MASAR
MAINTAINING STRENGTH AND RESILIENCE FOR LOCAL GOVERNMENTS IN LEBANON

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WATER SECTOR GOVERNANCE IN LEBANON:

POTENTIAL ROLE OF LOCAL GOVERNMENTS*

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LIST OF ACRONYMS

AFD	Agence Française de Développement
BMLWE	Beirut and Mount-Lebanon Water Establishment
BWE	Beqaa Water Establishment
CapEx	Capital Expenditures
CDR	Council for Development and Reconstruction
EU	European Union
INGOs	International Non-Governmental Organisations
ITS	Informal Tented Settlement
KfW	German Government Development Bank
LRA	Litani River Authority
MA	Municipality of Aarsal
MASAR	Maintaining Strength and Resilience Programme
MOEW	Ministry of Energy and Water
LG	Local governments
NGO	Non-Governmental Organisation
NRW	Non-Revenue Water
NWSS	National Water Sector Strategy
NSWS	National Strategy for the Wastewater Sector
NLWE	North-Lebanon Water Establishment
O&M	Operation and Maintenance
OpEx	Operational Expenditures
RWE	Regional Water Establishments
SLWE	South-Lebanon Water Establishment
SOP	Standard Operating Procedures
STP	Sewage Treatment Plant
UoM	Union of Municipalities
UMDA	Union of Municipalities of Deir El Ahmar
UNDP	United Nations Development Programme
UNICEF	United Nations International Children's Emergency Fund
USAID	United States Agency for International Development
VNG	Association of Netherlands Municipalities

Executive Summary

The Lebanese water sector suffers from chronic mismanagement that has hindered the provision of reliable water supply and sanitation services since the end of the civil war in 1990. The adoption of the National Water Sector Strategy and the National Strategy for the Wastewater Sector in 2012 by the Lebanese Council of Ministers, followed by the promulgation of the Water Code in 2018 and its amendment in 2020, were expected to improve the situation by reducing prevailing overlaps and inefficiencies within the sector. However, persistent challenges over the past 10 years have forced the Ministry of Energy and Water to focus on continuous emergency response. Furthermore, the current national economic crisis in the country is preventing any progress in this sector.

According to Law 192/2020, the MoEW is responsible for setting the overall national water policy, while the Regional Water Establishments provide basic water and sanitation services as stipulated by Law 221/2000. However, while Law 221/2000 did not envisage any significant role for local governments in water management, Law 192/2020 stipulated that these authorities could play certain roles in managing local water resources and water supply and sanitation services via public-public partnerships with the RWEs. The RWEs have been suffering from minimal capacity with a chronic problem of understaffing and amassing debts due to their general administrative and operational inefficiencies, which have aggravated since the financial meltdown of October 2019.

Local governments are taking initiatives to fill the prevailing gaps, encouraged by funding and empowerment by the international donor community. However, both entities are not paying enough attention to the long-term sustainability of such interventions, especially since both capital and operational expenditures for water supply and sanitation projects are way beyond the local governments' capacities, as is the case for the Municipality of Aarsal and the Union of Municipalities of Deir El Ahmar. While the RWEs could mandate local governments to lead water service provision at the local level by establishing public-public partnerships with them, a prerequisite for such involvement is the ability to develop a workable arrangement for coordination between the two. Furthermore, local governments should be granted the necessary financial, institutional, and individual staff capacities through support and empowerment by the Lebanese Government. This could be fostered through the adoption of the 2014 Administrative Decentralisation Bill granting additional powers to sub-national governments to directly manage and oversee water service provision with a strong involvement of the private sector.

Based on the above, this policy brief recommends (1) a new vision based on inclusivity in terms of both institutional setup

and universal access to water and sanitation service; (2) significant investment in the sector, as well as institutional overhaul at the national, regional, and local levels; (3) institutional support and capacity development for the MoEW to fulfil its oversight and regulatory mandate over the water sector; (4) strengthening and regulation of private sector involvement in the water supply process; (5) support to the RWEs through a comprehensive programme of technical assistance and institutional capacity development; (6) promotion of institutionalised coordination and cooperation between local governments and RWEs through partnerships arrangements as mandated in the Water Code; (7) ensure major capacity development programme for all local governments to enhance their institutional, financial, and human resources capacities; and (8) sustained advocacy for the adoption of the Administrative Decentralisation Bill.

