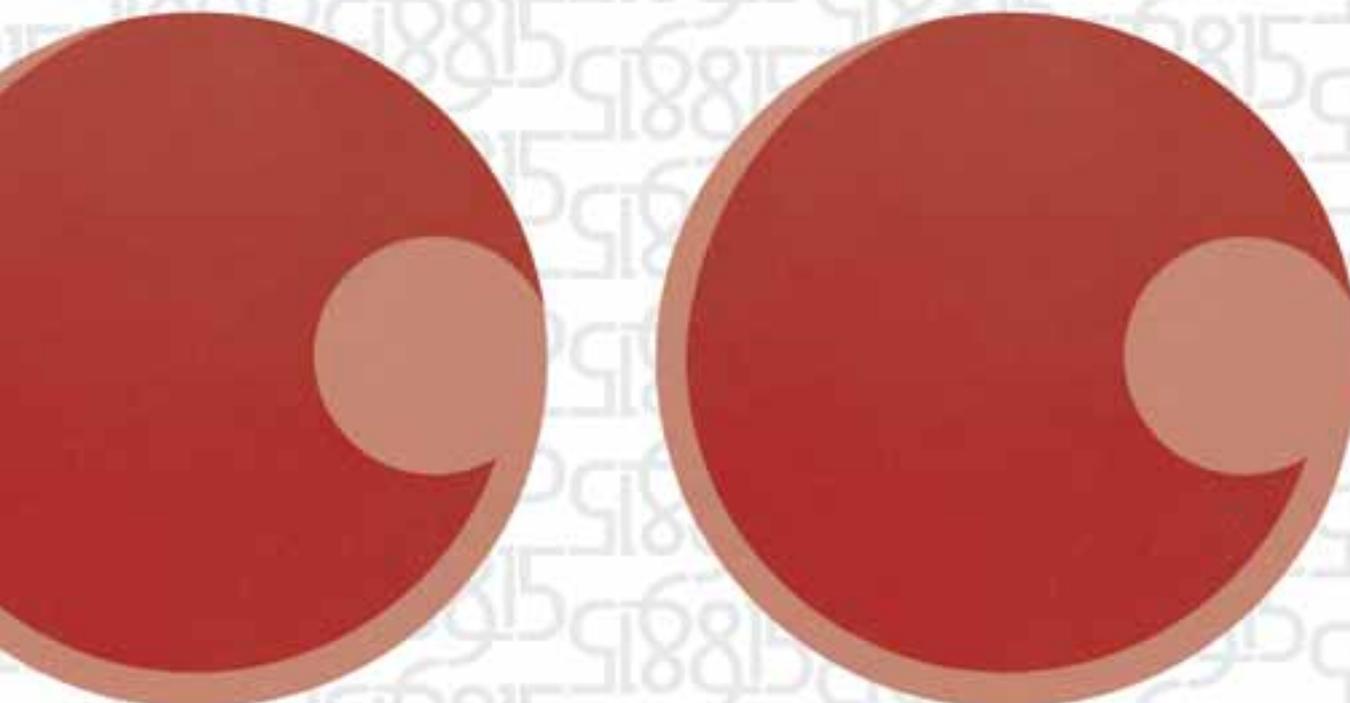




# Annual Report 2011



REPUBLIC OF LEBANON  
MINISTRY OF FINANCE



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# Annual Report 2011

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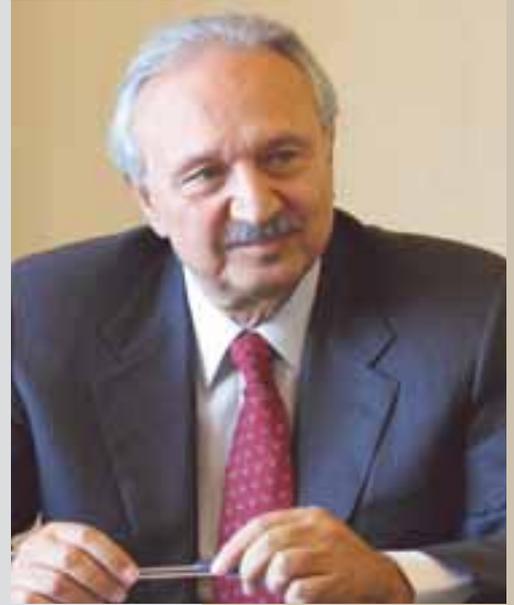
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## Minister's foreword

Reading through the annual report of the Institut des Finances Basil Fuleihan will make one fully aware of the Institute's vitality and to what extent it constitutes an essential and important component in the development of the human capacities of the Ministry of Finance in particular, and of the Lebanese public administration in general, enabling them to keep abreast with progress and the accompanying of reforms.

The figures stated in the annual report cannot but assert what every minister of finance feels: the incessant activities of the Institute, whether in training or otherwise; the carrying out of continuous meetings and workshops in its training rooms to accommodate training activities, and the publication of awareness and communication material.

The Institut des Finances Basil Fuleihan performs the role of a monitor of various opinions and directives, creating an atmosphere of dialogue in financial and economic matters, allowing the civil society and all concerned parties to participate in the discussion of policies and future plans.

In the year 2011, as in previous years, the Institute carried out its regional activities through its privileged and successful partnerships, confirming its pivotal regional status, and gathering trainees from the Arab region, East and West.

The "Institut des Finances Basil Fuleihan Activities Report for 2011", which we are pleased to put at your disposal today, summarizes a year of accomplishments and successes. We invite you to inspect its content so that you get introduced, by facts and figures, to the central and important role that this institution, which celebrated in the past year its fifteenth anniversary, is performing.

Minister of Finance

**Mohammad Safadi**

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## Director's Foreword

The year 2011 witnessed important political developments which altered the institutional scene in the countries of the region. Moreover, the world economy suffered multiple crises which left their direct and indirect impact on Lebanon, adding new challenges to the economic and political situation.

