

ACTION PLAN FOR EU-LEBANON PARTNERSHIP AND COOPERATION 2013-2015

I. INTRODUCTION

Lebanon and the European Union are bound by the Euro-Mediterranean Association Agreement in force since 2006. However, their contractual relations are significantly longer, dating back to the Trade and Technical Cooperation Agreement of 1965. Throughout this history, cooperation between Lebanon and the European Union has been good and progressively intensifying. Both parties share the commitment to democracy and human rights, as stated in the Association Agreement, as well as many common political and economic interests. On this basis they wish to further develop and strengthen their partnership.

The recent consecutive governments of Lebanon have stated their commitment to political and economic reforms through legislation, adjustment of policies and improvements of public administration. They emphasised their attachment to the principles enshrined in the Lebanese constitution and later agreements, including Lebanon's sovereignty, independence, democratic set-up, fundamental freedoms, equality of all citizens, and unity in the nation's territory, people and institutions. They also assured of their respect for international resolutions. The adherence to these principles, as well as the reform efforts based on them, enjoy the full support and encouragement by the European Union.

A new neighbourhood policy

In the face of the historical changes in the southern neighbourhood, the European Union has developed a new approach. It aims at providing responses best suited to rapid developments in the neighbouring countries, including the need to initiate or continue deep and substantial reforms, to establish and consolidate healthy democracies, to support sustainable and inclusive economic growth, and to manage cross-border implications. Lebanon contributed to the analysis that led the EU to develop this approach.

This revised European Neighbourhood Policy (ENP) is based on mutual accountability and a shared commitment to the universal values of human rights, democracy and the rule of law. It establishes a higher level of differentiation and determines the level of EU support according to the ambitions of the partner countries in terms of their rapprochement with the EU, their specific needs and available capacities, their progress in the implementation of reforms and in strengthening democracy and the rule of law, and their respect for human rights and fundamental freedoms. It further gives the possibility to translate the strengthening of relations into greater economic integration, increased mobility and a closer political cooperation in the areas of governance, security, conflict resolution and coordination in international fora in matters of common interest.

The new approach to neighbourhood policy aims to: **(a)** provide increased assistance to partners who engage in deepening democracy and respect for the rule of law, human rights and fundamental freedoms; **(b)** support the development of a sustainable and inclusive

economy that reduces social and regional inequalities, creates jobs and improves living standards of the population; and (c) establish a closer partnership with the peoples and civil societies of the partner countries.

The new Action Plan

In light of the higher mutual ambitions in the given context, there are the right conditions for Lebanon and the EU to move ahead to the next stage of their relationship. This second EU-Lebanon ENP Action Plan is a political document building up on the provisions of the Association Agreement that identify areas of cooperation. To give this Action Plan a more operational character, the parties agree to focus on a limited number of jointly identified priority objectives. These are defined below with the help of benchmarks and indicators, which outline the specific milestones leading to the achievement of each priority objective and the data or particular steps that allow measuring progress, respectively. Timelines indicate periods of implementation. The definition of each priority objective includes possible EU interventions in terms of cooperation, assistance offered or resources mobilised (where reference is made to existing instruments, it is understood to relate also to next-generation, i.e. post-2013, instruments). Future EU-Lebanon financial cooperation and assistance will be programmed in coherence with this Action Plan. Further objectives are set out in the annex, which covers the areas of cooperation foreseen in the Association Agreement and functions as the reference document for its implementation.

The Action Plan shall have an initial duration of three years.

To ensure the best possible implementation as well as to establish the link between the progress toward the priority objectives defined above and the assistance provided, regular monitoring and assessment will be conducted by the Association Committee and the sub-committees established under the Association Agreement, and by means of Progress Reports of each party. If the parties identify the need they may, while acting in agreement, decide to adjust the Action Plan for the forthcoming year(s) as appropriate. When the date of expiry approaches, the parties will assess the overall level of implementation of this Action Plan. Based on such assessment they may decide to extend the duration by one year, and subsequently upon the expiry of such an extension by a further year in each step. The responsibility for taking the aforementioned decisions lies with the Association Council.

II. PRIORITIES FOR ACTION

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Definition of priorities

A. Reforming the justice system (including the prisons segment) toward greater efficiency, effectiveness, and independence of the judiciary

<i>Benchmarks</i>	<i>Indicators</i>
<ul style="list-style-type: none">- Increase in capacity within the Ministry of Justice and the related authorities; completion of the automation process of the sector;- Tangible progress on independence of judiciary;- Improved access to justice for Lebanese residents, including vulnerable populations;- Restriction of the jurisdiction of military courts to military cases; public reflection on reforming the system of religious courts; introduction of arbitration procedures;- Management of evidence to be used in criminal investigation processes; increase in judgements relying on material proof, rather than confessions;- Transfer of prisons from Ministry of Interior to Ministry of Justice; aligning the prison regulations and physical conditions with international standards; conduct of prison staff in line with international standards and human rights charter; reduction of overcrowding in prisons taking into consideration the specific needs of women; ensuring respect for law, legal time limits and judicial authority in detention procedures;- Full legislative alignment with the UN Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (UNCAT); criminalisation of	<ul style="list-style-type: none">- Administrative reorganisation in the Ministry of Justice continued, including to strengthen the IT unit; staff trained, their capacity and skills increased; automation processes and IT implemented, especially in courts; change in average number of cases processed by courts per annum; change in average length of judicial procedures;- Administrative dependence of the High Judicial Council and the Judicial Inspection on the Ministry of Justice eliminated; transparent mechanisms for tenure, appointment and removal of judiciary representatives introduced;- Aggregate data on courts' jurisdiction/accessibility, aggregate data on participants in judicial proceedings;- Law on Arbitration adopted and its mechanisms implemented; decline in number of non-military cases adjudicated by military courts; study of the religious courts (by Ministry of Justice) finalised and published, public debate ensuing;- Evidence collected in the course of criminal investigations properly organised and stored in Courts; statistics on convictions;- Administrative steps toward the transfer of prisons accomplished; documented improvements of physical infrastructure of prisons and detention centres; staff appropriately trained and supervised; reduction in number of detainees without proper charge and in number of inmates serving beyond their sentence; construction of additional prison capacity started; development of special programs on social and economic empowerment of women and men prisoners in Lebanese prisons; formal subordination of prison management to judicial authority; prison visits reports;- Legislation as well as prison regulations amended to be fully in line with UNCAT; torture defined as a criminal act; law and implementing decrees adopted to create a national mechanism of torture

torture and pursuit of its perpetrators;
effective **prevention**

prevention (conforming with OPCAT,
ratified by Lebanon)

Timeline

Short to medium term, throughout the Action Plan duration

Short-term: automation processes, prison transfer, independence of the High Judicial Council

EU intervention(s)

Continued EU support to the justice sector reform with a view to a greater independence of the judiciary and alignment with international standards (incl. prisons); continued support for the automation of courts; continued capacity building and training at the Judicial Studies Institute, and other relevant institutions as far as possible;

B. Election reform aiming to achieve international standards and enhancement of the effectiveness of the Lebanese Parliament

Benchmarks

- Alignment of the **Electoral Law** with international standards and with respect to the recommendations of previous election observation missions;
- **Conduct of upcoming elections** in line with international standards and in accordance with the recommendations of the previous EU Election Observation Mission; presence of independent international and domestic observers;
- Intensification of the **Parliament's activity**, increase in efficiency of legislation (including high-priority legislation), enhancement of the Parliament's **internal procedures**

Indicators

- Legislation amending the Electoral Law adopted; **scope** of the legislative changes: creation of a fully independent Election Commission, pre-printed ballots, lowered voting age, arrangements for transparent participation of emigrants in the elections; **timeliness** of legislative changes (to allow implementation ahead of the elections);
- Assessment of the conduct of elections held by independent domestic or international **observers**; aggregate data on **election participation** (overall turnout, participation of women (including as candidates), participation of confessions or other population groups and emigrants); aggregate data on potential **complaints** against the conduct of elections;
- Frequency of the Parliament's **meetings** (number of sessions held); aggregate data on attendance/absence of members and its publication; numbers of **legislative proposals** discussed/adopted/refused; average length of the parliamentary **process** and 'throughput' of laws in the Parliament; effective use of parliamentary mechanisms for **priority legislation**; aggregate data on usage of the new legislative tracking system; specific improvements to the Parliament's Rules of Procedure (e.g. the introduction of **lists** of attendees and/or absentees); availability of professional staff to support the legislators

Timeline

Short-term: electoral reform by the legislative elections in 2013 and later municipal elections
Medium-term: improvement of the Parliament's effectiveness throughout the Action Plan duration, continuous improvements of the electoral framework

EU intervention(s)

Support for the implementation of the electoral reform (including logistics and automation) in line with international electoral standards, recommendations of the European Electoral Observation Missions, and best practices. Support to the Parliament, including by training for its staff, to improve the quality of legislation and the legislative process and its oversight function, enhance research and policy analysis capacity of parliament, improve the institutional role of parliament

C. Human rights and protection of vulnerable populations, including Palestinian refugees, by legislation or other adequate measures and targeted actions