Introduction

The Lebanese water sector suffers from chronic mismanagement that has hindered the provision of reliable water supply and sanitation services since the end of the civil war in 1990. Water resources in Lebanon are strained by population growth, climate change, and the influx of refugees and displaced populations from neighbouring countries. Available renewable water resources in Lebanon dropped from 986 m^3/capita/year in 2010 to 700 m^3/capita/year in 2014 (IFI, 2014), which is way below the 1,000 m^3/capita/year threshold that defines water stress at the national level. This drop referred not only to the deterioration in water infrastructure throughout the country but also to the influx of Syrian refugees in 2012–2013 due to the civil war that broke out in Syria in 2011.

In addition, pollution levels in many freshwater systems have made such systems unable to meet their designated uses and requiring expensive treatment prior to use (UNDP et al., 2020). The Lebanese wastewater sector also suffers from sub-standard management. Of the total amount of nationally generated wastewater in 2012, less than 10% underwent treatment, although around 60% of the resident population has been connected to sewage networks (MoEW, 2012). Most of these networks discharge untreated wastewater into rivers, streams, and coastal areas, causing severe pollution to surface and groundwater resources and most coastal regions.

The adoption of the National Water Sector Strategy (NWSS) and the National Strategy for the Wastewater Sector (NSWS) in 2012 by the Lebanese Council of Ministers, followed by the promulgation of the Water Code in 2018 (Law 77/2018) and its amendment in 2020 (Law 192/2020), were expected to improve the situation by reducing prevailing overlaps and inefficiencies within the sector. However, national and regional challenges over the past 10 years have forced the Ministry of Energy and Water (MoEW) to focus continuously on emergency response

rather than on implementing the adopted strategies. Furthermore, the country's current national economic crisis, stemming from the financial meltdown of 2019, is preventing any progress in the water and sanitation sector.

This document presents a brief on Lebanon's water supply and sanitation sector and the existing challenges facing the provision of basic water and sanitation services. The paper also discusses the potential for the involvement of local governments in water resources management and water supply and sanitation service delivery at the local level, using two case studies done at the Union of Municipalities of Deir El Ahmar (UMDA) and the Municipality of Aarsal (MA) to demonstrate such potentials.

State of Play of the Water Sector

Legal and Stakeholder Analysis

Under Law 221/2000 and its amendments (Laws 241/2000 and 337/2001), which governed the water sector for most of the last two decades, the overall authority over the water sector at the national level falls under the MoEW. The operational authority at the regional level, on the other hand, is exercised by five public water utilities, namely Beirut and Mount Lebanon Water Establishment (BMLWE), Beqaa Water Establishment (BWE), North Lebanon Water Establishment (NLWE), South Lebanon Water Establishment (SLWE) – collectively known as the Regional Water Establishments (RWEs) – and the Litani River Authority (LRA).

Under Clause 4 of Law 221/2000, the RWEs are given autonomy and the responsibility for the planning, building, operating, and maintaining all potable and irrigation water transmission and distribution networks, along with sewage treatment plants and collection networks within their respective areas of jurisdiction. They are also tasked with ensuring an acceptable quality of water supply. The RWEs are also mandated with recommending water tariffs and wastewater charges based on the prevailing socioeconomic conditions in their operational regions.

Under the same law, the LRA is mandated to plan and operate all potable and irrigation water networks within their areas of jurisdiction. Water transmission schemes associated with the Litani River, measuring all surface flows throughout the country, and establishing and managing and operating hydroelectric power plants on the Litani River. Clause 7 of Law 221/2000 clearly affirms that irrigation water schemes tied to the Litani River would remain under the control of the LRA. However, this is causing some overlap and conflict due to non-clear jurisdictions between LRA, BWE and SLWE in certain service areas within the two regions where the LRA operates.