These developments obliged the public training institutes to reassess their roles; for even though their prime duty lies in the preparation and enhancement of knowledge and skills in various fields of public work, these institutes must now rise up to the challenge of foreseeing and keeping up with the developments, satisfying demands rapidly and flexibly, and better linking the envisaged knowledge and skills to attitudes and values associated with the public service in a democratic and accountable environment.

What is required is not the traditional enhancement of capabilities, but rather the realization of a qualitative leap in training patterns to render them more interactive and adherent to actual needs; and hence able to stimulate human potential towards taking initiatives and risks, thus enticing the citizens to renew their trust in the state and their respect of public finance.

Moreover, it is incumbent on the training institutes to transcend the logic of subsidiary towards the taking of initiatives, whereby they acquire the role of "Knowledge Hubs" and proceed to place the accumulated knowledge at the service of the process of administrative and financial policy making; thus becoming active and effective in planning sound public policies and in putting into practice the proposed technical assistance plan through the training and assisting of officials on the proper execution of these recommendations.

We, at the Institut des Finances Basil Fuleihan, were not distant from these developments. However, it took a lot of creative vision from our team to develop a realistic approach and a future plan amid the various strategic, financial and human resources challenges of 2011. Despite all these challenges, 2011 marked the celebration of the Institute's fifteenth anniversary, and was noticeable for its achievements in the managerial, training and publishing fields which we sought to present in this report.

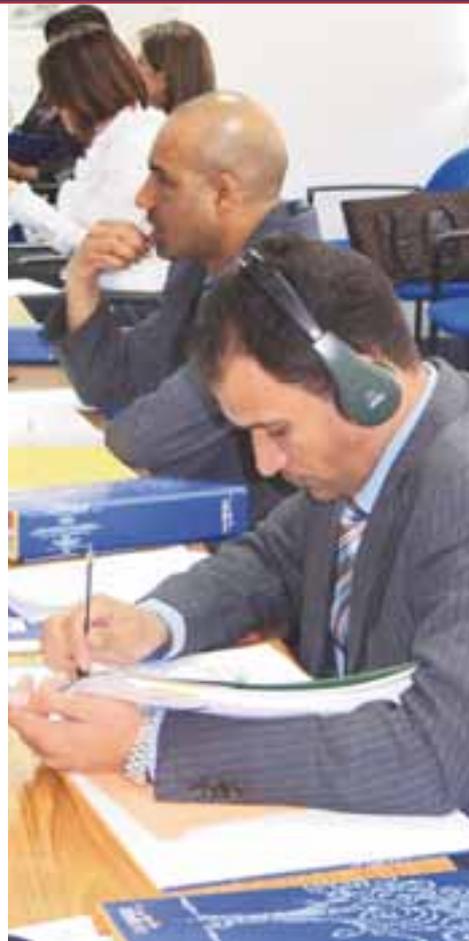
We continue to pursue a medium-term plan, with prospects for 2015, aiming to achieve a significant leap in our performance and a step towards transforming the Institute into a center of excellence in the realm of public finance and in the dissemination of a culture of continuous training throughout Lebanon and the Arab region.

I thank you for your interest in this report and trust that you will find it of benefit. As always, the Institute remains attentive and receptive to all your suggestions and comments.

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The Director of the Institute  
**Lamia Moubayed Bissat**  
And the team of the Institut des Finances Basil Fuleihan  
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# Executive Summary

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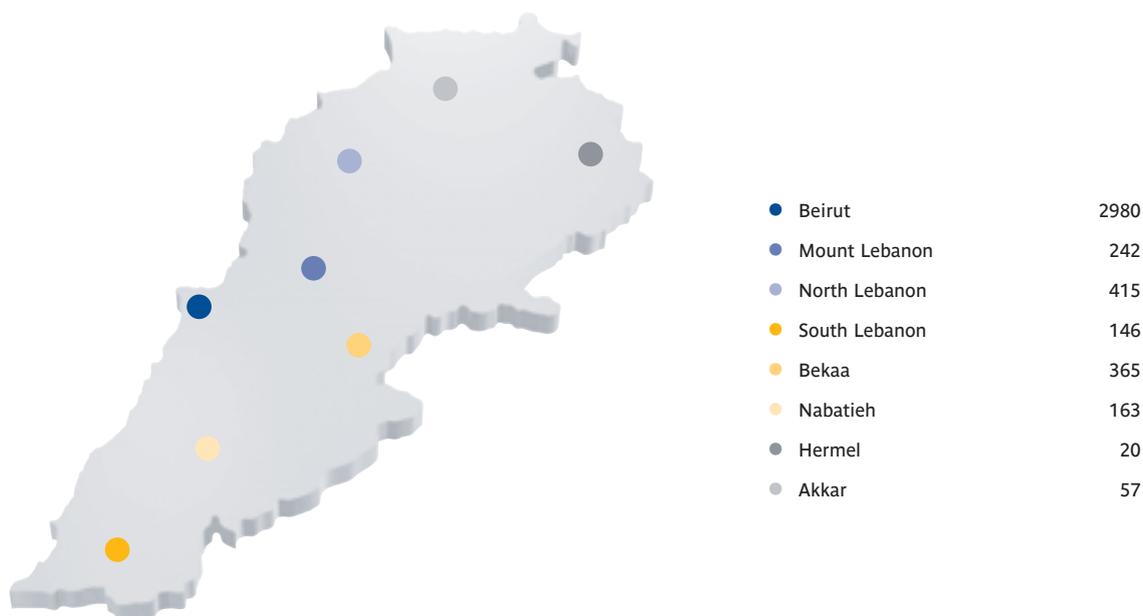
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# A Reading in 2011's Figures

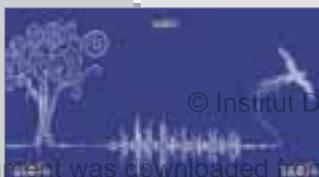
The total number of participants in the Institute's activities in 2011 was of 4388 as opposed to the 3159 of 2010. The number of participants from the Ministry of Finance was noticeably reduced to 1473 as opposed to 2060 participants in 2010. This regression may have been mainly due to the work pressure as well as to the reordering of priorities at the Ministry, related in particular, to the completion and the closing of public accounts.