<i>Benchmarks</i>	<i>Indicators</i>
<ul style="list-style-type: none">- Follow-up to and implementation of the accepted UPR recommendations;- Finalisation of the national human rights strategy and creation of a national human rights institution;- Improvement of the status and living conditions of vulnerable populations, including refugees, "displaced persons", asylum seekers, stateless persons, domestic workers, migrant workers, disabled, each according to their specific status; commitment to the principle of non-refoulement, of refugees and asylum seekers according to the UN Convention Against Torture and other cruel, inhuman and degrading treatment, and according to international custom; and monitoring of the implementation of non-refoulement;- Progress in protection of women's and children's rights and increased participation of women and youth in public life at both quantitative and qualitative levels, including in decision-making and political positions;	<ul style="list-style-type: none">- Number of relevant UPR recommendations implemented and results of the follow-up assessment;- The national human rights strategy adopted and the creation of a related national institution finalised; activities of the institution started, including dialogue with civil society- Legislative, regulatory, or other measures and targeted actions taken: asylum conditions and protection of refugees/displaced persons improved in line with international standards including through the MoU currently being negotiated with UNHCR; aggregate data on the processing and follow up of asylum applications; situation of stateless persons re-examined;- ILO convention no. 189 on Decent Work for Domestic Workers ratified and implemented in Lebanon's law; migrant workers protected by national legislation and policies developed and enforced to ensure their rights; Convention on the Rights of Persons with Disabilities ratified;- Aggregate data on the implementation of the Convention on Elimination of Discrimination against Women (CEDAW); progress towards the implementation of CEDAW; laws on protection of women and children from domestic violence approved and enforced; number and scope of other legislative measures for the protection of women and children; international

<ul style="list-style-type: none"> - Strengthening of human rights in law enforcement, particularly within the Internal Security Forces; - Improvement of the status, humanitarian and social rights and living conditions of Palestinian refugees in Lebanon, including through projects with the engagement of the Lebanese government; institutional framework for governance of Palestinian camps and interlocation mechanisms with UNRWA and Lebanese authorities; - Broadening of employment opportunities for Palestinian refugees as well as health and education standards 	<p>conventions on children in armed conflict implemented; number of women in key positions at national and local levels, including in politics; government action on homeless children;</p> <ul style="list-style-type: none"> - Aggregate Data on the ISF Human Rights Unit (additional staffing, achievements, range of activities); treatment of all citizens and particularly vulnerable populations by the justice system (numbers of court cases; patterns of adjudication); aggregate data on treatment/conditions of asylum seekers, refugees and migrant workers (including visits to the respective establishments); - Improvements in living conditions, humanitarian and social rights and the overall situation; scope of outcomes from ongoing projects; number and character of new projects; extent of the camp infrastructures rehabilitated; initiatives and policies developed on improving the camps' interaction and cooperation with UNRWA and Lebanese authorities and Lebanese-Palestinian Dialogue Committee - The Labour Law (as amended to enable Palestinians to engage in certain professions) implemented; statistics and reports from UNRWA and other reliable sources on Palestinians' employment; measures taken to improve health and education standards for Palestinian refugees
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Timeline

Short to long term, throughout the Action Plan duration

Short-term: follow-up to UPR recommendations by the next review (2014); adoption of implementation decrees to Labour Law amendment enabling Palestinian refugees to work; and adoption and implementation of laws on domestic violence and migrant workers.

EU intervention(s)

Support for building Lebanese capacities in the field of human rights and for UPR implementation (accepted recommendations, preparations for the next cycle); support for raising the capacities of government officials in institutional human rights protection and accountability mechanisms; continued support to and financial cooperation with UNHCR as capacities allow; support to address the needs of vulnerable groups, including the development of a robust legal aid system; continued financial cooperation with UNRWA and other actors to improve the rights and the economic and social conditions of Palestinians.

D. Enhancement of public finance management and effective allocation of public resources

<i>Benchmarks</i>	<i>Indicators</i>
<ul style="list-style-type: none"> - Streamlining of public finance management; improvement of budgetary procedures (budget adoption by Parliament, closing of previous periods' accounts, Ministry of Finance's coordination with line ministries and other institutions); - Compliance of public sector accounting with international standards for efficiency, accountability, transparency and predictability; alignment with IMF and PEFA recommendations; sound management of public and donors' (including the EU's) funds; - Improvement of expenditure and revenue targeting and control; - Tax system revision, including the reduction of tax gap and improvement of efficiency; - Legislation on open and transparent public procurement; mainstreaming of anti-corruption efforts into public finance management and public procurement; enhancement of statistics and external audit 	<ul style="list-style-type: none"> - State budget approved; accounts of previous years closed; preparations for budgeting the next year started in good time; intensified inter-ministerial coordination ongoing; - Extent of implementation of IMF Financial Sector Assessment Programme (FSAP) and PEFA recommendations; high standards of efficiency and transparency followed; spending oversight mechanisms for donors' funds respected (including cooperation with relevant EU bodies on EU funding); - Public expenditure data; budget support criteria met: well-defined national or sectoral reform policy and strategy, stability oriented macroeconomic framework, a credible and relevant programme to improve public finance management on a continuous basis, transparency and oversight of the budget; - Tax policy altered towards implementing a global and equitable taxation system; state revenues and fines duly collected (including fines against the illegal occupation of the public domain, bills of Electricité du Liban, road penalties); timely and detailed publication of state revenue and expenses statistics; - Law on Public Procurement adopted; measures to implement anti-corruption legislation taken; effective oversight mechanisms created: independence of the Court of Accounts enhanced (reporting to Parliament, budget approved by Parliament) and its work focused solely on external audits; corrupt practices in public procurement investigated and followed up judicially; Lebanon's results in 2014 UNCAC examination; rigorous auditing and statistics methods introduced

Timeline

Short-term: budget adoption, public procurement law
Short to medium-term

EU intervention(s)

Support to the definition of a reform strategy in public finance management and to

strengthening the capacities of the Ministry of Finance. Assistance to improve budget preparation and revenue forecasting. Support to improve the institutional framework, set up and performance of the Court of Accounts; assistance with an asset management system for public property; exchange of information on financial regulations and practices

E. Improving efficiency, good governance and transparency of public administration

<i>Benchmarks</i>	<i>Indicators</i>
<ul style="list-style-type: none"> - Progress on improving governance especially through combating corruption; 	<ul style="list-style-type: none"> - Draft anti-corruption legislative package adopted, pursuant to the ratified UN Convention against Corruption (including access to information, illegal richness, conflict of interests, and protection of corruption disclosers); decrease in number of citizens' complaints on administrative irregularities; the Corruption Perception Index by Transparency International; watchdog role played by civil society
<ul style="list-style-type: none"> - Higher transparency of the public administration, including the establishment of an open consultation process before passing laws and regulations, and through publishing decisions and reports; 	<ul style="list-style-type: none"> - Open consultation process introduced; number of consultations carried out; number of reports/decisions published;
<ul style="list-style-type: none"> - Functioning of the Ombudsman Office; 	<ul style="list-style-type: none"> - Ombudsman appointed and related regulations adopted;
<ul style="list-style-type: none"> - Personnel reform aiming at mainstreaming the cadre of public servants into a single corps; projects to improve the efficiency and productivity of public servants; equal opportunities for men and women; filling of existing vacancies; 	<ul style="list-style-type: none"> - The structure of civil service reviewed; working conditions of public servants adjusted to allow for mainstreaming into a single personnel cadre; number of public servants trained; equal participation of women at all levels of administration stated as a goal; vacancy rate in ministries; framework developed for human resources management and development;
<ul style="list-style-type: none"> - Introduce models to measure and rate government performance; 	<ul style="list-style-type: none"> - System created to monitor and evaluate administration performance, authorities obliged to report; channels opened for citizens' feedback;
<ul style="list-style-type: none"> - Simplification of procedures and creation of one-stop shops; 	<ul style="list-style-type: none"> - Existing procedures reviewed; possibilities identified for simplification and integration into one-stop shops; pilot program for on-stop shops approved and launched;
<ul style="list-style-type: none"> - Enhancement of the government IT infrastructure to protect data and increase efficiency and productivity; 	<ul style="list-style-type: none"> - A modern information and communication system built, including secure data centres; decision support systems and Enterprise Resource Planning systems introduced;
<ul style="list-style-type: none"> - Launch of e-government and e-services; 	<ul style="list-style-type: none"> - E-government portal created, e-services designed and initially launched;

<ul style="list-style-type: none"> - Production and publication of reliable, timely and regular statistics compatible with EU and international standards in all relevant domains including economy (national accounts, balance of payments, foreign trade, prices, business sectors, industry, services and agriculture), society (demography, migration, living conditions, un-/employment, education), infrastructure (energy, transport), and administration (local and regional levels; justice and health systems, as far as feasible) 	<ul style="list-style-type: none"> - National Master Plan on Statistics adopted (up-to-date statistical methods introduced, compliance with standards ensured including the UN Fundamental Principles of Official Statistics); Lebanon's institutional setup adjusted to facilitate production of statistics; essential databases created (e.g. a business register, services database and other); statistics available on all government websites
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Timeline

Medium-term, throughout the Action Plan duration
Short-term: National Master Plan on Statistics adopted; anti-corruption legislation adopted; IT infrastructure and e-government implemented;