In addition to the MoEW, the RWEs, and the LRA, a significant number of public-sector actors are involved in the water and sanitation sector, including the Ministries of Public Health, Environment, Agriculture, Industry, and Interior, in addition to the Council for

Development and Reconstruction (CDR). It should be noted that, historically, municipalities were responsible for operating and maintaining sewage networks. However, Law 221/2000 does not mention any role for municipalities in water supply and sanitation service provision, and it is ambiguous on the issue of sewer lines operation and maintenance. A general view habitually remains that regular operation and maintenance, and rehabilitation of sewer lines are the responsibility of municipalities or local governments.

The Water Code promulgated by Law 77/2018 and amended by Law 192/2020 attempted to reduce the overlap between different public sector entities involved in water resources management and water service provision. However, the implementation decrees of Law 192/2020 are yet to be issued, and the water sector governance in the country still suffers from the same crowded scene concerning the institutional framework and policy environment. Until these decrees are issued, the sector will continue to suffer from tensions and frictions, such as those between LRA and BWE and SLWE, due to overlapping jurisdictions in areas of the Beqaa and South regions where LRA operates. The sector also suffers from ambiguous roles and jurisdictions at the local level (roles of local governments) and the national level (roles of the CDR and the ministries of the Interior, Health, Environment, and Agriculture).

Implementing Law 192/2020 will hopefully clarify the institutional framework of the water sector. According to this law, the MoEW is still responsible for setting the overall national water policy, while the RWEs provide the basic water and sanitation services as stipulated by Law 221/2000. However, while Law 221/2000 did not envisage any significant role for local governments in water management, Law 192/2020 stipulated that these authorities could play certain roles in managing local water resources and water supply and sanitation services. Nevertheless, the new law required the local governments to play such roles in full coordination with, and upon mandate from, the concerned RWE. While installing new irrigation pipelines from the hill lakes as part of a MASAR project, both the union and the RWE claimed they were entitled to do so. To facilitate decentralisation, a regulatory decision could clarify that the RWEs should undertake projects that sub-national governments cannot implement, following the subsidiarity principle.

Therefore, Law 192/2020 provides a solid basis for local governments' involvement in water supply and sanitation services at the local level. However, a prerequisite for such involvement is that these local governments should be able to develop a workable arrangement for coordination with and for getting the needed mandate from the concerned RWE. On the other hand, local governments should gain the necessary financial, institutional, and individual staff capabilities through support and empowerment by the Lebanese Government.

Finally, the struggling water sector in Lebanon is supported by various foreign donors and development agencies, particularly the EU, UNICEF, USAID, AFD, UNDP and KfW, which provide technical assistance, institutional capacity development, as well as a capital investment in needed infrastructure for the water sector (MoEW 2020a). Such international support is necessary for the sector's survival, especially under the current circumstances of the financial meltdown in the country. It should be noted that individual interventions by donors and international organisations should not be done as stand-alone activities. Still, they should instead be coordinated by the MoEW so that all these interventions would contribute to the overall sector strategy set by the Ministry.

Prevailing Problems in the Sector

For so long, the Lebanese Government has managed the water sector with a "fire-fighting" mentality and primarily focused on short-term solutions and quick fixes to supply water for various uses, despite the development and adoption of the NWSS and NSWS. Little or no attention has been given to long-term investment and rational governance of the sector or ensuring the sustainability of water supply and sanitation services at the national, regional, and local levels.

Similar to the situation throughout the Lebanese public sector, the water sector suffers from limited capacity and chronic understaffing problems. This problem has persisted for more than two decades due to official governmental decrees setting a moratorium on the recruitment of all regular staff throughout the public sector, including all major water sector institutions, such as the MoEW, RWEs, and LRA. This dire situation has been severely aggravated since the financial meltdown of October 2019, with most skilled personnel leaving their posts throughout the public sector. The dwindling value of staff salaries made it impossible for these staff to attend to their workplace daily. Hence, the country is currently witnessing the hollowing out of the public sector, from MoEW to RWEs to most local governments, leaving only less competent staff and political appointees to be promoted to senior and supervisory positions.

