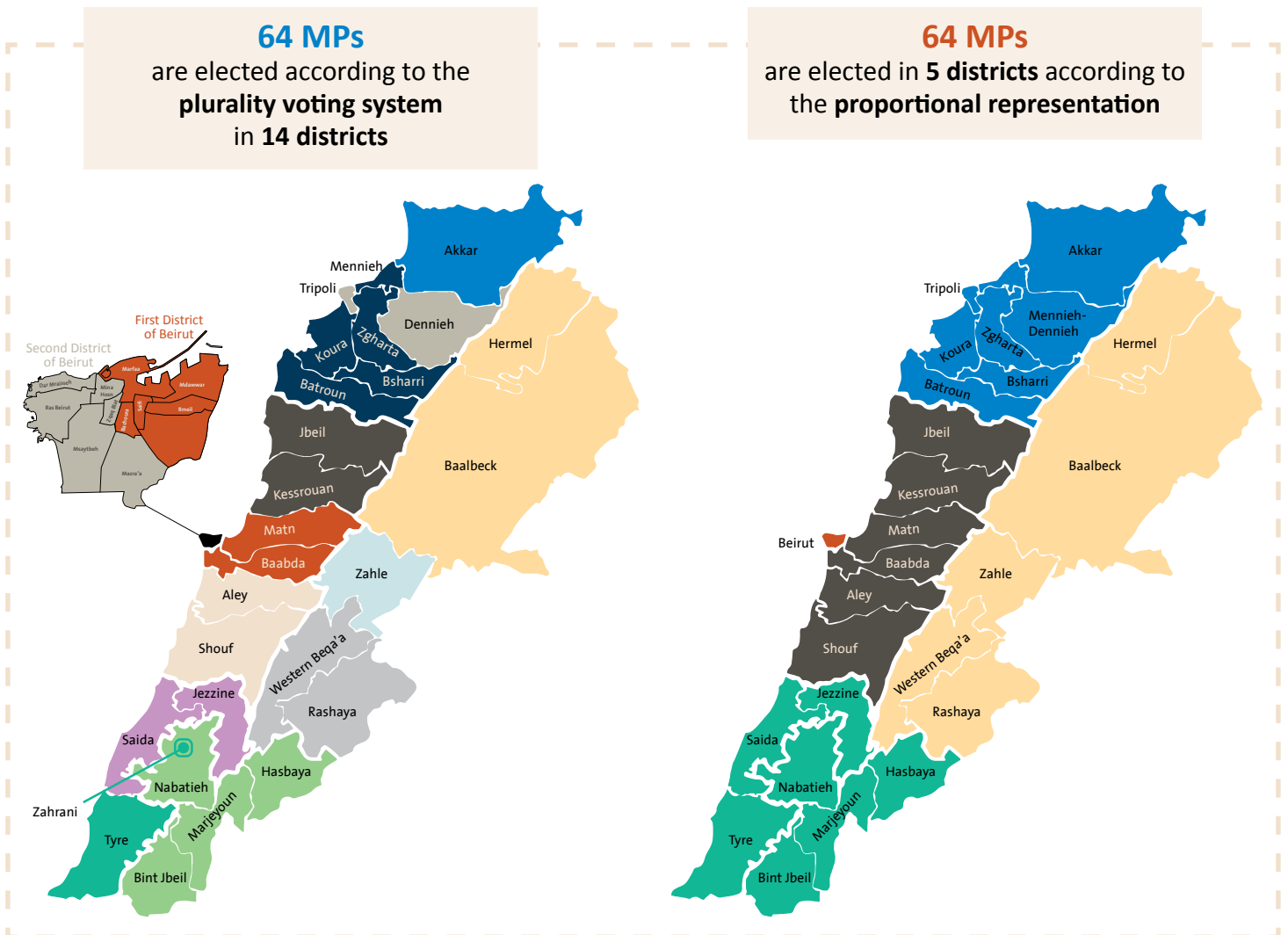
The Last Proposal

As the last proposal of electoral bills, the head of FPM submitted a new bill that is based on the following:

- The voters vote for 64 MPs in 5 electoral districts (the five historic Mohafazat) according to the proportional representation. Every voter shall cast a preferential vote for the candidates of the district he/she belongs. Discussions are held to develop this version so that the 64 MPs will be elected based on the principle of “Lebanon is one electoral district”.
- The voters vote for 64 MPs in 14 electoral districts according to the plurality voting system, provided that each sect elects its MPs. This is a radical modification of the Orthodox proposal.