On the other hand, this year witnessed a massive participation from public administrations and institutions, reaching 2839 as opposed to the 929 participants of 2010. This noticeable increase was due to the introduction of training service contracts on the topic of finance management with municipalities, the Water Authority and other public institutions. The Institute also witnessed in 2011 a remarkable regression in the number of foreign participants as reflected in the number of trainees which dropped from 170 in 2010 to 76 only. This may be attributed to the security and political situation in the region.

Participants to the Institute's Activities



## The Training Files

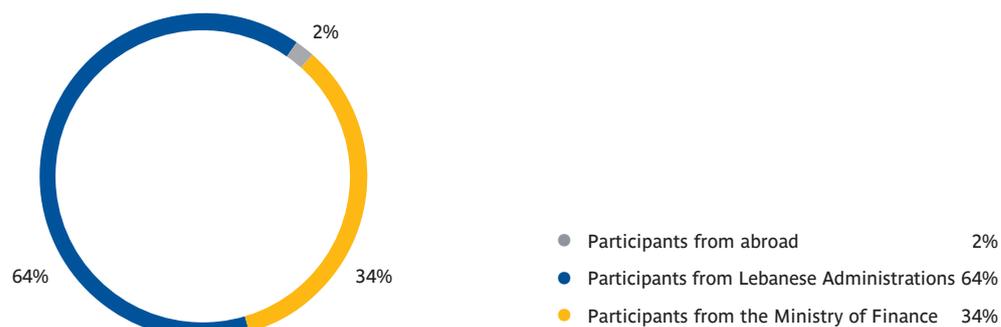


The Institute renewed this year the graphic identity of the training files by adopting a design representing a phoenix soaring high diffusing knowledge and competencies. During the year of 2010, the adopted design was that of the knowledge tree.

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### Distribution of trainees by beneficiary



### Total number of trainees in Lebanon and abroad 2007-2011

Trainees	2007	2008	2009	2010	2011
Ministry of Finance	3033	2305	3240	2060	1473
Lebanese Public Administrations	152	313	852	929	2839
From abroad	117	124	100	170	76
<b>Total</b>	<b>3302</b>	<b>2742</b>	<b>4192</b>	<b>3159</b>	<b>4388</b>

### Total number of trainees

	Computer Literacy Training	Internal training	Language Training	Training in collaboration with other centers	Training Abroad	Total
<b>Trainees from the Lebanese Ministry of Finance</b>						
The Directorate General of Finance	193	411	96	5	11	716
The Customs Directorate	2	610	9	39	1	661
The Real Estates and Land Surveying Directorate		24				24
The National Lottery		1				1
The Tobacco Administration		3				3
The Promotion of Financial Resources Project - UNDP		3				3
Institut des Finances Basil Fuleihan		34	2		28	64
<b>Total</b>	<b>195</b>	<b>1086</b>	<b>107</b>	<b>44</b>	<b>40</b>	<b>1473</b>
Public Administrations	122	2049		627	40	2839
Arab and Foreign Trainees				76		76
<b>Total</b>	<b>317</b>	<b>3155</b>	<b>107</b>	<b>747</b>	<b>80</b>	<b>4388</b>

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# 15 Years since the Foundation of the Institute

15 Years since the Foundation of the Institute

15 Years of Communication and Connectivity

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# 15 Years since the Foundation of the Institute



The expert Nicolas Dubois (SIGMA) and the consultant Aderito Sanchez

In the year 2011, the Institut des Finances Basil Fuleihan, formerly known as the Institute of Finance, celebrated its 15th anniversary as well as 15 years of Lebanese-French cooperation with the presence of its local and regional partners. In pursuance of the Institute's resolution adopted on its 10<sup>th</sup> anniversary, to activate its role as a major player in capacity development and in the offering of high quality training services at the national and regional levels, the Institute's management appointed experts from the European SIGMA team, a renowned foreign and neutral body, to conduct a comprehensive evaluation of its performance. The team's findings and recommendations, published 6 months later in a report titled "The Institutional Development Plan: Horizon 2015"; are now considered as a basic document shedding light on the Institute's path for the coming years.

## The Institut des Finances Basil Fuleihan's Institutional Development Plan: Horizon 2015

The SIGMA plan (SIGMA 1)<sup>1</sup> is considered to be a "road map" towards the activation of the Institute's role as a major player in capacity development and in offering high quality training services at the national and regional levels over a three-year-period (2012-2015). This plan will be reviewed yearly between the 15<sup>th</sup> of November and the 15<sup>th</sup> of December.

It is worth noting that SIGMA's experts did not limit their assessment to an evaluation of the Institute's own capacities, but also took into account the surrounding institutional environment and the challenges facing it. Drawing from international experience, the report also considered the status of the Lebanese public administration and the skills that it lacks. After pointing out the main players in the training field and their capabilities in this regard, it concluded by identifying the shortcomings and their possible implications on the public sector as a whole.

The report also stressed the importance of coordinating efforts at the national level in achieving the desired advancement. Finally, the report concluded by outlining the Institute's vision, functions and strategic goals, as well as its basic order of values, type of services, areas of work and priorities, all for the purpose of improving its internal organization and the restructuring of its partnerships. In addition, it also presented practical recommendations concerning the plan's execution, and subsequent follow up and evaluation.



### Exchange of Expertise with the Center of Excellence in Finance - Slovenia

The expert Nicolas Dubois (SIGMA) and the consultant Aderito Sanchez prepared this plan using a consultation approach in which 60 high officials from Lebanon participated. The two experts visited Beirut on three consecutive trips during which they conducted field trips, held bilateral meetings and attended consultation workshops. At the beginning of 2012, the Institute is expected to present the content of the organizational plan and the coming steps to the different public institutions, companies, partners and individuals.