EU intervention(s)

Technical assistance, including twinning programs, to contribute to the achievement of the benchmarks

F. Improved security sector management and law enforcement, including cooperation, accountability and oversight mechanisms, and advancing integrated border management

<i>Benchmarks</i>	<i>Indicators</i>
<ul style="list-style-type: none"> - Adoption of an approach oriented at meeting citizens' needs and expectations as to professionalism, accountability, impartiality and transparency of security forces; 	<ul style="list-style-type: none"> - Institutional development based on sound internal strategic planning within the agencies; public opinion surveys of citizens' satisfaction with the security and rule of law services provided; the code-of-conduct approach implemented by ISF and embraced by other security agencies; respect for human rights mainstreamed into law enforcement practice; reports about security agencies' practice during detentions and interrogations; reduction in cases of impunity;
<ul style="list-style-type: none"> - Adoption and implementation of a national policy on crisis and disaster risk management to foster prevention, preparedness and response mechanisms for natural and man-made emergencies; 	<ul style="list-style-type: none"> - Civil protection issues mainstreamed into security sector management; mechanisms and organisational structures developed for an effective response to civilian crises and natural/man-made disasters;
<ul style="list-style-type: none"> - Improvement of organisational competence of security agencies; 	<ul style="list-style-type: none"> - Assessment of the functioning of law enforcement agencies; internal training mechanisms developed; internal self-assessment based on strategic planning targets; automation of procedures; aggregate data on operations carried out;

<ul style="list-style-type: none"> - Increase in systematic cooperation and information sharing among Lebanese security agencies, and between them and the judiciary; ensuring effective oversight of the security agencies; 	<p>statistics;</p> <ul style="list-style-type: none"> - Existence and implementation of procedures for inter-agency cooperation; statistics on interface between security and judiciary in criminal investigation processes; analysis of institutional mechanisms for oversight of security agencies; civil society playing a watchdog role
<ul style="list-style-type: none"> - Formulation and implementation of a national Integrated Border Management (IBM) Strategy; 	<ul style="list-style-type: none"> - IBM strategy finalised and adopted; national border coordinator appointed and related administrative measures taken for the implementation of the strategy
<ul style="list-style-type: none"> - Modernisation and strengthening of legal crossing points and of the overall border management procedures; effective surveillance along all border, ceasefire and demarcation lines; intensification of national and regional cooperation in fighting against illicit trafficking (including money, drugs, arms and persons); 	<ul style="list-style-type: none"> - Physical and IT improvements of border infrastructure, both at crossings and central administration; steps taken toward the introduction of biometric technologies for passports and visas; Effective controls on all the borders of the country developed and implemented; staff adequately equipped and trained to act according to international standards; reports on instances of smuggling or trafficking and on Lebanese authorities' response, court cases, independent data (e.g. FRONTEX);
<ul style="list-style-type: none"> - Continued efforts on issues of border delineation, with respect to UNSCR 1701 and Lebanon's maritime borders 	<ul style="list-style-type: none"> - Progress made in border demarcation efforts; continued commitment to work with UNIFIL on the implementation of UNSCR 1701 and regarding maritime borders

Timeline

Short to medium term, throughout the Action Plan duration
Short-term: ISF strategic planning processes; full application of ISF code-of-conduct; national policy for disaster risk management; IBM strategy formulation, followed by implementing measures/plans without delay

EU intervention(s)

Continued assistance toward enhancing the professionalism of the security agencies; support for good functioning of emergency services, dialogue with civil society on reform of the system.
Support for strategy development and operation of legal crossing points for the improvement of agency-specific and inter-agency coordination procedures and practice; capacity building and support to assist the creation of an IBM apparatus and eventually align it to international standards (including, possibly, in the area of biometric technologies); move toward activating operational and technical-level cooperation between Lebanese authorities and FRONTEX

G. Increasing trade competitiveness and further trade integration in EU and international markets, WTO accession

<i>Benchmarks</i>	<i>Indicators</i>
<ul style="list-style-type: none"> - Accession to the WTO, implementation of WTO rules and commitments, including the adoption and 	<ul style="list-style-type: none"> - WTO-related legislation adopted and implemented, including International Trade and Licensing Law, Law on Standards, and

<p>implementation of WTO-relevant legislation;</p> <ul style="list-style-type: none"> - Adoption of the new framework on the rules of origin (new Pan-Euro-Med protocol on rules of origin, the Regional Convention) and active participation in the revision exercise of the Pan-Euro-Med rules of origin; - Strategy to promote exports; - Progress in the preparations of an Agreement on Conformity Assessment and Acceptance of Industrial Products (ACAA) in the three priority sectors (electrical products, pressure equipment, construction materials); launch of negotiations in sectors where preparations have been completed - National food traceability system and improved distribution channels management (notably wholesale markets); quality agro-food processing zones; 	<p>Law on Technical Regulation and Conformity Assessment Procedures, Food Safety Law, Law on Animal Quarantine, Law on Trade Marks, Law on Unfair Competition, Law on Industrial Design, Amendments to the Copyright Law, implementation of Law on Plant Quarantine;</p> <ul style="list-style-type: none"> - The agreed commitments for WTO accession implemented; - The new Pan-Euro-Med protocol on rules of origin adopted; the Regional Convention signed, ratified and implemented; Lebanon's presence and activity in the revision exercise; - Export promotion strategy finalised and implemented; Adoption of Draft law on Export Promotion - Relevant horizontal and sectoral legislation aligned, institutions in charge of standardisation, accreditation, technical regulations, conformity assessment, metrology and market surveillance upgraded to strengthen competitiveness (e.g. Lebanese Standards Institution LIBNOR, the accreditation body COLIBAC, conformity assessment bodies including the Industrial Research Institute); negotiations launched in sectors where preparations have been completed - Food traceability system designed and implemented; distribution channels surveyed and improved (wholesale markets effectively regulated, producers given access to market data) ; quality zones defined;
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Timeline

Short-term: progress on WTO accession and rules of origin;
Medium-term: other benchmarks, general competitiveness

EU intervention(s)

Appropriate technical assistance and support to achieve the benchmarks identified above, including preparations for negotiations in the three priority sectors within the ACAA (electrical products, pressure equipment, and construction materials), trade development and export promotion, capacity building to Ministry of Economy and Trade-Quality Unit and National Metrology Council, and with regard to traceability system;

H. Improvement of business environment, particularly for MSMEs, and development of domestic market conditions in key sectors

<i>Benchmarks</i>	<i>Indicators</i>
<ul style="list-style-type: none"> - Participation in the Euro-Mediterranean industrial cooperation process (both for cross-sectors and sectors-specific actions), implementation of the Euro-Mediterranean Charter for Enterprise and of the Euro-Mediterranean Working Programme on Industrial Cooperation; - Improvement of the environment conducive to entrepreneurship and favourable for Micro, Small and Medium Enterprises (MSMEs), with appropriate enablers in place, and linkages between MSMEs and regional/EU business platforms, networks and programmes; - Emphasis on innovation; - Improvement of business enhancing legislation: new company law (Code de Commerce) and competition law in accordance with EU and international standards, regulations on secure lending and insolvency; - Simplification of administrative procedures for establishment of new businesses, including transparent and objective criteria, single point of contact, electronic procedures; - Review of investment policy and incentives with a view to attracting FDI 	<ul style="list-style-type: none"> - Cross-sectors and sectors-specific actions carried out with Lebanon's active participation, including as follows from the gradual transformation of the Charter; indicators used in the 2008 evaluation of the implementation of the Euro-Mediterranean Charter for Enterprise; - The environment adapted to expand the 'entrepreneurship eco-system'; enabling factors actively pursued: access to know-how and funding, capacity building, media, culture, guidance and support; data on involvement of Lebanese MSMEs in supranational business platforms; results of such involvement; - Growth in number of MSMEs: company registration, statistics on establishment of companies, number of start-ups, increase in domestic and foreign investments; success stories in start-ups and/or exits; - Closer cooperation between academia and industry encouraged; government support for innovation; - The legislation adopted and effectively enforced; related administrative and organisational changes carried out: Competition Authority established, real-time online Business Register created; insolvency regime restructured and strengthened; - Time and cost required to register a business substantially reduced; number and variety of business support services; - Legal, policy and administrative provisions reviewed, legal certainty and investment protection improved; steps taken to promote financial inclusion (equity funding, venture capital, business angels)

Timeline

Medium to long term, throughout the Action Plan duration

Short-term: *(to be discussed with Lebanon)* Innovation, entrepreneurship and implementation of Euro-Mediterranean industrial cooperation

EU intervention(s)

Appropriate technical assistance to achieve the benchmarks identified above, including in

improving business climate, upgrading quality infrastructures, and supporting innovation and MSMEs.