As for the districts, they are:

- The First District of Beirut (the first and the second district of Beirut)
- The Second District of Beirut (the former third district of Beirut)
- Shouf and Aley
- Baabda and Matn
- Jbeil and Kessrouan
- Akkar
- Tripoli and Dennieh
- Batroun, Koura, Bsharri, Zgharta, and Minnieh
- Zahle
- Baalbeck and Hermel
- West Beqa'a and Rashaya
- Saida and Jezzine
- Tyre and Zahrani
- Nabatieh, Bint Jbeil, Marjeyoun, and Hasbaya

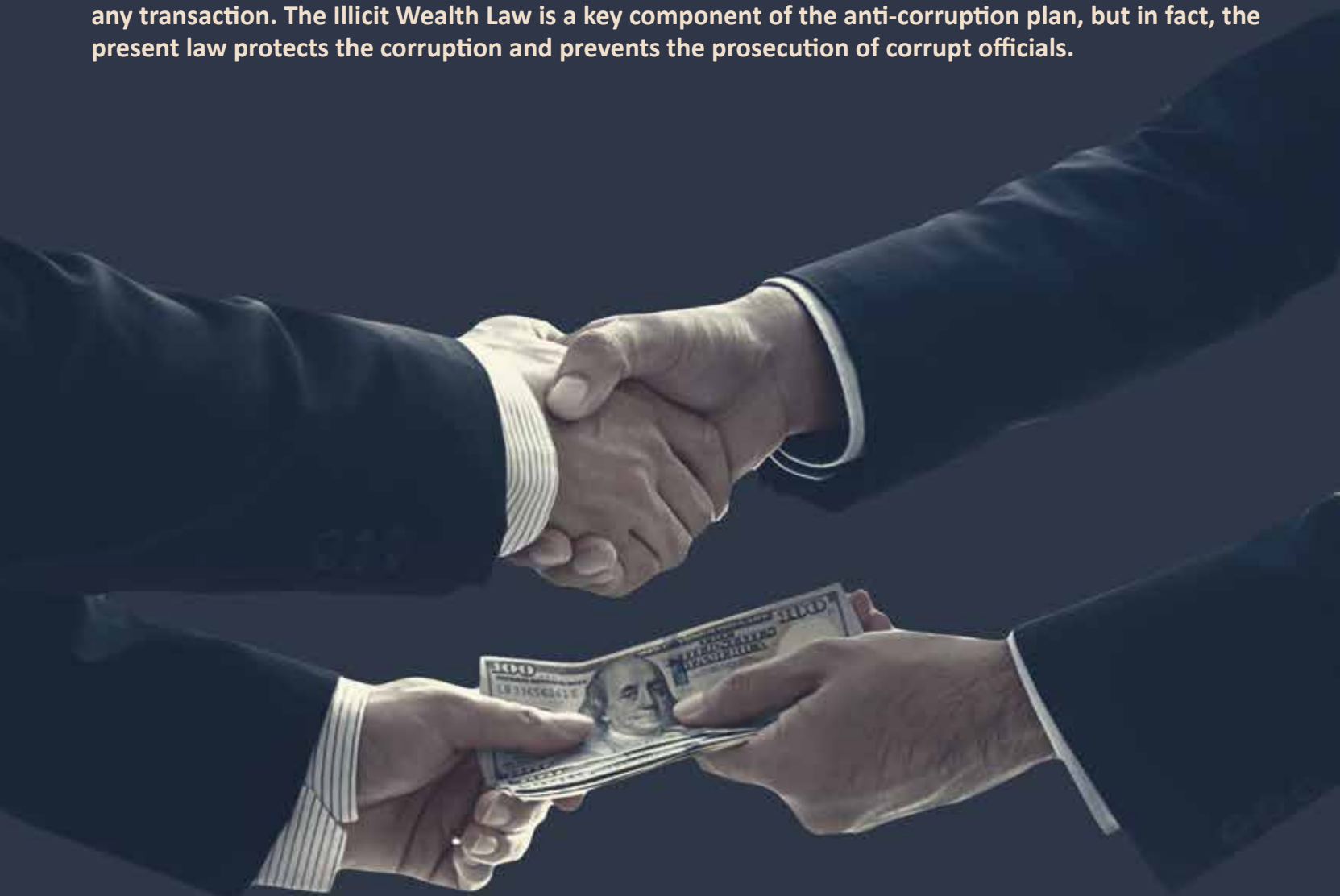


We are less than 80 days away from the end of Parliament’s mandate. We might witness during this period many different versions of parliamentary electoral bills, but what is even more important is to adopt a new electoral law that ensures the validity and the credibility of representation and schedules the elections. So when will the elections be held? In October 2017 or in May 2018?

Public Sector

“ILLICIT WEALTH LAW” PROTECTS CORRUPTION

Now a new government is in place the Lebanese have many matters that they want prioritized, such as the supply of electricity and water, the improvement in the quality of health care and educational services, the building of a public transport system, and raising the employment level. However, the main priority of citizens is fighting corruption, since bribery has become a mandatory means to complete any transaction. The Illicit Wealth Law is a key component of the anti-corruption plan, but in fact, the present law protects the corruption and prevents the prosecution of corrupt officials.



The Old Law

Issued on April 18, 1953, legislative decree No. 38 (the Illicit Wealth Law) defines funds acquired by illicit means as funds acquired by an employee, a provider of public services, or their relatives or partners through bribery, use of influence, exploitation of their job or any other illegal means.

Article 4 of the Illicit Wealth Law stipulates that a three-judge committee must be formed to investigate the cases (At that time, Georges Syoufi, the president of Beirut's Cassation Court was the head of the committee, Farid El-Dahdah, the president of the Appeal Court of North Lebanon, and Shawkat El Manla, the president of the Appeal Court of Mount Lebanon were the members). The old Illicit Wealth Law allows the public prosecutor and affected people to file an "illicit wealth" complaint with the committee. If the committee finds the complaint serious enough, it will request the alleged offender provides evidence of their wealth's legitimacy. The committee's decisions are irrevocable.