As part of the SIGMA project, a team from the Institute visited "The Center of Excellence in Finance" in Slovenia at the end of November 2011. The visit proved to be a precious opportunity to exchange experiences in the fields of training, cooperation and communication, enriching the Institute with novel and innovative ideas.

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<sup>1</sup> SIGMA is a joint initiative of the OECD and the European Union, principally financed by the EU.

# 15 Years of Communication and Connectivity

15 ans de  
التواصل و  
connectivité

The Institute chose **"15 Years of Connectivity"** as a title for its fifteenth anniversary. It organized a series of festivities and meetings on the 14<sup>th</sup>, 15<sup>th</sup> and 16<sup>th</sup> of November 2011 attended by about 500 persons, among them beneficiaries, trainers and enthusiasts from the Ministry of Finance and the Lebanese Public sector, in addition to its local partners and representatives of regional and international organizations.

The launching of the celebrations started with a special gesture towards the **"15 Years of Lebanese-French Cooperation at the service of State Modernization"**, whereby **200** officials, partners, devotees in addition to the founders of the Institute, responding to the invitation of the French Ambassador Mr. Denis Pieton, gathered at the "Pine Palace" (Residence des Pins), to honor **37** officials who contributed to the establishment of the Institute and its development. High officials from the Lebanese Ministry of Finance, the biggest beneficiaries of the Institute's activities, attended a dinner organized by the Institute at Babel Restaurant under the sponsorship of the GIFT-MENA network, the French Institute and Fransabank. During this event, **18** personalities from among those who had supported the development of the Institute were awarded, and a special mention was given to the directors of the Ministry of Finance.

In parallel with the official festivities, the Institute organized the annual conference of the GIFT-MENA network titled **"Rethinking Training in the Public Sector"**, in which **75** directors from **12** Arab and foreign countries participated.

## 15 Years of Connectivity

- Connecting vision with achievements
- connecting information with training
- connecting training with its application
- connecting application with transparency
- connecting public administration with the citizen
- connecting words with publications
- connecting publications with people
- connecting the public sector with the private sector
- connecting people with people
- connecting Lebanon with the world
- connecting the present with the future.

## Souvenirs Produced for the Occasion

- A logo and a new graphic collection for the occasion
- A new mouse pad
- A monetary stamp bearing the "15 Years of Connectivity" logo
- A traditional tile with the Arabic letter "waw" engraved symbolizing the notion "let's connect, let's reach, let's build", which was distributed as an honorary gift.
- A leaflet about the 15 years of Lebanese-French cooperation
- A documentary about the Institute
- The 2012 Training Calendar
- A new version of the Training Catalogue for 2012-2014
- A special issue of "Hadith El Malia"
- Lebanese sweets "marzipan" stamped with the "15 years" logo



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**705**

Trainees from  
the Directorate  
General of  
Finance

**2839**

Trainees from  
Lebanese Public  
Administrations  
and Institutions

**317**

Information  
Technology  
Trainees

**107**

Languages Trainees

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# Training

The Training Plan

A Center Distinguished in Training on Public Financial Management

A Center Distinguished by its Customs-related Trainings and Related Topics

Lebanon: The Regional Training Center for the World Customs Organization

Promoting Economic and Financial Education

Strengthening Administrative Skills

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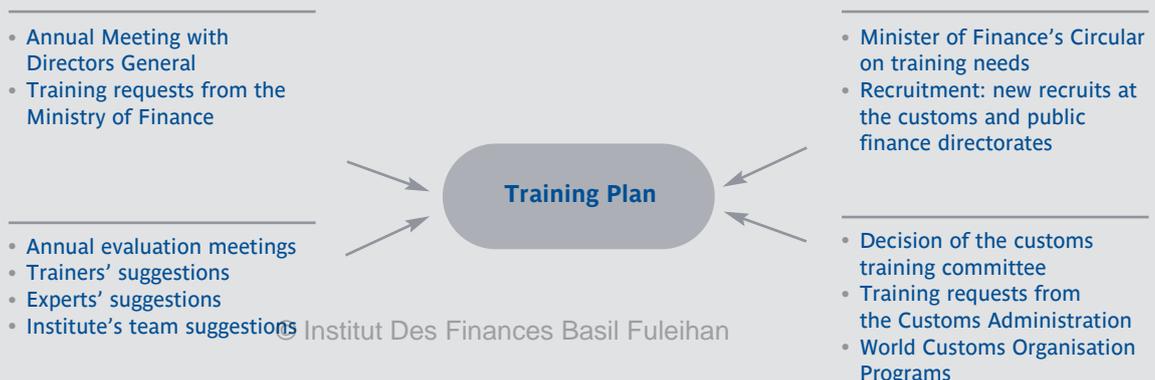
# The Training Plan



During 2011, the Institute strengthened its position as a center of excellence in capacity building in public financial management, customs and capacity building related themes. The IOF strived to carry on with the implantation of its medium-term work plan (2010-2012). It also responded to various training requests throughout the year and was keen on developing the best training programs relying on both local and international expertise in close collaboration with its local and regional partners. This year's training programs had a new professional orientation through the training contracts implemented by the Institute and through the grants it received; which enabled it to have an in-depth understanding of the national needs and to develop high-quality training methods in topics related to financial management, public procurement, fighting against drugs and smuggling, economic and financial education and others.

The 2011 Training Calendar included 90 training programs within the different training axes; prepared in accordance with national orientations and with the training needs assessment undertaken at the Ministry of Finance. The team implemented 58 out of the 90 programs included in the calendar; while remaining flexible in responding to training requests received during the year. The Institute published at the end of the year the 2012 Training Calendar in addition to the new version of the 2012-2014 Training Catalogue that includes an explanatory index of the 120 specialized training programs at the core of the Institute's work.