While the RWEs are expected to function with financial and administrative autonomy, they have been amassing debts for a long time due to their general administrative and operational inefficiencies manifested by a low percentage of billing and collection (as low as 30 percent in certain regions), low percentage of customer-metered connections and high Non-Revenue Water (NRW) estimated at 50 percent nationwide (USAID 2017; El-Amine 2016). Again, the financial meltdown that started in 2019 has aggravated the situation. It is not surprising to see that the deterioration of the water sector is putting the country's water resources at risk. The loss of value of available financial resources (due to the loss of more than 95% of the Lebanese Lira value), almost non-existent grid power supply, and steep hikes in prices of diesel needed for power generation, have stripped the RWEs of

financial resources to the bone and hindered them from providing most of their services and executing most of their day-to-day operation and maintenance activities.

Consequently, a significant portion of the water supply process for various uses throughout the country has been taken over by private tanker operators that resort to groundwater resources for their supply. These operators, which usually cover most of the household water supply during the late summer/fall dry season, operate without any planning, standards, or national regulations regarding the distribution process, quality of tankered water, or the maximum allowable abstractions from groundwater aquifers.

The sanitation subsector particularly suffers from very low capacity within the sector for wastewater management in general. Such low capacity is manifested by the absence of unified standard operating procedures (SOPs) for operating facilities or monitoring standards for water and wastewater quality or quantity, for example. On the one hand, the RWEs lack the needed institutional and staff capacity to take possession of newly built Sewage Treatment Plants (STPs) and take over these facilities' operation and maintenance. On the other hand, it is practically impossible to resort to municipalities or unions of municipalities for the operation and maintenance of STPs or for the operation and maintenance of the expanded sewage networks that are coming into operation due to the absolute lack of financial and institutional capacities among these local governments.

Since the adoption of Law 221/2000, which practically overlooked any meaningful role for municipalities in water management, the water sector has suffered from an almost complete lack of coordination between RWEs and local governments on all levels, from planning to project development and service delivery. Despite the above-mentioned institutional crisis that the RWEs are passing through due to the current financial meltdown in the country, there has always been a tension between RWEs and local governments that are experiencing an increased tendency to involve themselves in local water resources management and service delivery without a clear mandate.

Local governments are taking up initiatives and jumping in to fill the prevailing gaps in water management and service provision at the local level. At the same time, they often lack the needed financial capacity and technical expertise to do so. They often behave as if they are entitled to take such initiatives on their own. They are encouraged by the availability of funding and the empowerment they get from the international donor community. Nevertheless, both parties end up focusing on quick fixes that are attractive for municipal officials and constitute quick wins for donors and international organisations under the banners of “community support projects,” “resilience intervention,” etc.

However, local governments and the donor community are not paying enough attention to the long-term sustainability of such interventions, especially since capital and

operational expenditures on water supply and sanitation networks and other service facilities are typically way beyond the local governments' capacities. According to the Water Code, the RWEs could mandate local governments to lead water and sanitation service provision locally by establishing public-public partnerships with these local governments. Such partnership arrangements may be capitalised on to institutionalise cooperation and coordination between the two parties so that the long-term sustainability of Local governments' interventions in water service delivery at the local level would be ensured.

Case Studies:

Municipality of Aarsal and Union of Municipalities of Deir El Ahmar

The MASAR Programme is supporting selected municipalities in the Northern Beqaa region to improve water management at the local level within the efforts to support refugee-hosting communities to mitigate challenges caused by the influx of Syrian refugees to the region since 2012–2013. Municipalities and unions of municipalities (UoM) have been selected for support by the MASAR Programme based on their overall institutional capacity, or the lack of it, as well as their willingness to cooperate with the Programme through efforts toward mitigating the refugee problem.

The Municipality of Aarsal (MA) and the Union of Municipalities of Deir El Ahmar (UMDA) were selected for support by the MASAR Programme and for conducting these case studies because they met the above criteria. Both suffer from similar problems, such as low institutional capacity, manifested in terms of the absence of any medium- or long-term planning for basic service provision or economic development, in addition to the absence of any urban plans and/or spatial zoning. Both regions also suffer from various degrees of deforestation and loss of agricultural lands. Aarsal also suffers from high degrees of land degradation due to the harsh dry-hot weather that prevails in the town during the summer months.