I. Enhancing production and marketing of agricultural products in line with international standards, advancing liberalisation, raising competitiveness, and developing rural economy

Benchmarks

- Formulation of a long-term national **strategic framework** for agriculture, fisheries and rural areas with a pro-poor and job-creation orientation, aiming at **diversification** of rural activities and employment opportunities; implementation of and adherence to existing **legislation**; effective national and local **administration** and empowerment of private stakeholders; improved overview of the agriculture sector;
- Strengthening of forest protection, and **reforestation** actions;
- Development of a policy framework for **quality production**, notably protection of geographical indications and support for organic/bio production;
- Investment into bringing food **safety and quality** to international levels; enforcement of 'farm to fork' sanitary and phytosanitary standards (SPS), and their alignment with international and EU standards;
- Support to enhancing **productive infrastructure**; diversification of production and rural economies; strengthening of local

Indicators

- Strategic framework formulated and adopted by the government with attention to **rural development**; agricultural establishments aligned with legislation; character and extent of **regulatory improvements**; **administrative capacities** of public administration strengthened; private-sector stakeholders (producer associations, extension services, etc.) supported to become actors on their own; **classification of land** in line with the Master Plan for Land Use ; **agricultural register** for producers, land and crops created; empowerment of farmers within the existing structures of the chambers of commerce
- National Reforestation Plan implemented; protection of forested areas on all land (public and private) **reflected in law**, in line with the National Land Use Management Plan; reforestation **actions** carried out; plans for creating National and Regional Parks implemented;
- Policies designed with regard to situation in Lebanon;
- **Food safety authority** established; **increased resources** provided to administration and mechanisms ensuring safety and quality standards; **SPS aligned** with World Organisation for Animal Health, Codex Alimentarius, International Plant Protection Convention, and the EU acquis; **standards** raised and **verification** conducted, providing data on (non-)compliance with standards;
- Statistics on infrastructure improvements; production data; employment data in the sector;

<p>capacities (producer groups, communities) aimed at job creation;</p> <ul style="list-style-type: none"> - Creation of a credit facility for farmers and rural development initiatives; - Improvement of marketing processes, including to foreign markets, inter alia by enhancing certification mechanisms for organic products, including equivalence schemes; - Progress towards the liberalisation of trade in agricultural, processed agricultural and fishery products in accordance with the Rabat roadmap, in order to improve export opportunities; progress towards agreement on protection of geographical indications 	<ul style="list-style-type: none"> - Credit facility created, data on its operations; - Improved marketing practices (packaging & labelling standards, export procedures); certification procedures reviewed and established/improved as needed; - Negotiations launched on further liberalization of trade; start of discussions on an agreement on protection of geographical indications for agricultural products and foodstuffs
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Timeline

Short to long-term

Short-term: food traceability system, distribution channels management

EU intervention(s)

Based on best practices and support from the European Neighbourhood Programme for Agriculture and Rural Development (ENPARD); technical assistance, institutional twinning and capacity building to the Ministry of Agriculture and relevant veterinary and food safety authorities in the sanitary and phytosanitary domain (legal update, administrative reorganisation, training of staff); support for the reforestation policy; support for the diversification toward higher added-value products and for the upgrading of agricultural facilities/infrastructure, including for ensuring quality; marketing know-how; support for the implementation of EU rules in the SPS area

J. Enhancing environmental protection and advancing sustainable regional development through greater decentralization and empowerment of municipalities and local authorities.

<i>Benchmarks</i>	<i>Indicators</i>
<ul style="list-style-type: none"> - Provision of state support for municipalities and local authorities (LAs) to operate, manage and maintain infrastructure and deliver essential municipal services fostering growth; - Strengthening institutional, financial and administrative autonomy of municipalities; devolution of decision-making powers to local authorities; 	<ul style="list-style-type: none"> - Volume and form of state support; streamlining of financial flows from/to LAs (including telecommunications revenues, and revitalisation of the Independent Municipal Fund); mechanism activated enabling LAs to have effective and transparent access to development funds; relevant administrative capacity within the Ministry of Interior and Municipalities strengthened; - Framework for empowering local authorities (LAs) adopted; related legal/regulatory measures taken toward strengthening LAs; number of local land use plans adopted; laws on local revenues and taxes updated;

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| <ul style="list-style-type: none"> - Enhancement of municipalities' value for citizens, and strengthening of their engagement in communities through partnerships with local civil society organisations, taking into consideration gender-equal opportunities and efficiency; - Recognition of the need for long-term sustainable development, protection of environment and fight against climate change, incl. by ratification of essential international legal instruments; improved environmental and climate change-related planning and policy making at national level; introduction of systematic environment monitoring and publication of data; - Active efforts in the areas of de-pollution and protection of biodiversity, in accordance with national plans and through participation in regional plans and EU initiatives | <ul style="list-style-type: none"> - Data on quality/extent and effectiveness of the services delivered; partnerships with local CSOs established, outcomes evaluated for best practices - Sustainable development mainstreamed into policies and actions of the government and LAs; conventions ratified (CITES, MARPOL Annex VI, Barcelona Convention protocols, notably ICZM and Offshore); administrative re-organisation to enable national coordination and planning on environment; national environmental indicators defined; measures taken to combat climate change and a national network for environmental monitoring set up; air quality in big cities further monitored; - Participation initiated in the Horizon 2020 De-Pollution Initiative for the Mediterranean Sea and in the Strategic Action Program on pollution from land-based activities, in line with the National Action Plan; specific de-pollution activities for the Mediterranean carried out (including within regional plans); the National Biodiversity Strategy and Action Plan implemented and participation in the Strategic Action Programme for the conservation of biological diversity (SAP BIO) of the Barcelona Convention initiated |
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Timeline

Short to medium-term, throughout the Action Plan duration

Short-term: progress toward a united concept for empowerment of municipalities; environmental planning and national coordination; CITES convention ratification

EU intervention(s)

Capacity building at national level to enable the implementation of the reforms toward an effective decentralisation policy and improvement of relations with LAs; capacity building at local level to strengthen the technical, administrative and financial capacities of LAs, in particular to formulate and implement local development plans and projects; financial support for local initiatives and projects aimed at improving service delivery, revenue generation, and local management capacities; financing of studies to design a stable and dedicated tool to finance the municipal infrastructures; promotion of partnerships between the government and civil society, private sector, academia and media to implement pilot projects in pollution abatement and other areas; support for devising and implementing a national sustainable development strategy; capacity building on climate change and environmental management

K. Implementation of the National Education Strategy, improving technical and vocational training

<i>Benchmarks</i>	<i>Indicators</i>
<ul style="list-style-type: none"> - Improving public early childhood and primary education; improving retention and achievement; strengthening the elements of education for citizenship and social cohesion in the curricula; increasing budgetary and organisational independence of schools; 	<ul style="list-style-type: none"> - Rates of retention and achievement of pupils; teacher training revised; active learning methodologies and remedial learning introduced; system for measuring the effectiveness of primary education implemented; school committees and parents councils established; curricula adapted; autonomy of schools increased
<ul style="list-style-type: none"> - Support a voluntary convergence of the Lebanese higher education system with the principles of Bologna Process; 	<ul style="list-style-type: none"> - Rates of retention and achievement of pupils; teacher training revised; active learning methodologies and remedial learning introduced; system for measuring the effectiveness of primary education implemented; school committees and parents councils established; curricula adapted; autonomy of schools increased
<ul style="list-style-type: none"> - Development and adoption of new technical and vocational education strategy in line with the principles of Torino Process;;, strengthening the link between skills development and labour market needs through the development of integrated and participatory programs between the public, private and civil sectors; 	<ul style="list-style-type: none"> - 3-cycle system adopted, credit system applied, Quality Assurance enhanced, social dimension strengthened, students participation reinforced, Qualifications framework established, mobility enhanced, recognition and equivalence tools developed. - Revised technical and vocational education program developed and adopted; qualifications grid developed; labour market needs analysed regularly, an information system established; career chart completed; cooperation links between education and business community strengthened; civil society and social partners involved; cooperation with other ministries on a national framework for professions certification.
<ul style="list-style-type: none"> - Reinforcement of institutional capacity and development of the relevant mechanisms and tools; 	<ul style="list-style-type: none"> - Ministry's jobs description reviewed and complemented; existing entities modernised and new ones created and the Ministry's structure developed; monitoring and planning units and tools developed; use of IT increased; a Student Information System implemented;
<ul style="list-style-type: none"> - Enhanced quality of education at all levels with a view to the requirements of knowledge economy; introduction of quality assurance procedures, in line with the principles of the Bologna process; 	<ul style="list-style-type: none"> - An educational system of evaluation created and institutionalized for all levels; indicators for quality of education adopted and a national authority for quality assurance in higher education established (required legislation adopted and implemented); system for education quality control at lower levels developed
<ul style="list-style-type: none"> - Development of National Qualifications Framework (NQF) for 	<ul style="list-style-type: none"> - Qualifications for professions defined in terms of learning outcomes, and

professional certification, and a system of recognition of prior learning and experience; reform of curricula	accredited by National Regulator; NQF established and completed with references to these definitions; national register of vocational certification revised in relation to NQF, system of verification of qualifications established based on relevant documents; adequate IT system developed; outdated curricula reformed to be competency-based, role of institutions clarified; links with labour market needs supported
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Timeline

Medium to long-term, throughout the Action Plan duration
Short-term: Adoption of technical and vocational education strategy; start of the identification of indicators for quality of education and a **national authority** for quality assurance in higher education

EU intervention(s)

Capacity building toward establishing a quality assurance agency for higher education; use of the Tempus programme to support the reorganisation of the higher education system; support for the technical and vocational education strategy; increase in mobility under Erasmus Mundus programme and Marie Curie Action; assistance for Lebanese universities' participation in Jean Monnet Programme; support for partnerships with civil society and private sector in general education and vocational training; assistance in the matters of technical and vocational programs; support for evidence-based policy making; follow up on the implementation of the "Improving Retention and Achievement" and the "Citizenship in Education" programs, and improving the responsiveness of vocational training to the needs of the labour market

L. Enhancing provision of social protection and health care

<i>Benchmarks</i>	<i>Indicators</i>
- Access for all segments of the population to affordable and high-quality health care;	- Hospitals contractual agreements reviewed to improve public hospitals services delivery;
- Health care system reform based on investigation of different healthcare coverage models;	- Primary health care package defined and implemented;
- Social protection including healthcare and retirement pension also for those employed in the private sector ;	- New regulations establishing the more inclusive healthcare and pension systems adopted;
- Participation in relevant EU/international programs	- Continued participation in the 'Episouth' network on communicable diseases (ending 2013)

Timeline

Medium to long-term, throughout the Action Plan duration

EU intervention(s)

Technical assistance to help to review the overall labour and social protection policies of Lebanon, in line with European Union best practices. Support the reform of the National Social Security Fund and the National Employment Office, and capacity building to the Ministry of Labour.