## Training strategy 2010 - 2011



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## Special Emphasis on Training the Trainer Programs

The year 2011 was distinguished by a special emphasis on training the trainer programs. The Institute is keen on relying on the best experts from inside and outside the public administration. Moreover, the training team works closely with the trainers to develop the content of the training programs, to unify the methods of

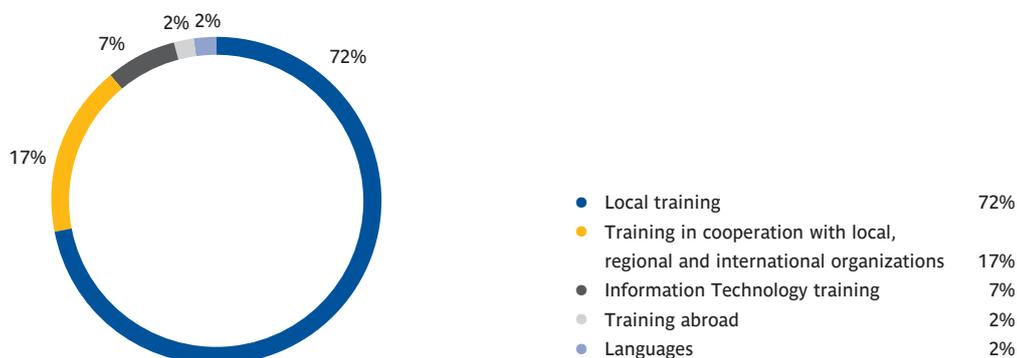
work and to adopt modern educational approaches and dynamic techniques. The Institute is thus keen on executing its plans and shaping its training programs in accordance with the highest standards of quality; while fostering the concept of adult learning and relying on the most interactive training techniques.

## Numbers that Marked the Year 2011

Statistics have shown that **48.6%** of overall participants were from the Directorate General of Finance, whereas **44.8%** from the Customs Administration. Moreover, this year was distinguished by an intensification of trainings in the various Lebanese regions; with the aim of spreading the right to knowledge and equitability among all public sector employees.

Local training maintained its average and had this year the highest rate of participation, reaching **72%**, as opposed to **9%** for the languages and information technology programs. Moreover, the total number of participants in training programs implemented in collaboration with local, regional or international organizations increased from **637** in 2010 to **747** in 2011.

Distribution of trainees per type of training



### A Permanent and Special Cooperation with the Régie Libanaise des Tabacs et Tombacs



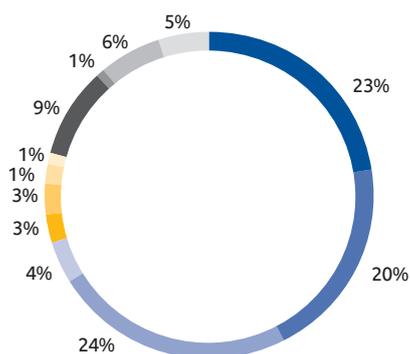
The Institute has maintained its special collaboration with the Régie Libanaise des Tabacs et Tombacs and always devotes to it a number of rich and diversified programs. During the year 2010, particular attention was given to the development of training programs specialized in anti-smuggling of counterfeit tobacco products. This year, the quality of participation of the Régie in programs related to the development of managerial skills and public finance management, despite being restrained, was noticeable.

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Field visit to the Civic Aviation Security Training Center

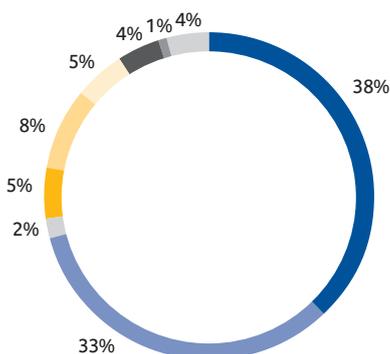


### Distribution of trainees from the Directorate General of Finance



● Directory of Treasury and Public Debt	23%
● Directorate of Public Accounting	20%
● Directorate of Revenues	24%
● Regional Bureau Akkar	0%
● Research and Tax Analysis Unit	0%
● Regional Bureau Baalbeck	0%
● Regional Bureau Mount Lebanon	4%
● Regional Bureau North Lebanon	3%
● Regional Bureau South Lebanon	3%
● Regional Bureau Nabatiyeh	0%
● Regional Bureau Bekaa	1%
● Information Technology Department	1%
● Value Added Tax Directorate	9%
● Administrative Affairs Directorate	1%
● Directorate of Budget and Expenditure Control	6%
● Directorate of Expenditures	5%

### Distribution of trainees from the Customs Administration



● Tripoli Brigade	38%
● Chtaura Brigade	33%
● Tripoli Regional	2%
● Beirut Regional	8%
● Beirut Brigade	5%
● Customs High Council	5%
● Cabinet Department	4%
● Court Department	1%
● Audit and Anti-Smuggling Department	4%

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# Learning Hub in Public Financial Management

Despite all the administrative confusion that the public sector has been witnessing , especially in terms of the absence of a public budget since 2006 and the crisis in public accounts, the Institute did not stop its efforts in accompanying the latest developments. It has thus relied, for its capacity building process, on a strategic approach based on:

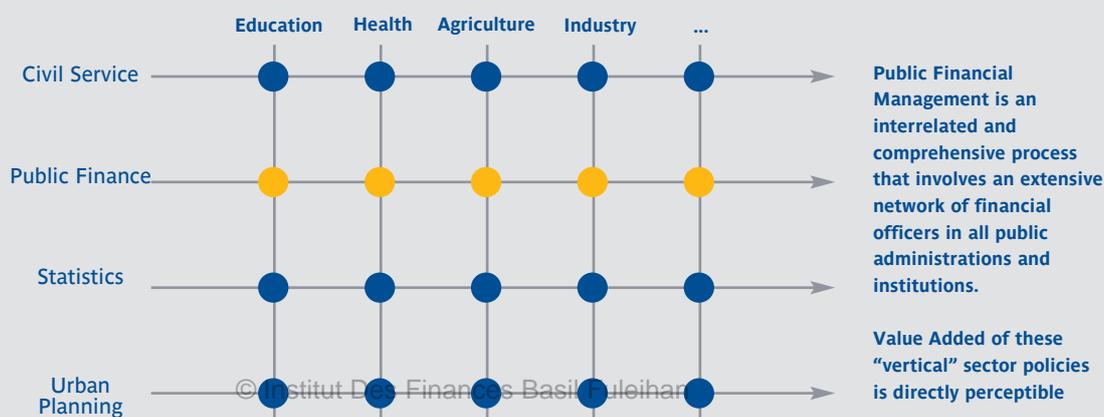
- 1) Establishing a link with the effective needs;
- 2) Respecting priorities;
- 3) Ensuring the efficiency of training within the available human and financial resources.