The town of Aarsal, with around 43,000 Lebanese residents in the summer and about 33,000 during the winter months, hosts around 65,000 Syrian refugees (VNG International, No Date-a). Most Syrian refugees live in informal tented settlements (ITSs) constructed around the town's peripheries and lack basic services. Deir El Ahmar region, on the other hand, is home to about 27,000 Lebanese residents during summer and 14,000 during winter, while it hosts around 10,000 Syrian refugees (VNG International, No Date-b). This significant increase in population, due to the influx of Syrian refugees, has significantly increased the demand for water supply and sanitation, as well as all other basic services, while magnifying the impact of unplanned urban sprawl in both regions.

The two Local governments were assessed according to UN-Habitat's Urban Governance Index (UGI) factors: accountability, effectiveness, gender equity,

and community participation. These factors were assessed based on standard indicators such as several women working in the local governments to measure gender equity, published development plans and voter turnout to measure community participation, publication of revenues for measuring effectiveness, and several town halls and consultative group meetings to measure the accountability of these local governments. Based on these indicators, gender equity, community participation, and accountability sub-indices of both local governments received low to moderate scores. The effectiveness sub-index measured a higher score due to the publication of both local governments' revenue details and their high activity level. However, these sub-indices scores could be misleading because the local governments' overall institutional and financial capacities remain extremely poor despite the relatively high score for the effectiveness indicators.

Both MA and UMDA suffer from low institutional and individual staff capacity. Basic services are severely lacking in both regions. The extremely limiting budgets of both local governments provide an idea of the extent of restricting institutional capacity prevailing in these authorities. The annual operational expenditures (OpEx) within MA's budget are $115,581, and those within UMDA's budget are $18,155 (VNG International, No Date-a), while capital expenditures (CapEx) are $139,407 for MA and $19,769 for UMDA (VNG International, No Date-b). The estimated costs of planned water supply and sanitation infrastructure projects for Aarsal and Deir El Ahmar show how much such projects are way beyond the capacity of the local governments of both regions.

According to the 2020 NWSS Update, the proposed water supply infrastructure projects for Aarsal and Deir El Ahmar are as follows (MoEW, 2020b):

- Oyoun Orghosh water distribution scheme, which serves the Deir El Ahmar region, including 5.75 Km of transmission lines, 55 Km of new water distribution networks, construction of 6 new reservoirs, rehabilitation of 26 existing water networks, and drilling of two deep wells (estimated cost around 4.13 million USD)

- Aarsal water distribution scheme including 16 Km of transmission lines, 50 Km of new water distribution networks, and drilling of 15 deep wells (estimated cost around 10.70 million USD)

Proposed wastewater infrastructure projects include the following (MoEW, 2020b):

- Aarsal collection system requiring 61 Km of networks and one trickling filter STP (estimated cost at 11.0 million USD)

- Deir El Ahmar collection system requiring 82 Km of networks and one activated sludge STP (estimated cost at 22.8 million USD)

Despite significant support by international organisations for both local governments (6 million USD to UMDA and USD 1.25 million to MA over six years), both authorities still suffer

from almost the same low financial and institutional capacities. This shows that funding by international organisations cannot sustainably replace the necessary empowerment by the national government through institutional building and capacity development of local governments across the country. Such empowerment should be done and institutionalised as a component of the Lebanese central government's integrated local development policy.

Solid waste management in Aarsal and Deir El Ahmar is deficient, and unsorted solid waste from both regions is dumped in open dumpsites whose effluents cause significant pollution to surface and groundwater resources in their vicinities. Both the Municipality of Aarsal and the Union of Municipalities of Deir El Ahmar sought to develop solid waste management plans in partnership with VNG International, which supports local governments through the MASAR Programme. UNDP and other international organisations have supported the two local governments in solid waste management.

MA and UMDA's involvement in water management and water supply and sanitation service provision at the local level within their areas of jurisdiction differs from one place to another. In Aarsal, which suffers from partial coverage of house connections and intermittent and unreliable water supply service by BWE, the municipality arranged with international donors and NGOs to drill five deep wells to augment the town's water supply. However, as typically happens in similar initiatives by local governments who lack the institutional and financial capacity to operate and maintain such infrastructure, only two out of the five wells are still functioning and partially covering the daily domestic water consumption of Aarsal's inhabitants.