Another law concerning the submission of statements of wealth by employees and providers of public services was issued on April 14, 1954. According to this law, the statement should be submitted within eight days of employment. As for the civil servants, they should submit the statement within two months of the date of issuance of law. This law also specifies the authorities that will receive the statements and keep them confidential. However, in case of suspicion and fraud, the judicial committee is entitled to scrutinize the statements.

The New Law

A new law was issued on December 27, 1999 (Law No. 154). It abrogated the two ineffective previous laws and adopted more detailed articles concerning the same content. It also determines the receivers of the statements. For instance, the president, the speaker of Parliament, the prime minister, the ministers, and MPs should submit statements of their personal wealth to the president of the Constitutional Council within three months of their appointment and three months after the end of their terms. However, by virtue of the previous law, they had to submit their statements to the Secretariat of the Council of Ministers. One of the reasons behind the abrogation of the previous law is that it did not provide details about the statements.

What is curious about the new law is the text of articles 10 and 15.

Article 10 stipulates that "every affected person shall file a written complaint signed by him/her with the public prosecution or directly with the first investigating of Beirut. The complainant shall submit a bank guarantee of LBP 25 million."

Article 15 stipulates that "if it is decided to stop the prosecution of defendant, the competent authority shall, by an enforceable decision, sentence the bad-faith complainant to a fine of at least LBP 200 million and to an imprisonment of between three months and one year. It shall also force the complainant to compensate for the damages caused by the complaint."

This addition disrupted the new law and made it inapplicable as it imposes restrictions and constraints on filing a complaint against the persons who unjustly enrich themselves.