As for the trainings related to public financial management, the training team worked this year on three different levels:

- The first level is related to the comprehensiveness of programs in question; the yearly work plan covered the various stages of public financial management, from budget preparation, to budget execution to financial oversight.
- The second level is related to the target audience; This year’s action plan targeted a large network of parties concerned with the improvement of public financial management at the Ministry of Finance, Public Administrations, Public Institutions, Municipalities Regulation Bodies, and the Lebanese Parliament.

- The third level consisted of developing high quality modules specialized in public financial management. As part of service contracts and grants that the Institute has received throughout the year, IOF was keen on developing such modules that specifically targeted a number of sectors, among which the Parliament, municipalities, water authorities; with special attention given to the topic of public procurement.

## IOF supports the Ministry of Finance in enhancing public financial management in various public administrations and institutions



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Project to Develop the Capacities of Lebanese Municipalities in the Local Administration



## Main Achievements

A substantial part of the Institute's training activities were devoted to Public Financial Management topics; where the overall number of participants in those programs to 2331 trainees, as shown in the Table below.

### Training programs on public financial management

Activity	MoF	Lebanese Administrations	Foreign Participants	Total Trainees
Project to Develop the Capacities of Lebanese Municipalities in the Local Administration: Addressing the Challenges of Municipal Works: Municipal Laws, Financial Management and Local Development		976		976
Public Finance and Accounting Management Project for Beirut and Mount Lebanon Water Authorities		22		22
Fourth Annual Meeting of the GIFT-MENA Network	10	6	51	67
Improving the framework of Public Budget Process in Lebanon for the Year 2013 (Budget Circular 2013)	17	98		115
Program on Budget Preparation in Lebanon	4	21		25
Specialized Regional Training Program in Budget Preparation for Public Managers	3	1	20	24
Introduction to Budget Execution	61			61
Safety features of the new Lebanese Currency	68			68
Financial Management for Public Hospitals		36		36
Workshop on Public Procurement: the French Experience	7	47		54
Workshops on Planning, Pricing and Technical Specifications in Public Procurement		24		24
Workshop on Training Needs in Public Procurement in Lebanon	2	62		64
The French Experience in Public Procurement in Public Hospitals		22		22
The Advisory Committee of the Capacity Building Project in Sustainable Public Procurement	6	6		12
Workshop on the "Tax Procedure Code"	2	52		54
Introduction to the Lebanese Fiscal System		136		136
Tax on Salaries and Wages		63		63
Fiscal Stamps		62		62
Future Orientations of the Fiscal System		143		143
Tax on Interests and Revenues		65		65
Procedures of Compulsory Collection	30			30
Fundamentals of Auditing Accounts and Financial Reports of Public Administrations	26			26
Corporate Accounting	52			52
Financial Analysis	11			11
International Accounting Standard 39 Financial Tools: Acknowledgement and Measurement	19			19
The System of Bankruptcy in Lebanon: its Rules and Results	42			42
Internal Control and Audit- Training of Trainer	4	2		6
Internal Control and Audit	25			25
Workshop on Value for Money		23		23
Workshop on Parliamentary Oversight in Lebanon		4		4
<b>Total</b>	<b>389</b>	<b>1871</b>	<b>71</b>	<b>2331</b>

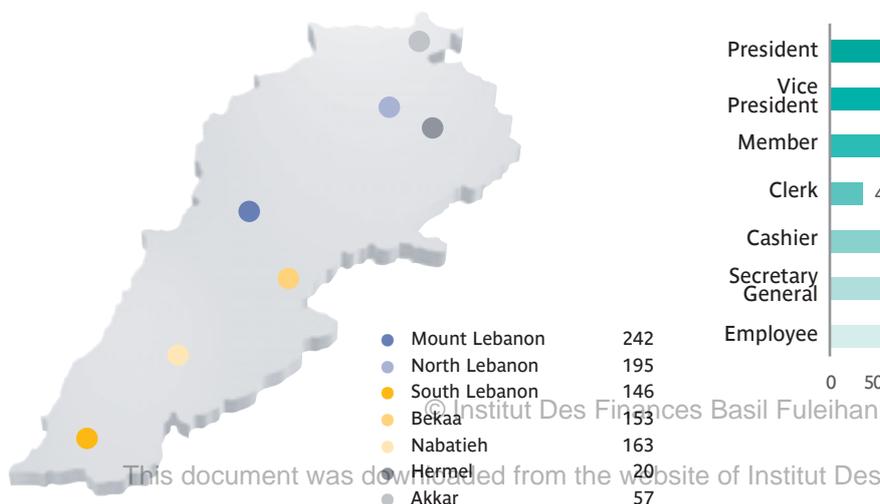
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The Institute developed an integrated approach to public financial management topics, and addressed it this year to two main sectors: municipalities and the water authority.