M. Implementation of an energy strategy aimed at extending power supply, launching a structural reform and promoting renewable and low-carbon energy use and energy efficiency

<i>Benchmarks</i>	<i>Indicators</i>
<ul style="list-style-type: none">- Start of implementation of existing energy and electricity contingency plans while ensuring adequate financing; enhancement of legal and regulatory framework; establishment of an energy regulatory body;- Analysis of budgetary implications and planning for future of the electricity sector; restructuring of the sector toward greater efficiency and increased electricity supply (reducing power cuts) and accessibility for all;- Construction and proper maintenance and upgrading of physical infrastructure;- Start of implementation of energy efficiency and renewable energy plans in all sectors including by projects aimed at the use of renewable and low-carbon energy sources, with the goal of 12% of total electricity needs to be covered from renewable sources (as foreseen in the 2010 Electricity Plan)	<ul style="list-style-type: none">- Existing plans operationalised/ implemented; missing legislation adopted; a specialised regulatory body proposed and subsequently established;- Changes in the funding of the sector to reduce burden on state budget; financial methods improved (collection of fees; penalties for late payments; supply/demand calculations); illegal consumption curbed; "Électricité du Liban" (EDL) restructured; its corporatisation advanced;- Extent of increase in electricity generation; data on electricity supply, including occurrence of power cuts, and accessibility across Lebanon;- Scope of physical infrastructure repaired or upgraded; number of areas with improved infrastructure;- All sectors made aware of renewable energy and energy efficiency goals; measures adopted toward increasing energy efficiency and development of renewable and low-carbon energy sources, including to foster low-emission climate resilience development projects started and progressing- Significant investments leveraged by the National Energy Efficiency and Renewable Energy Action (NEEREA); volume of these investments; NEEREA transformed into a sustainable mechanism

Timeline

Medium-term, throughout the Action Plan duration
Short-term: *(to be discussed with Lebanon)*

EU intervention(s)

Assistance with enhancement of the regulatory framework, potential capacity building for future regulator; technical and investment support for energy efficiency and renewable energy projects; assistance to enhance regional cooperation in the fields of natural gas, electricity, energy market, energy efficiency etc.

EU-LEBANON ACTION PLAN: FURTHER OBJECTIVES

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SECTORS

1. Political Reform and Dialogue

Joint EU-Lebanon body mainly covering issues in this sector:

- *Sub-committee on human rights, democracy and governance*

Priorities applying to this sector, as defined in the main part of the Action Plan:

- Election reform aiming to achieve international standards and enhancement of the effectiveness of the Lebanese Parliament
- Human rights and protection of vulnerable populations, including Palestinian refugees, by legislation and other adequate measures and targeted actions
- Improving efficiency, good governance and transparency of public administration

Further objectives

(a) Deepening of Lebanon-EU partnership through regular **political dialogue**, exchanges in various formats and fora, and working together toward shared political objectives. This includes in particular:

- Regular bilateral discussions at various levels aiming to ensure an efficient implementation of the EU-Lebanon Association Agreement and the European Neighbourhood Policy in Lebanon
- Strengthened cooperation in the field of foreign and security policy
- Dialogue and cooperation on regional issues, with a view to conflict prevention, crisis management and addressing common security threats. Shared commitment to advancing the Middle East Peace Process with the objective of reaching a just and lasting peace in the Middle East in accordance with International Law and relevant UN resolutions, the Madrid principles, taking into account land for peace, the Road Map, the agreements previously reached by the parties and the Arab Peace Initiative adopted in Beirut in 2002
- Working together in multilateral institutions, including with the aim of contributing to the UN endeavours to find peaceful resolution of regional conflicts. In particular, continued commitment to and collaboration with UNIFIL to maintain peace in Southern Lebanon
- Working together in effectively implementing the relevant UN resolutions and other international obligations, including with regard to the Special Tribunal for Lebanon
- Accession to the Rome Statute of the International Criminal Court and adoption of the necessary legislative amendments for its implementation
- Continuation of the established dialogue between the European Parliament and the Lebanese Parliament.

(b) Strengthening of **democracy and rule of law** through structural reforms, reinforcement of public institutions and improvements of governance, as outlined in the Action Plan priorities.

(c) Further strengthening of the framework for **protection of human rights and fundamental freedoms** beyond the priority objectives, in particular by:

- Ensuring effective implementation of international commitments with respect to human rights and fundamental freedoms
- Pursue the de-facto moratorium on capital punishment. Engage in dialogue on the abolition of the death penalty, including adherence to the Second Optional Protocol of the International Covenant on Civil and Political Rights
- Taking measures to guarantee the freedom of expression and independence of media
- Safeguarding the freedom of association and assembly and consolidating the legislative framework and procedures governing it, particularly by the ratification and implementation of the ILO Convention no. 87 on Freedom of Association and Protection of the Right to Organise
- Advancing considerations on the adoption of a secular personal status law, granting civil rights and obligations to the Lebanese citizens regardless of their religious affiliation
- Guaranteeing non-discrimination on any grounds by law and in practice, including the prevention of discrimination on the basis of sexual orientation.
- Expanding education on human rights issues at all levels of education and into school curricula
- Maintaining regular consultations on policy issues with relevant civil society actors

(d) **Civil peace and reconciliation** as an effort to address root causes of potential instability, through support for:

- Inclusive and permanent dialogue between Lebanon's communities and their representatives, including through the revival of the National Dialogue, dialogue between religious leaders, and other possible frameworks
- Civil society initiatives aimed at fostering dialogue about underlying themes such as Lebanon's recent historical legacy, social cohesion, and shared values
- Developing and implementing reforms in various sectors in ways that contribute to overcoming divisions in society by pursuing objectives of common interest
- Addressing the issue of enforced disappearances by the ratification and implementation of the Convention for the Protection of All Persons from Enforced Disappearance, and by setting up the independent National Commission to prepare legislation for missing persons and enforced disappearances

(e) Preventing proliferation of **weapons of mass destruction** and their means of delivery and fighting illicit accumulation and spread of **conventional weapons and ammunition**, while improving the overall co-ordination and extending the scope of cooperation in this area, focusing on:

- Implementation of UNSC Resolution 1540/04 and the other international obligations; effective steps toward the accession to further international instruments, notably the 1997 Ottawa Convention on the Prohibition of the Use, Stockpiling, Production and Transfer of Anti-Personnel Mines and on their Destruction; contribution to elaborating and implementing of an arms trade treaty setting high standards for the regulation of legal trade in conventional arms
- Development of effective national control systems for export and transit of materials related to WMD and their means of delivery (including ballistic missiles), which includes dual-use goods and technologies; ensuring effective sanctions for breaches
- Prevention of and fight against illicit trafficking of weapons of mass destruction, their means of delivery and related materials; as well as of small arms, particularly through the UN Programme of Action to Prevent, Combat and Eradicate the Illicit Trade in Small Arms and Light Weapons in All Its Aspects
- Promotion of the establishment of a mutually and effectively verifiable Middle East zone free of weapons of mass destruction and their delivery systems; support for and participation in future EU initiatives in this context
- Amendment of Lebanon's legislation in line with the EU Common Position on conventional arms exports

2. Reform and cooperation in the field of justice, freedom and security

Joint EU-Lebanon body mainly covering issues in this sector:

- *Sub-committee on justice, freedom and security*

Priorities applying to this sector, as defined in the main part of the Action Plan:

- Reforming the justice system (including the prisons segment) toward greater efficiency, effectiveness, and independence of the judiciary
- Improved security sector management and law enforcement, including cooperation, accountability and oversight mechanisms
- Advancing integrated border management

Further objectives

(a) Fight against drugs and their abuse in the framework of a comprehensive national policy, comprising criminalisation and prevention of drug cultivation (including in relation to diversion of drug precursors), crops eradication, prevention of drug abuse and addiction, awareness, treatment and rehabilitation. This implies the need for:

- National coordination, i.e. creation of an interagency committee to shape the policy and monitor its implementation.
- Reinforcement of capacities for prevention and treatment of drug abuse at the social level and by medical means
- International cooperation and information exchange on all aspects of the comprehensive anti-drug policy as well as on the implementation of relevant UN Conventions (in particular, the 1988 UN Convention against Illicit Traffic in Narcotic Drugs and Psychotropic Substances)

(b) Fight against organised crime, in particular trafficking in human beings, illicit manufacturing and smuggling of firearms, and cybercrime (including child pornography). This implies:

- Implementation of international law (especially the 2000 UN Convention against Transnational Organized Crime and the Protocols Thereto)
- Development of national capacities in line with international standards and regulations, including in the field of protection and assistance to victims of human trafficking (legal and social assistance, psychological support, aiming at re-integration), especially for women and children
- Regional and international cooperation of law enforcement bodies active in policing, border protection, customs matters and judicial follow-up, including between Lebanon and EU Member States, aiming to: exchange expertise on best practices, training, patterns and modus operandi, foster specific cooperation on human trafficking with countries of origin and transit, as well as judicial cooperation in witness protection and assistance programmes

(c) Continue the fight against money laundering in line with standards laid down by the Financial Action Task Force by means of information exchange via the legal channels, enhanced cooperation and support, i.e. notably to:

- Exchange up-to-date information on systems for combating money laundering
- Strengthen systems of financial information, especially monitoring cash movements and wire transfers abroad
- Maintain intensive co-operation among law enforcement agencies within Lebanon and between Lebanon and international organisations (MENAFATF) as well as corresponding bodies in EU Member States

(d) Combating terrorism in the framework of relevant UN Resolutions and Conventions, with full respect for human rights in line with UN recommendations, by implementing the provisions of the Euro-Mediterranean Code of Conduct on Countering Terrorism, and through strengthening cooperation between Lebanon and the EU in the following fields:

- Fight against the financing of terrorism in line with the standards laid down in the Financial Action Task Force (FATF) recommendations, and by their implementation
- Cooperation between Lebanon's and EU Member States' counter-terrorism and law enforcement agencies, particularly to exchange information on terrorist groups and their support networks
- Exchange of views on means and methods used to counter terrorism, including in technical fields and in training, and exchange of experiences regarding terrorism prevention aiming at national capacity building
- Fight against the use of the Internet for terrorist purposes
- Judicial cooperation on combating terrorism.
- Where pending, implementation of all relevant UNSC Resolutions and signature, ratification and full implementation of all relevant UN Conventions
- Pursuit of efforts to arrive at a Comprehensive UN Convention on Combating Terrorism

(e) Judicial cooperation in civil and criminal matters through:

- Exchanging information on ratification and implementation of relevant international conventions
- Developing cooperation between Lebanon's and EU Member States' courts, in particular with regard to family law
- Promoting concrete solutions of family disputes in order to prevent and resolve conflicts regarding custody, visiting rights and child abduction of children of mixed couples, including by mediation, practical judicial cooperation and judicial training.

3. Economic and social reform, sustainable development

3.1. Economic and financial reform

Joint EU-Lebanon body mainly covering issues in this sub-sector:

- *Sub-committee on economic and financial matters*

Priority applying mainly to this sub-sector, as defined in the main part of the Action Plan:

- Enhancement of public finance management and effective allocation of public resources

Further objectives

(a) Pursuing macroeconomic and financial stability through fiscal policies aimed at consolidation, deficit reduction and debt sustainability, and fiscal discipline in the implementation phase, which implies:

- Formulation of a long-term strategy for debt reduction;
- Reinforcement of debt management bodies, notably the responsible office at the Ministry of Finance, by providing them adequate resources and improving conditions for their effective functioning
- Addressing specific issues (e.g. quasi-fiscal deficit and contingent liabilities to promote sustainable public finances)
- Ensuring the preservation of the full statutory and de facto independence of the Central Bank
- Prospective transfer of the Central Bank's non-core assets in due time.

(b) Public Internal Financial Control (complementary to the priority objective on enhancement of public finance management) aiming in particular to:

- Develop a plan for public internal financial control system (managerial accountability and decentralised internal audit), including through enhancement of the legislative framework
- Pursue gradual harmonization with the internationally agreed standards (IFAC, IIA, INTOSAI) as well as with EU best practices for the control and audit of public income, expenditure, assets and liabilities
- Establish internal audit units in all budgetary entities, including in particular a Central Audit Coordination unit within the Ministry of Finance
- Carry out and publish regular audits, especially of the Council for Development and Reconstruction, the National Social Security Fund and the Municipal Development Fund.

(c) Progress toward fully functioning market economy with particular regard to:

- Implementing privatisation or corporatisation of state-dominated sectors, notably public utilities, with high transparency
- Creating an enabling environment for investments, including adequate protection of foreign investments
- Implementation of the Financial Markets Law (no. 161/2011), including the identification of technical support needs on the Lebanese side, aiming at the establishment of the financial market authority and its preparation for full operation

3.2. Social and migration issues, sustainable national and regional socio-economic development

Joint EU-Lebanon bodies mainly covering issues in this sub-sector:

- *Sub-committee on social and migration issues*

Priorities applying to this sub-sector, as defined in the main part of the Action Plan:

- Support for effective empowerment of municipalities and local authorities aiming at greater decentralisation and sustainable regional socio-economic development
- Enhancing provision of social protection and health care

Further objectives

(a) Cooperation on migration and related issues through strengthened dialogue, information exchange and/or adoption of specific measures:

- Management of legal migration, including admission policies and stay, aggregate data on skills available as well as employment opportunities and related procedures on both sides, integration of migrants (including non-discrimination, protection from xenophobia), linkages between migration and development (productive role of diasporas)
- Prevention and control of illegal migration including by collecting and sharing accurate data on its scale, monitoring migratory movements (to Lebanon and the EU as well as transit migration), cooperating with regional countries and countries of origin, applying appropriate policies for return of illegal migrants, supporting measures to prevent and counter illegal migration (including by sea), and raising awareness of the risks of human trafficking
- Readmission of own nationals, with the possibility of negotiating a readmission agreement between Lebanon and the EU and its Member States regarding also stateless persons and third-country nationals
- Security of travel documents and visas in conformity with international standards, including biometric technologies
- Synergy with Euro-Med or other international initiatives on migration research and the possibility of Lebanon's participation in relevant Community programmes
- Dialogue on existing EU and Lebanese visa rules and procedures, whenever considered necessary and possible by both parties

(b) Public health, beyond the priority objective specified in the main part of the Action Plan, aimed at prevention and control of diseases as well as increasing health security, especially by:

- Promoting prevention and control of communicable and non-communicable diseases including through exchange of health information and through the full and timely implementation of international health agreements, in particular the International Health Regulations (IHR) and the Framework Convention on Tobacco Control (FCTC)

- Enhancing capacities to detect health threats and respond to them, through training and strengthening preparedness and surveillance systems

(c) Promotion of employment through the creation of an enabling environment in terms of skills development, equal opportunities for all and motivational social policy, in particular by:

- Formulation of a comprehensive Social Development and Employment Strategy as a basis document
- Continuous social dialogue, including within the Economic and Social Council and through tripartite dialogue, in order to develop opportunities for partnerships between the private sector and civil society, with special focus on the area of vocational training
- Promotion of the participation of women and youth in the labour market by reducing obstacles for entering the labour market, introducing specific technical and vocational training programmes, and adopting a market-driven approach to increase their employability
- Modernisation of the National Employment Authority.
- Motivational benefits policy geared toward encouraging active job-seeking and requalification in line with the needs of the labour market

(d) Strengthening of social safety nets with a view to reducing poverty while increasing efficiency and effectiveness of the state social security system, including by:

- Formulation of a comprehensive Social Development and Employment Strategy as a basis document
- Evaluation and improvement of the efficiency, targeting and coverage of the existing systems, e.g. by avoiding duplicities in government subsidies
- Reforming the social security system while progressively moving from generalised budget subsidies and tax exemptions toward means-tested transfers to households in greatest need
- Revival of a constructive social dialogue (tripartite and bipartite)
- Programmes and initiatives aimed at fostering social inclusion and fighting discrimination, with particular attention to women and marginalised groups

(e) Sustainable regional development, in addition to the priority objective as defined in the main part of the Action Plan, with particular attention to strengthening the socio-economic cohesion of Lebanon's regions, creating jobs, and promoting principles of sustainable development by:

- Formulation of a comprehensive long-term programme for the sustainable development of Lebanon's regions
- Incentives to expand economic activities beyond the Greater Beirut area

- Mainstreaming of sustainable development issues into sectoral policies and establishment of straightforward procedures for coordination on sustainable development issues between the sectors concerned

4. Trade-related issues, market and regulatory reform

4.1. Industry, trade and services

Joint EU-Lebanon bodies mainly covering issues in this sector:

- *Sub-committee on industry, trade and services*

Priorities applying to this sector, as defined in the main part of the Action Plan:

- Increasing trade competitiveness and further trade integration in EU and international markets, WTO accession (*also applies to sub-sector 4.2*)
- Improvement of business environment, particularly for MSMEs, and development of domestic market conditions in key sectors