Typical maintenance problems and severe electricity rationing rendered all other wells non-functioning. The municipality planned to install 5 solar systems to provide power to the five respective wells to reduce water shortage. However, the sustainability of the whole initiative is still questionable, to say the least, because it is almost certain that the lack of financial and institutional capacity of MA will hinder normal activities of operation and maintenance of the solar systems and the pumps installed by the municipality.

In the Deir El Ahmar region, on the other hand, the UMDA intervened to mitigate the impact of unreliable and intermittent BWE water supply service by building several hill lakes for irrigation purposes. However, available funds from international organisations have not been adequate to cover the costs of building the hill lakes and the necessary pipe networks and control systems needed to distribute water to local agricultural lands and farms.[1]

This is another example of typical challenges local governments face while trying to solve water supply problems locally, because they lack the mandate to intervene and make any

[1] *Until a regulatory decision is issued stipulating otherwise, Law 192/2020 still requires RWE approval for building hill lakes and distributing water from them.*

performance improvement in the public water supply network that the RWE owns. Therefore, local governments are obliged to augment the water supply from local sources such as the hill lakes in this case. However, frequently such interventions are limited not only by the general lack of financial and institutional capacity among these authorities but also by the segmented nature that internationally funded interventions at the local level sometimes suffer from. The above challenges show once again that local governments need empowerment and institutional building before they can effectively intervene to solve their water supply problems locally.

The Way Forward

The Lebanese water sector is in dire need of a new vision based on inclusivity in terms of both institutional setup and universal access to water and sanitation services by all inhabitants living in the country. All public institutions – such as local governments – that are eager to contribute to water management at local, regional, and national levels should be encouraged and supported to do so. Achieving universal access to drinking water and sanitation services, which became one of the basic human rights according to UN General Assembly Resolution 64/292 adopted in 2010, requires significant investment in the sector, as well as an institutional overhaul that would lead to complete turn-around in the performance of all involved institutions at the national, regional, and local levels.

At the national level, MoEW needs institutional support and capacity development to gain the competence required to fulfil its oversight mandate over the water sector, including all players from both public and private sectors, and the ability to develop and lead the implementation of a sector strategy in line with the above-mentioned rights-based vision. MoEW should be supported to gain the needed institutional capacity to regulate private sector involvement in the water supply process at the national level. The RWEs, on the other hand, need full institutional support through a comprehensive technical assistance programme and institutional capacity development that would lead to a complete turn-around in their performance and the quality and reliability of their service provision. The international development agencies actively supporting the sector could fund such a programme. However, to ensure that the support programmes, both for the Ministry and the RWEs, are in line with the proposed new sector vision and strategy, all such programmes should be collaboratively planned and implemented through a fully coordinated effort by all the above-mentioned agencies together under the overall leadership of the MoEW.

The MoEW, in its draft 2020 NWSS Update, recognised the major challenges faced by the water sector and identified the following needs at the sector governance level:

i. Institutional rebuilding of the MoEW to enhance its supervision and monitoring roles;

ii. Development of the executive decrees and bylaws of Law 192/2020 and its amendments.

iii. Restructuring and institutional capacity development of the RWEs, including lifting the recruitment moratorium decreed by the central government since many years, to enhance their capability of fulfilling their mandate according to Law 221/2000 and Law 192/2020.

Concerning the potential role of local governments in water resources management and water and sanitation service provision at the local level, as mentioned earlier, the necessary legal framework has been established within the recently adopted Law 192/2020. Article 58 of the law allows the RWEs to mandate local governments, through public-public partnerships, to provide water services locally.[2] Such partnerships could become optimal arrangements to benefit from the economy of scale in water and sanitation service provision through the RWEs while ensuring the long-term sustainability of such services by enhancing the role of, and allowing more say for, local governments. Institutionalised coordination and cooperation between the local governments and the RWEs through partnership arrangements allow local governments, which are usually eager to contribute to water resources management and water services locally, to do so seamlessly and in line with the overall regional service plans of the RWEs.