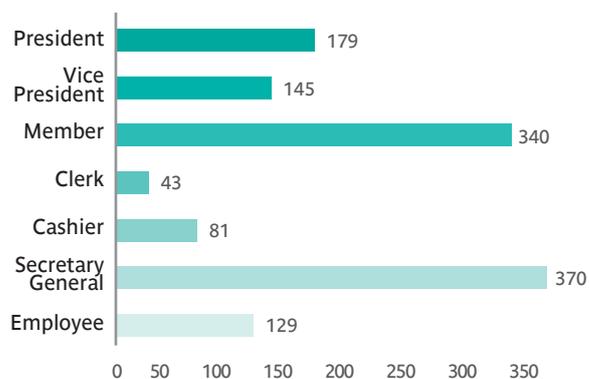
- The Institute and the Knowledge Development Company (KDC) implemented the “**Capacity Development Project for Lebanese Municipalities in the Local Administration**”. This project was executed with the support of the United Nations Development Program (UNDP) and at the request of the Ministry of Interior and Municipalities. The program included the basics of municipal law, the principles of financial management and the local development tools. The total number of participants amounted to **950** presidents and municipal members from **450** municipalities of the different Lebanese regions.
- At the request of the Development Alternative Inc. (DAI) and of the United States Agency for International Development (USAID), the Institute implemented the “**Public Finance and Accounting Management Project for Beirut and Mount Lebanon Water Authorities**”. The project aimed at developing the capacities of **20** employees in the topics of finance and accounting; and contribute to the improvement of their performance and of the quality of services offered to citizens.

- A considerable part of training activities were devoted to the topic of budget preparation, implemented in collaboration with the World Bank Emergency Fiscal Management Reform Implementation Support (EFMIS) Project at the Ministry of Finance and the Directorate of Budget and Expenditure Control. The macro-economic framework and the orientations of the 2012 draft budget law were explained to a group of **115** participants from **70** public administrations and institutions in Lebanon.
- Moreover, the Institute implemented a similar program for the employees of the Lebanese Parliament in collaboration with the Westminster Foundation for Democracy.
- At the regional level, the Institute collaborated with the Islamic Development Bank and implemented a “Specialized Regional Training Program in Budget Preparation for Public Managers” in the Middle East and North Africa region (MENA), in which **24** trainees from **9** countries participated.
- For the first time, the Institute had a special collaboration with the Organization for Economic Co-Operation and Development (OECD) through organizing the “**Fourth Annual Meeting for Senior Budget Officials in the MENA Region**” that was held in Beirut in June 2011.

#### Participants to the Capacity Development Project for Lebanese Municipalities in the Local Administration by administrative divisions



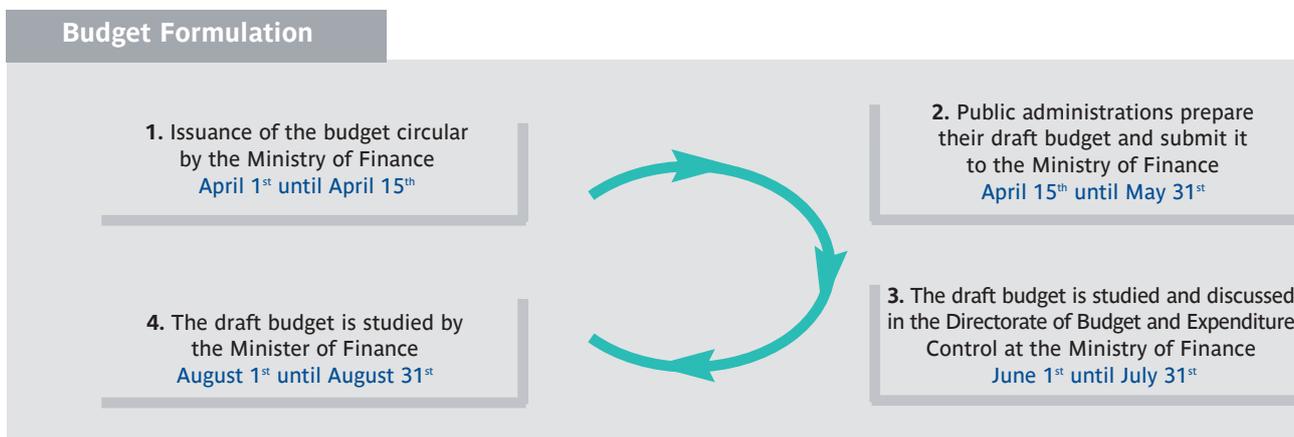
#### Municipal status of participants



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- As for the topic of Budget Execution, the Institute cooperated with the EFMS project to prepare and implement the first training program related to the execution of the budget, specifically offered to the Ministry of Finance's employees. It also helped organize a series of meetings with local experts in order to expose the best practices related to treasuries' management and learn about the safety features of the Lebanese currency. The Institute also responded to the Ministry of Public Health's request by organizing a workshop for commitment controllers, the heads of financial units and accountants in 24 public hospitals.



- At the **Taxes and Accounting** level, the Institute organized in collaboration with the Revenues Directorate a series of workshops on the Tax Procedure Code for Public Institutions in Lebanon and in which 54 trainees participated. It also devoted a series of workshops on accounting, financial analysis, bankruptcy and compulsory collection for the employees of the Tax Administration. A special collaboration was noted in 2011 with the Association of Lebanese Banks, under which in a series of workshops about the fiscal system in Lebanon was organized, and gathered 469 trainees from the banking sector. The topic of **Audit and Control** was of great interest on the national level.
- At the beginning of 2011, the Institute organized workshops on **"Audit of Financial Accounts and Reports of Public Administrations"** in which 18 employees from the Ministry of Finance participated. Moreover, the Institute continued its coordination with the EFMS project for the preparation and implementation of a workshop on **"Audit and Control"** for the Ministry's employees. In addition, Parliamentary Oversight was an important pillar of this year's work plan, as shown in the section specific to that matter. At the regional level, the training team put its finishing touches on Specialized Regional Training Program in Control and Audit for Public Managers; that is expected to be executed in 2012. Last but not least, the Institute co-organized with the Training Center of the Ministry of Finance of Jordan a conference that held in the Dead-Sea (refer to the partnerships' section).