Today, 18 years after the issuance of the law, no illicit wealth lawsuit has been raised against any government official, minister, or MP, although many of their enrichment aspects are mostly unjust. But who dares to lodge a complaint? The provisions of the law that have been implemented to date stipulate that in case the members of the municipal councils do not submit the required statements, they are considered resigned from their positions. This procedure occurred based upon a notification.

If the eradication of the corruption scourge is serious, amending the law, eliminating the obstacles and restrictions, encouraging Lebanese people and rewarding them in case of valid complaint are must be the bedrock of any anti-corruption plan.

SHURA COUNCIL (COUNCIL OF STATE)

FROM “ADLIEH” TO “RIAD EL-SOLH SQUARE”

A few months ago, the sign reading “Shura Council” was put on the walls of one of the imposing buildings of Riad El-Solh Square, hinting at the relocation of Shura Council headquarters from its current location at the Palace of Justice. Indeed, work has begun to re-divide and rearrange the building, originally designed to be a hotel, so it will match the Shura Council’s needs.

Calling for a New Headquarters

The Palace of Justice building was constructed in the early 1960s, when the number of judicial magistrates was 200. But today the number is around 650 judges, with more than 200 working in Beirut Mohafaza. In 2000, the number of Shura Council’s staff increased to 98 judges instead of 50, and to 50 officers instead of 20, although the area of the fifth floor of the Palace of Justice where the Council is currently located is no more than 600 m², an average of 5 m² of space for each judge or officer, which is very small.

With the number of judges and officials far outstripping the space allocated them, many studies were conducted to set up new headquarters for the Council on state-owned land at a cost of no more than USD 9.1 million.

Renting a New Building

The plans of constructing a new building were never implemented. Instead, a new building was rented at Riad El-Solh Square with no official figures about its rental costs. However, there are rumors that the annual rental costs are about LBP 1 billion, which means that for a 13-year rental period, the costs would be sufficient to establish a state-owned building.

2017 Budget of Shura Council

LBP 6.846 billion



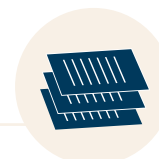
Salaries and allowances

LBP 4.8 billion



Rental fees

LBP 1.1 billion



Administrative supplies

LBP 517 million

It is worth mentioning that the annual rental cost of the new Shura Council building is approximately 25% of the total salaries and allowances of all its judges and employees.

THE LEBANESE ARMY (Nicolas Nassif)

In his new book “The Lebanese Army, Divisions and Loyalties”, writer and journalist Nicolas Nassif does not narrate a biography as he usually does, instead he tracks the journey of the Lebanese Army, following the divisions and loyalties it witnessed during the Lebanese Civil War until it was reunified in the era of General Emile Lahoud.

“The Lebanese Army, Divisions and Loyalties,’ is the story of a history made by non-Lebanese players who directed the army’s path and put it into many risks when Lebanon was collapsing,” Nassif states in his introduction.

In order to complete this unique, distinctive and unprecedented work of military history, Nassif has primarily relied on personal interviews with dozens of military figures of different ranks who played major roles in the Civil War, as well as in the divisions of the Lebanese Army.

The book consists of five chapters:

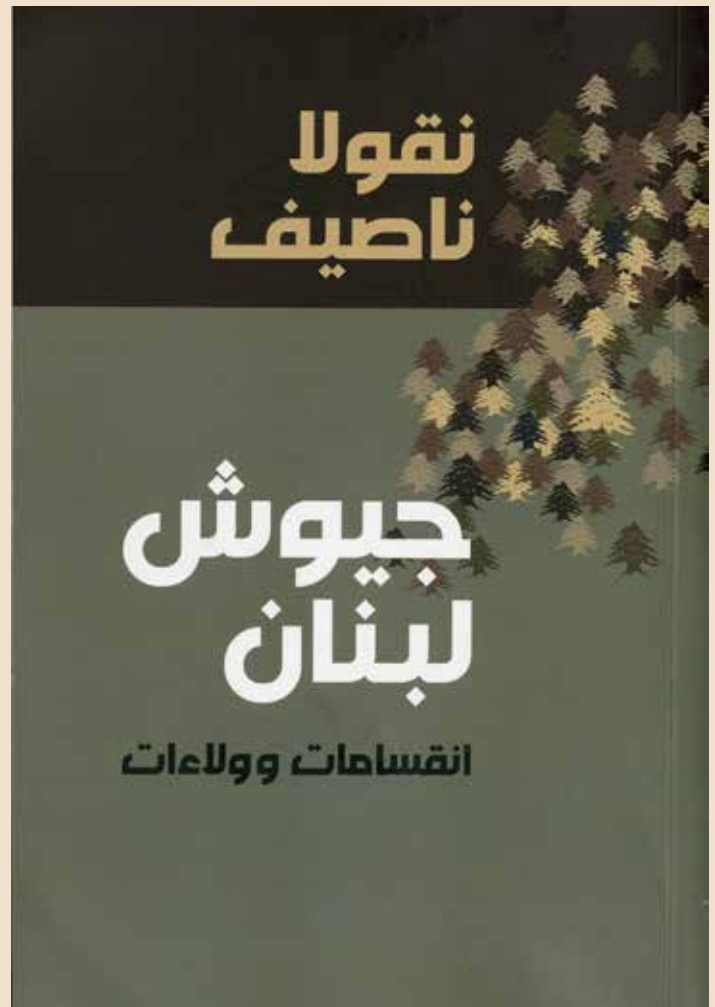
Chapter 1: The author talks about the military defection led by the Lieutenant Ahmad El-Khatib and the establishment of the Lebanese Arab Army (LAA). Contrary to what was the norm at the time, Nicolas Nassif relates important facts regarding the strained ties between the Lebanese Arab Army and the National Movement under the leadership of Kamal Jumblatt.

Chapter 2: This chapter discusses the vanguard of the Lebanese Arab Army which was led by the pilot Lieutenant Colonel Fahim El-Hajj, who was based in Rayak Air Base in Beqa’a and established the LAA to facilitate the entry of Syrian armed forces into Lebanese territory at the request of the Rayak Air Base officers and following the blockade imposed by the Lebanese Arab Army and Palestinian Armed Forces. However, the future of Fahim El-Hajj was totally different from that of Ahmad El-Khatib. The latter ended up in semi-isolation while the former was appointed as the commander of the Air Force between 1989 and 1997, as well as commander of Mount Lebanon Military Region in 1983.

Chapter 3: This chapter discusses the role of the Syrian Lieutenant Colonel Mohammad Ghanem, who served as the head of security and surveillance department of the Syrian armed forces operating in Lebanon from late 1976 until the Israeli invasion in 1982 and formed the Arab Deterrent Force (ADF). The chapter also describes how his role in Damascus came to an end after he approached Rifa’at Al-Assad and the non-implementation of Syrian leadership’s decision to strike Yasser A’arafat’s PLO’s fighters and deport them from Lebanon.

Chapter 4: The discussion here is about the end of President Amine Gemayel’s mandate, the term of General Michel Aoun, who led a transitional military government, and the unification of Army divisions by Salim El-Hoss’ government in West Beirut under the leadership of Major General Sami El-Khatib, resulting from their failed attempts to find a Christian General to take over the presidency and their refusal to confront General Michel Aoun.

Chapter 5: The last chapter is about the unification of the Lebanese Army under President Emile Lahoud. The author discusses Lahoud’s military life and the circumstances behind appointing him as the commander of the Lebanese Armed forces in 1989. He also mentions the role of the Lebanese Army in displacing General Michel Aoun.





ZAITOUN: A SHIA'A AND MARONITE VILLAGE IN KESSROUAN

Zaitoun is one of Kessrouan district's villages that have a great number of Maronite inhabitants. However, this village is not Maronite as its population is semi-equally distributed between the Shia'a and Maronite sects.

Etymology

The village was named Zaitoun because ever since the Ottoman era it has been rich with olive trees. Traces of ancient olive oil presses have been found throughout the village and are still visible today.