However, a prerequisite for any meaningful contribution by local governments to water and sanitation service provision at the local level is a major capacity development programme for all local governments to enhance their institutional, financial, and human resources capacities. The institutional capacity development of local governments requires significant investment on the part of the Lebanese central government. There was a major administrative decentralisation initiative by the central government in 2014, which, together with Law 192/2020, could form a useful legal framework for local governments' involvement in water service provision. However, this initiative needs to be coupled with necessary corresponding measures of local and regional authorities' empowerment and institutional building. Such empowerment became even more necessary in the aftermath of the financial meltdown of 2019. In addition to administrative decentralisation reform, sub-national capacity gaps could be addressed through a municipal consolidation/merger policy aiming at optimising efficiency gains and achieving economies of scale.

Finally, the donor community and international organisations, that are actively supporting the water sector, are called upon to fund the comprehensive institutional building and capacity development programmes for the MoEW and the RWEs

[2] *"The MoEW and the RWEs may sign agreements (according to their respective jurisdictions within applied laws) with public entities to ensure sustainable management and development of water facilities. Such agreement could be signed with local governments and municipalities to implement the stipulations of Law 221/2000 with respect to currently existing local committees for management of local water resources."*

through coordinated efforts under the overall leadership and/or umbrella of MoEW so that they would contribute to an overall turn-around of the sector performance rather than stand-alone interventions. The donor community should also help local governments through a similar approach to the integrated institutional building to ensure the long-term sustainability of local governments' involvement in water service provision at the local level, while mobilising private sector capital and expertise where available, possibly through a PPP scheme. The donor community could also be instrumental in promoting such involvement of local governments by initiating and facilitating dialogue between the local governments and concerned RWEs to define the roles of each party and hammer out details of partnership arrangements and ensure full cooperation and coordination between the two parties.

Recommendations

The table below summarises the main recommendations for necessary measures that should be taken to overcome the main challenges in the Lebanese water sector and facilitate the involvement of local governments in water resources management and water and sanitation service provision at the local level.

	Recommendation	Led by
1	A new vision based on inclusivity in terms of both institutional setup and universal access to essential water and sanitation services by all inhabitants living in the country	MoEW, supported by the donor community and development agencies.
2	Significant investment in the sector and institutional overhaul would lead to the complete turn-around of all involved public institutions at the national, regional, and local levels.	Led by MoEW, supported by the donor community; with private sector co-financing in the long-term, possibly through a PPP scheme.
3	Institutional capacity development for the MoEW to fulfil its oversight and regulatory mandate over the water sector and the ability to develop and implement a sector strategy in line with the proposed rights-based vision of the industry.[3]	The donor community, under MoEW's leadership.

[3] *An example of institutional support to the MoEW is to help the Ministry establish a special oversight department, recruit the needed staff with the needed qualifications, and support the department in developing its oversight plans. This is doable if donor funding is there and a comprehensive program for institutional support is agreed upon with the Ministry and implemented*

	Recommendation	Led by
4	Regulation of the involvement of the private sector in the water supply process throughout the country.	MoEW, with the support of the donor community and development agencies.
5	Support to the RWEs through a comprehensive programme of technical assistance and institutional capacity development that would lead to a complete turn-around in their performance and the quality of their service provision.[4]	The donor community, under MoEW's leadership.
6	Promotion of institutionalised coordination and cooperation between local governments and RWEs through partnership arrangements as mandated in the Water Code and improve the legal framework for enhanced LA involvement in providing water and sanitation services and managing water resources locally.	RWEs and local governments.
7	A major capacity development programme for all local governments, i.e., at the level of municipalities and unions of municipalities, to enhance their institutional, financial, and human resources capacities.	The donor community, under MoEW's leadership.
8	Facilitation of dialogue between local governments and RWEs to define the roles of each party and hammer out details of partnership arrangements and ensure full cooperation and coordination between the two parties.	The donor community, under MoEW's leadership.
9	Sustained advocacy for the adoption of the 2014 Administrative Decentralisation Bill granting additional powers to sub-national governments to directly manage and oversee water service provision with a strong involvement of the private sector.	Local governments.
10	Issuance of a regulatory decision clarifying that the RWEs should undertake projects that sub-national governments cannot implement, following the subsidiarity principle.	MoEW.

[4] *This approach is used by the World Bank and UN agencies in several places in the Global South.*

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