(also applies to sub-sectors 4.2 and 5.1)

Further objective

(a) Further **deepening of bilateral and regional trade relations** and adoption of measures

conducive to this aim, in particular:

- After Lebanon's accession to the WTO, joint exploration of ways how to further deepen EU-Lebanon bilateral trade relations, including in the area of trade in services and on trade-related regulatory areas
- Accession to and implementation of the Agadir Agreement
- Participation in other regional and sub-regional trade initiatives such as the Trade and Investment Facilitation Mechanism, and closer sector cooperation
- Deepening trade relations with neighbours through the implementation of FTAs
- Finalisation of internal procedures leading to the adoption of the Protocol establishing a Dispute Settlement Mechanism for the resolution of trade disputes under the Association Agreement
- Strengthening of the Lebanese administration's capacity in International Trade Data Sharing and Notification Systems

4.2. Market, competition and business environment

Joint EU-Lebanon bodies mainly covering issues in this sector:

- *Sub-committee on internal market*

Priorities applying mainly to this sector, as defined in the main part of the Action Plan:

- Improvement of business environment, particularly for MSMEs, and development of domestic market conditions in key sectors
- Increasing trade competitiveness and further trade integration in EU and international markets, WTO accession

Further objectives

(a) Additional legislative and regulatory measures to improve the **business environment** in

Lebanon beyond the priority objective, in particular by:

- Adopting legislation and ensuring enforcement in the fields of competition, technical regulations and conformity assessment procedures, metrology, export promotion, industrial property rights, copyright and related intellectual property rights in line with EU and international standards
- Implementing the 2005 law on consumer protection and activation of the National Council for Consumer Protection
- Adopting legislation on open and transparent public procurement
- Adopting legislation on public-private partnerships
- Improving the commercial justice system
- Developing corporate governance guidelines for public and private companies
- Adopting accounting rules in accordance with international and EU standards as well as a qualified audit profession

(b) Enhancement of the **competitiveness of the services sector**, in particular through:

- Simplification of regulatory and administrative requirements
- **Regulatory reform of the financial services sector** (banking, insurance and securities) including efficient and independent supervision in accordance with EU and international standards
- Establishing a Competitiveness Observatory
- Supporting the development of a unified services statistics database.
- Supporting the development and implementation of a **Services Modernisation Programme**

4.3. Customs and taxation

Joint EU-Lebanon body mainly covering issues in this sector:

- *Sub-committee on customs and taxation*

Objectives

a) Improved functioning of **customs** service, simplification and modernisation of customs procedures:

- Further harmonisation and simplification of customs legislation, code and procedures in accordance with Palermo recommendations, including further computerisation and automation of customs procedures;
- Enhanced dialogue and cooperation on existing legislation in the area of customs controls of pirated and counterfeited goods as well as on its implementation, and exchange of relevant statistics;
- Strengthening EU-Lebanon co-operation on combating irregularities and fraud in customs and related matters and adopting and implementing a customs ethics policy (in line with the Arusha Declaration of the Customs Co-operation Council);
- Continuing to strengthen cooperation of Lebanon's customs service with other agencies working at the border in the framework of integrated border management;
- Supporting the development of measures with regard to risk-based customs control ensuring safety and security of goods imported, exported or in transit;
- Providing the customs administration with adequate internal or external expertise, in particular laboratory capacities.

b) Improvements in the area of **taxation**:

- Further modernisation and simplification of tax administration structures and procedures;
- Continuing dialogue to promote the adoption of the principles of the Code of Conduct for Business Taxation;
- Continuing efforts to develop the network of bilateral agreements between Lebanon and EU Member States on avoidance of double taxation, including the improvement of transparency and the exchange of information in accordance with international standards.

5. Education and research, information society, civil society and culture

Joint EU-Lebanon body mainly covering issues in this sector:

- *Sub-committee on research, innovation, information society, education and culture*

5.1. Education, science and technology, research and development, innovation and information society

Priorities applying to this sub-sector, as defined in the main part of the Action Plan:

- Implementation of the National Education Strategy, improving technical and vocational training
- Improvement of business environment, particularly for MSMEs, and development of domestic market conditions in key sectors

Further objectives

(a) Beyond the priority objective: development of **primary and secondary education** with regard to raising standards, improving quality and ensuring access for all, with special attention to:

- Enhancing quality by ensuring the availability of adequate human resources (teachers, professors and administrative staff) and their professional development
- Ensuring access to quality education for all Lebanese, including the poor, disadvantaged and marginalised

(b) Beyond the priority objective: development of **vocational and technical education** with regard to improving quality, ensuring access for all, promoting competitiveness, employability with special attention to:

- Enhancing quality by ensuring the availability of adequate human resources (teachers, professors and administrative staff) and their professional development
- Review and update of the available programs and specialties in vocational and technical education
- Building-up institutional capacity for education policy development and implementation as well as updating and development of new curricula
- Effectively utilising EU support for modernising vocational education and training
- Strengthening partnerships and cooperation in the field of vocational and technical education

(c) Beyond the priority objective: continued reform and modernisation of **higher education** in order to promote competitiveness, employability and mobility, and strengthen convergence with EU standards, particularly by:

- Build-up of institutional capacity for education policy development and implementation as well as development of new curricula, notably for science and information technology
- Full use of the TEMPUS programme and its successor programme in their cooperation and reform-oriented components
- Encouragement of student mobility through active participation in programmes available, including Erasmus Mundus and its successor programme

(d) Development of Lebanon's capacities in scientific and **technological research and innovation**

aiming to bolster economic growth and social development, notably through:

- Support for the participation of Lebanese entities in the forthcoming Horizon 2020 Programme, and with the help of a public information strategy to encourage Lebanese entities to participate
- Lebanon's participation in the international dimension of the European Research Area
- Formulation and increased financing of the research and innovation policy relevant to Lebanon's objectives of sustainable and equitable development, including reforms of the R&D system and the relevant regulatory framework
- Ensuring increased investment into research and innovation from both the public and the private sectors, including through reinforced human, material and institutional resources
- Adoption of the researcher status in the public sector
- Cooperation in high-level scientific exchanges including reinforced participation in the Marie Skłodowska-Curie Actions
- Ensuring commitment to the implementation of the STIP Priorities (Science, Technology and Innovation Policy)

(e) Cooperation in **developing information society and media policies in Lebanon, including by:**

- Exchange of best practices on the strategic management of electronic communication networks, licensing, intellectual property rights, development of electronic transactions for promoting business-to-business exchanges as well as e-services for citizens, and further development of information society at national, regional and global levels
- Promoting reliable and stable functioning of networks and services in the spirit of openness and interoperability, including through Lebanon's active participation in EMERG (the network of regulators for electronic communications in the South Mediterranean)
- Promotion of free and open access to Internet, including through cooperation with the regulators for electronic communications in the South Mediterranean region.
- Science and Technology cooperation in ICT, including in the context of the EU Framework Programmes for research and technological development and cooperation, as related to research and education networks and within the EUMEDCONNECT network

- In the domain of audio-visual and media, focusing on the development of a transparent, efficient and predictable regulatory framework, together with an independent regulatory authority for audio-visual and media.
- Dialogue on audiovisual and media content including co-operation in the fight against racism, religious intolerance, and xenophobia.

(f) Restructuring of the Information and Communications Technologies sector (ICT) aiming to improve its efficiency and management, with a view to further liberalisation, and particularly by:

- Completion of corporatisation of the sector to allow participation of private entities and foreign investment, leading to a functioning market conducive to economic growth
- Developing the Lebanese legal and regulatory framework for electronic communications converging to the EU in order to deal with issues of authorisation, access and interconnection of networks and services, universal service, user's rights, consumer protection, data privacy and data protection in electronic communications, and efficient use of the radio-spectrum
- Support for inter-linkages with other sectors that can benefit from ICT

5.2. Youth and sports, civil society, culture, and people-to-people contacts

Further objectives

(a) Dialogue and cooperation in the area of **youth policy and sports**, with special attention to the issues of mobility and, at the national level, divisions in society. The efforts will include specifically:

- Encouraging youth mobility by promoting youth exchanges, aiming at a broader use of the EU-supported programmes with a higher number of mobility stays carried out
- Promoting exchanges of young professionals between European and Lebanese institutions and organisations
- Working with youth to address the complex issues of sectarian and other divisions through practical and constructive initiatives aimed at promoting unity, citizenship, and peaceful development
- Enhancing EU-Lebanon interaction in the field of non-formal education for young people, including through intercultural dialogue
- Ensuring the successful implementation of the Euro-Med Youth programme by increasing the performance of the relevant structures on the Lebanese side

(b) Support for **further development of civil society** by fostering an enabling environment and building on Lebanon's existing civil society networks, in particular by:

- Further adjusting the legal and administrative framework for the free operation, activities and continuing development of civil society
- Encouraging contacts between Lebanese and EU civil society organisations by actively informing of available programs and instruments for this purpose
- Fully enabling Lebanese civil society organisations to contribute effectively, as a partner of the Lebanese government, to foster the economic, political and social development in the country in accordance with national legislation
- Empowering consumers to protect their legitimate interests through civil society structures