Location

Zaitoun village is located in Kessrouan district. It is just 45 km from the capital Beirut, stretching over an area of 268 hectares, at an altitude of 600 m2 above sea level. It is bordered to the north by Maaysra and Zaitreh, to the east by Aazra, to the south by Nammoura, Kfar Jayf and Ghidras, and to the west by Aaqaybeh.

It can be reached by taking the Jounieh-Ghazir road, Jouret El-Termos.

Population and Housing

The estimated number of registered residents is about 1,000, of which 57% are Shia'a and 43% are Maronites. Zaitoun village is composed of around 350 houses.

Voters

In the 2000 parliamentary elections, the number of registered voters was 418, of which only 291 were real voters. It rose to 497 voters in the 2009 elections with 408 real voters, and reached 535 in the 2016 municipal elections when just 437 voted.

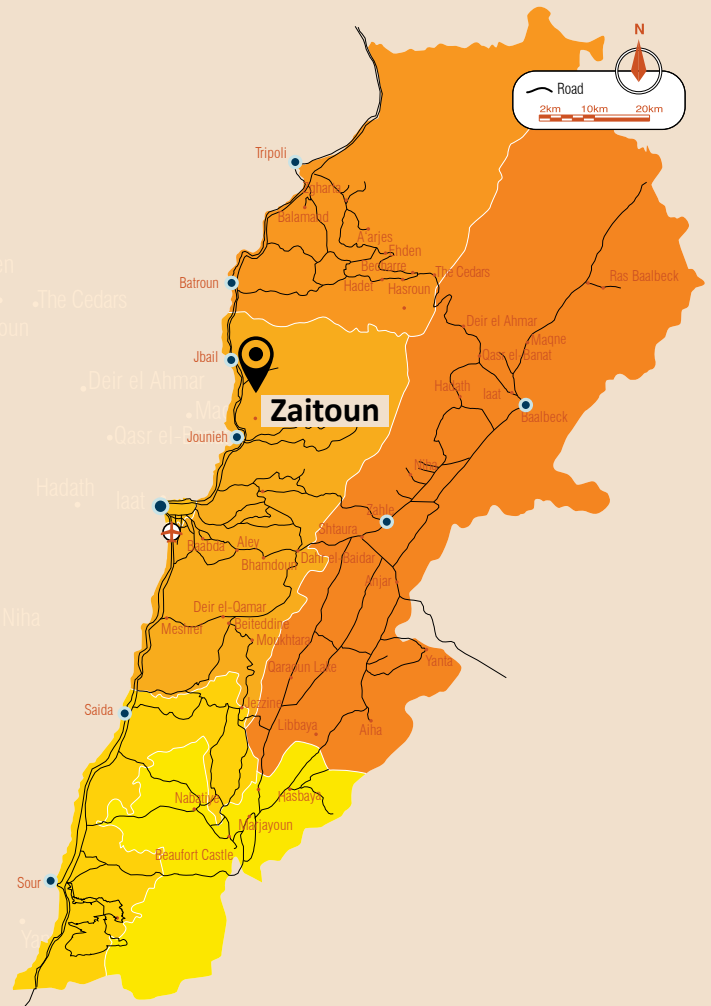
Voters are mainly distributed among the following families:

Shia'a:

- Ahmad: 137 voters
- Daibes: 63 voters
- Hellani: 35 voters
- Hassan: 30 voters
- Haidar: 29 voters

Maronite:

- Fahed: 146 voters
- Khairallah: 60 voters
- Efrem: 35 voters



Local Authorities

Zaitoun village has a 9-member municipal council that was established February 17, 2004, thanks to resolution No. 153. The village also has a mayor and a 3-member mayoral council.

Economic Life

Today, the economic life of residents is agriculture-based. Historically, silkworm rearing was the key source of income.

Zaitoun in History

Zaitoun is known to have hosted Hamadi Shia'a chieftains. When the newcomer Maronite Fahed and Khairallah families appeared, the Hamadi Shia'a cooperated with them.

TEHFE FAMILIES

Muslim Families of South Lebanon

It is well known that the word “Tehfe” means an antique masterpiece that often dates to ancient times, or “fabulous” when you see a nice painting or object.

Perhaps Tehfe families bear this surname because their ancestors were involved in the trade of antiques.

Tehfe families are from south Lebanon, the region bordering the occupied Palestinian territories, and they are Shia’a and Sunni Muslims.

Number of family members

There are 360 Lebanese bearing the Tehfe family name, distributed according to the following sects and regions:

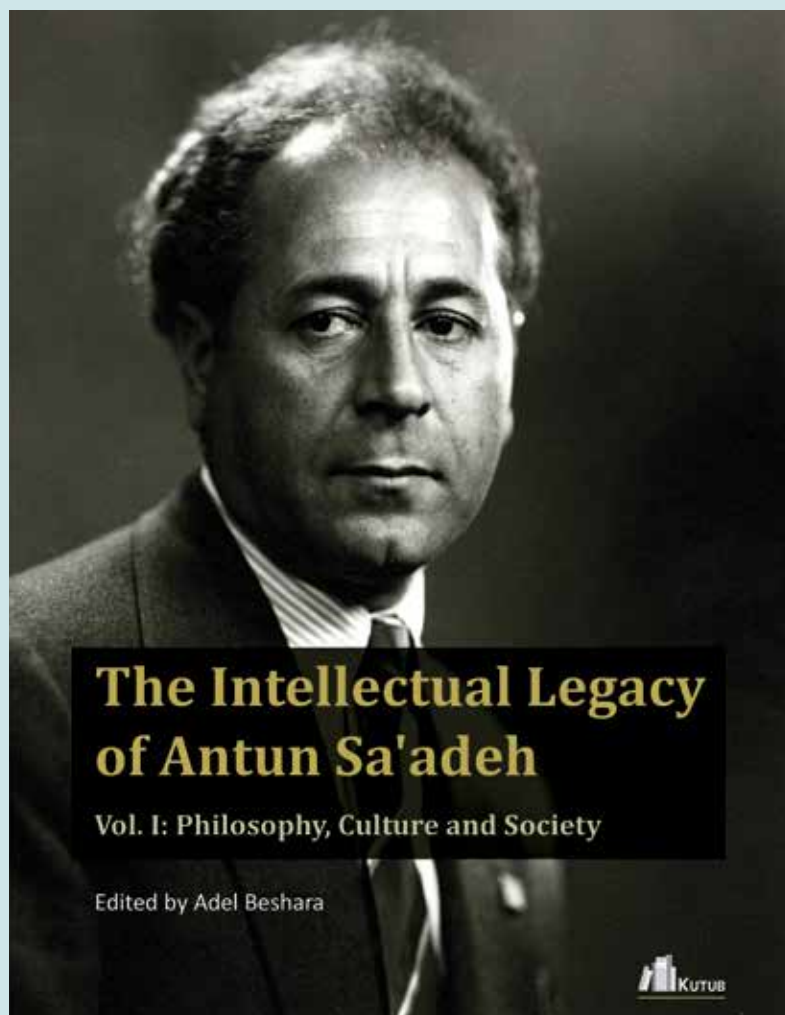
- **Shia’a: 236 individuals**
 - Yaroun (Bint Jbeil district): 136 individuals
 - Majdel Selem (Marjeyoun district): 96 individuals
- **Sunnis: 128 individuals** in the southern Sheba’a village of Hasbaya district.

New Releases by Dar Kutub

THE INTELLECTUAL LEGACY OF ANTUN SA'ADEH

VOL.I: PHILOSOPHY, CULTURE AND SOCIETY

“KUTUB Ltd.” published recently the first volume of the book entitled “*The Intellectual Legacy of Antun Sa’adeh*”. Edited by Adel Beshara, this volume “*Vol.I: Philosophy, Culture and Society*”, which is a series of essays written and compiled by many authors from Lebanon and foreign Universities (such as Georgetown University, University of California, and University of Melbourne), covers many aspects of Antun Sa’adeh intellectual life. It is divided into five parts tackling his role in the history of Lebanon and Syria, his personality, his faith and religiousity, his philosophical vision, and civilization and culture in his thought. The present volume is the final result of a work done to find an answer for “**What is about Sa’adeh that keeps him in the literary limelight?**”



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