(c) Promoting EU-Lebanon **cultural cooperation and dialogue between cultures** at international, regional, bilateral and local levels, including:

- Cooperation in international fora and particularly UNESCO to foster cultural diversity and preserve and protect cultural and historical heritage. This implies signing, ratification and implementation by Lebanon of the UNESCO Convention on the Protection and Promotion of the Diversity of Cultural Expressions.
- Lebanon's more active participation in EU-supported cultural programmes
- Participation in the activities of the Anna Lindh Euro-Mediterranean Foundation for the Dialogue Between Cultures
- Encouragement of direct cooperation in the field of culture at sub-national level, i.e. at the level of Lebanon's governorates and municipalities
- Protection of built heritage in Lebanon including UNESCO listed cities
- Promotion of Lebanon's and the EU's living culture by supporting a range of cultural activities between Lebanese and European entities as well as people-to-people contacts and initiatives
- Support cultural centres promoting cultural diversity

6. Agriculture and fisheries

Joint EU-Lebanon body mainly covering issues in this sector:

- *Sub-committee on agriculture and fisheries*

Priorities applying to this sector, as defined in the main part of the Action Plan:

- Enhancing production and marketing of agricultural products in line with international standards, advancing liberalisation, raising competitiveness, and developing rural economy

Further objectives

(a) Strengthening the quality and capacities in **agricultural production**, notably by putting emphasis on:

- Strengthened role of agricultural research centres in improving the productivity, food safety and quality of agricultural and processed agricultural products; increased cooperation with European Research Centres, particularly in the areas of genetic engineering and biotechnology
- Broader use of technology in the agricultural sector and in different production phases
- Measures to encourage private investment
- Strengthened administrative capacity of the land cadastre

(b) Intensified activities and cooperation on conservation and sustainable management of fisheries resources in the Mediterranean, notably by:

- Increasing the scientific, technical and administrative capacities to monitor, evaluate and manage the fisheries resources under exploitation and the marine environment, with special attention to aspects of long-term sustainability
- Strengthening cooperation efforts within the framework of regional fisheries management organisations, in particular the General Fisheries Commission for the Mediterranean (GFCM)
- Promoting the importance of fishermen associations with a view to implementing responsible fisheries, and improving the associations' capacity to be represented in international and multilateral organisations.

7. Transport, energy and environment

Joint EU-Lebanon body mainly covering issues in this sector:

- *Sub-committee on transport, energy and environment*

7.1. Transport

Objectives

(a) Continued cooperation and integration with the EU in the field transport while actively participating in regional efforts to this aim, and with particular regard to:

- Negotiation of a Euro-Mediterranean Aviation Agreement with Lebanon, in accordance with the aim of creating a Euro-Mediterranean common aviation area and with due attention to matters of aviation safety and security
- Identification and start of implementation of priority regional infrastructure projects within the framework of trans-Mediterranean transport network
- Activities toward the interconnection of the trans-Mediterranean and trans-European transport networks in compliance with the Communication of the European Commission of July 2011 ("The EU and its neighbouring regions: A renewed approach to transport cooperation")

- Continued participation in the development of GNSS (Galileo) within the Mediterranean and in the regional cooperation activities on satellite navigation systems
- Cooperation with the EU and Mediterranean partners in the framework of the International Maritime Organisation

(b) Development of an **integrated maritime policy** taking into account the full range of varying marine and maritime interests, as well as international agreements and long-term sustainability, with specific attention to:

- Reinforcement of the governance of maritime activities at national and lower levels as appropriate, including by reinforcing administrative capacity to coordinate impacts of various economic sectors on sea (including on coastal zones)
- Respect for relevant international and regional conventions, including alignment with EU legislation where appropriate, and participation in regional cooperation
- Ensuring maritime safety and security by fully implementing the requirements of the SOLAS/ISPS Code as well as the systems of Flag State Implementation and Port State Control
- Development and reorganisation of the ports sector aiming to increase efficiency and introduce an independent port authority responsible for regulation and control
- Mainstreaming of the policy into sector policies including national fisheries policy
- Sustainable growth perspective while developing the maritime industry, increasing its competitiveness and promoting the participation of private sector in all its aspects, including ports and port activities
- Moving toward the establishment of protected zones/biological reservations in line with the recommendations and current activities in the framework of international and regional cooperation (Barcelona Convention, General Fisheries Commission for the Mediterranean)

(c) Further implementation of **national aviation policy** through administrative reorganisation and continuing liberalisation, including in the airports segment. That implies:

- Reinforcing administrative capacity including by the establishment of an autonomous Civil Aviation Authority focused on regulatory tasks
- Progressive liberalisation of charter and scheduled flights and assessment of liberalisation possibilities in ground handling services at airports
- Implementation of European and international aviation standards (JAA, EASA) including with regard to safety and security

(d) Development and implementation of **national land transport policy**, with particular focus on sustainable transport, and including specifically:

- Regulated and well-performing public transport in major cities and between cities

- Revitalisation of the railway network
- Increase of the share of public transport in the overall modal split

(e) Adoption of a **national policy on road safety**, including aspects of combating road violence such as reckless driving and other unsafe behaviour, ensuring the involvement of all institutional partners active in traffic management and road safety, and aiming inter alia to:

- Enhance the road infrastructure, considering to take advantage of the assistance provided by the EU directive on road infrastructure safety management
- Develop technical control mechanisms and road worthiness testing of vehicles
- Implement the relevant international conventions, notably on dangerous goods transport
- Converge to EU and international standards

7.2. Energy

Priority applying to this sub-sector, as defined in the main part of the Action Plan:

- Implementation of an energy strategy aimed at extending power supply, launching a structural reform and promoting renewable and low-carbon energy use and energy efficiency

Further objectives

(a) Lebanon's **convergence toward the EU** in energy policy objectives and market principles, including in the context of regional cooperation with the EU, and specifically by:

- Adopting a long-term energy strategy setting out convergence towards EU objectives and covering all sub-sectors, including the reinforcement of institutions and financing.
- Outlining the process of gradual convergence towards the principles of the EU internal electricity and gas markets.
- Exploring the possibility for Lebanon's participation in the Intelligent Energy-Europe programme.
- Promoting regional cooperation with other countries in the Mashrek and beyond, aiming toward a broader cooperation between the region and the EU

7.3. Environment, including climate change

Priority applying to this sub-sector, as defined in the main part of the Action Plan:

- Administrative/legislative action to enhance environmental management and progress on the climate change agenda

Further objectives

(a) Action to **combat climate change** and foster low-emission climate-resilient development through appropriate formulation of policies, exchange of information, technological modernisation and capacity building, in particular by:

- Instituting climate change-related decision making, building on EU assistance with the identification and formulation of policies on climate change mitigation and adaptation.
- Enhancing respective capacities of the public and private sectors in terms of Measurement, Reporting and Verification of GHG mitigation actions, focusing on requirements, application protocols and tools, especially for the energy sector
- Using climate monitoring tools and sharing of information and best practices on climate change mitigation and adaptation
- Integrating low-emission and climate-resilient development into Lebanon's development strategy, building capacities in this respect, supporting regional exchanges and cooperation to this aim, and strategically promoting low-carbon energy
- Actively participating in the Durban Platform while implementing provisions under the UN Framework Convention on Climate Change and the Kyoto Protocol.
- Prepare the concerned stakeholders to use the new mechanisms under discussion at international level, notably the Nationally Appropriate Mitigation Actions (NAMAs) and sectoral crediting mechanisms.

(b) **Specific Lebanon-EU cooperation** with a view to strengthening the protection and management of the environment, in the framework of existing and future environmental actions, notably the Horizon 2020 programme, and including in the fields of:

- Systematic sharing of environmental information
- Support for the development of infrastructure projects to make them ready for external funding, in particular through facilitating compliance with the commitments under the Barcelona Convention, such as prevention of marine litter and reduction of organic load in wastewaters
- Identification and addressing of shortfalls in environmental administrative capacity
- Integration of regional commitments under the Barcelona Convention, particularly on pollution reduction and biodiversity protection through biological reservations, into environmental projects and management

(c) Advancing the practice of **integrated water management** both on the supply and the demand sides while ensuring the protection and monitoring of water sources and engaging in international cooperation, specifically by:

- Consistently applying methodologies and practices of integrated water management
- Improving the quantity and quality of water supply from surface and ground sources using integrated plans and projects to ensure adequate environmental protection
- Enhancing the management of the demand for water from all sectors (municipal and touristic, industrial, agricultural and environmental)
- Protecting surface and ground water resources from all sources of pollution
- Establishing a nationwide surface and ground water monitoring network to accurately control surface and groundwater level and quality.
- Working nationally as well as within international frameworks to address regional and trans-boundary water resource management issues and to identify possibilities for productive regional co-operation, including on desertification issues.

(d) Environmental awareness raising and support for activities of and cooperation with local authorities, civil society and the private sector, in particular by:

- Implementing the environmental education and awareness plan
- Establishing procedures for public participation and access to environmental information
- Publishing regular reports on the state of the environment
- Reinforcing the required capacities and procedures in environmental assessments. Developing pilot projects in priority fields and broadly informing of results
- Encouraging activities of the private sector, civil society actors, and local authorities operating in the environmental sector.