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The Regional Seminar on the Role of Training in Support to Public Accounting Reform - Jordan

## Training on Public Financial Management Abroad

The training programs related to financial management were linked to complementary activities abroad. The Institute enabled the participation of **38** Ministry of Finance Employees and trainers from the Institute in

**10** regional and international programs and conferences; in addition to **8** study visits to institutions abroad.

### Training in public financial management abroad

Activity	Organizing party	Number of participants from the Ministry of Finance
Macroeconomic Management and Financial Sector Issues - Abou Dhabi	Arab Monetary Fund	3
Design, Sequencing and Implementation of Public Financial Management Reforms - Abou Dhabi	Arab Monetary Fund	2
Field visit to the Ministry of Economy and Finance - Morocco	Ministry of Economy and Finance of Morocco	5
Public Finance Management Conference: Trust and Accountability in Public Financial Management - UK	Chartered Institute of Public Finance and Accountancy	1
Colloque "Coopérer pour répondre aux défis de la gouvernance économique et financière" - France	ADETEF	1
Training on the Marrakech Task Force Approach to Sustainable Public Procurement - Germany	United Nation Environment Program	1
UNEP Sustainable Public Procurement Project - Project Manager Meeting - Paris	United Nations Environment Program	1
7 <sup>th</sup> Meeting of the International Network on Financial Education - Canada	Organization for Economic Co-operation and Development	4
Regional Seminar on the Role of Training in Support to Public Accounting Reform - Jordan	Ministry of Finance in Jordan	8
Visit to the Center of Excellence in Finance (CEF) - Slovenia	Center of Excellence in Finance	4
<b>Total</b>		<b>30</b>

Workshop to Assess Training Needs in Public Procurement



## Public procurement in Lebanon: National Studies and Survey of the Needs for Capacity Building

Public procurement is a key topic of interest as it plays the main role of translating public policy decisions into concrete results. Public procurement is a core component of the public financial management cycle, and by then the main gate towards budget execution and ensuring value for money from public spending. In the perspective of capacity building, the Institute implemented two national studies in 2011, tackling the current practices in public procurement and sustainable public procurement. The results of the studies are expected to be presented, discussed and published in mid-2012. The Institute also organized some specialized training programs and workshops in cooperation with local and foreign experts.

### Study on the Current Practices of Public Procurement in Lebanon

In the absence of clear and precise national statistics on the actual public procurement practices in Lebanon, as well as the specialized knowledge of public procurement practitioners and their related training needs, the IoF implemented the first phase of the **“Capacity Building in Public Procurement”** project with the support of the Government of Italy, consisting of a Situational Analysis and Training Needs Assessment in Public Procurement.

The study describes the public procurement practices in Lebanon and the legal framework that governs the procurement operations. The study was based on a sample of **84** procurement practitioners in various public administrations and institutions, in addition to in-depth interviews conducted with a group of experts and stakeholders from both the public and private sectors and the international organizations operating in Lebanon. This study has highlighted the training needs in public procurement in Lebanon; and has laid the foundation for the preparation of high-quality training programs.

#### Public Procurement in Lebanon

- The size of public procurement in Lebanon equals 4% of the Gross Domestic Product (GDP).
- The size of public procurement constitutes around 22% of the Lebanese state budget. It nearly equals 13% of the yearly public expenditures.
- 40% of the procurement operations occur through requests for proposals and 33% occur through public tenders.
- 27% of public procurement practitioners are aware of the conditions and standards of sustainable public procurement, whereas 15% are aware of E-procurement.

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## Study on Sustainable Public Procurement

The IoF represents the Lebanese Ministry of Finance in the Marrakech Process which aims at developing capacities in Sustainable Public Procurement (SPP) worldwide. The Institute achieved, in collaboration with the United Nations Development Program (UNDP) and the United Nations Environment Program (UNEP), the first stage of the project which includes:

- The status assessment of the current situation in Lebanon pertaining to the existing legislations and procedures on sustainability.

- A legal review of sustainable public procurement.
- A market readiness analysis concerning the requirements and standards of sustainability in goods and services.

The second phase of the project will include the development of a national policy for sustainable procurement that will be presented to all concerned stakeholders, followed by a training of a group of civil servants on the use of principles, standards and conditions of sustainable public procurement in Lebanon.

## Training Initiatives on Public Procurement

In terms of training activities, the Institute organized specific workshops to a total of **177** participants from

different public entities in Lebanon. The below table shows the training topics for the year 2011.

### Training activities in public procurement

Activity	Ministry of Finance	Lebanese Administrations	Total number of trainees
Round Table on the French Experience in Centralized Procurement Operations in Public Hospitals		22	22
Workshop on Centralized Procurement: the French Experience	7	48	55
Workshops on Planning, Pricing and Classification in Public Procurement		24	24
Workshop on the Training Needs in Public Procurement in Lebanon	2	62	64
Meetings of the Steering Committee of the "Capacity Building for Sustainable Public Procurement" project	6	6	12
<b>Total</b>	<b>15</b>	<b>162</b>	<b>177</b>

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## Towards Strengthening Parliamentary Oversight in Lebanon

Financial oversight is the main pillar for fostering good governance and ensuring democracy and transparency in the public administration. The Lebanese budget witnessed several developments in its preparation, execution and oversight. It thus became essential to move to a wider scope that enables the subject of oversight to transcend its political component to tackle its technical, legal, financial and economic dimensions.

In that regard, there is a growing need to empower parliaments to carry out their oversight functions and to activate their technical and managerial units to help the Members of Parliament oversee the budget or the expenditure of public finance more generally. Since 2008, the Westminster Foundation for Democracy had launched several initiatives to strengthen the parliamentary oversight process in Lebanon. In order to do so, it chose the National Audit Office of the United Kingdom as a partner and the Institut des Finances Basil Fuleihan as a local partner.

The main collaboration achievements for 2011 were the preparation of a baseline study on the status of financial oversight in Lebanon, and its improvement needs. Moreover, an induction workshop for the Advisory Unit of the Lebanese Parliament was another noted achievement. The Institute also actively participated in various initiatives and conferences launched by the Westminster Foundation for Democracy at the Lebanese Parliament, and in which **48** trainees participated.

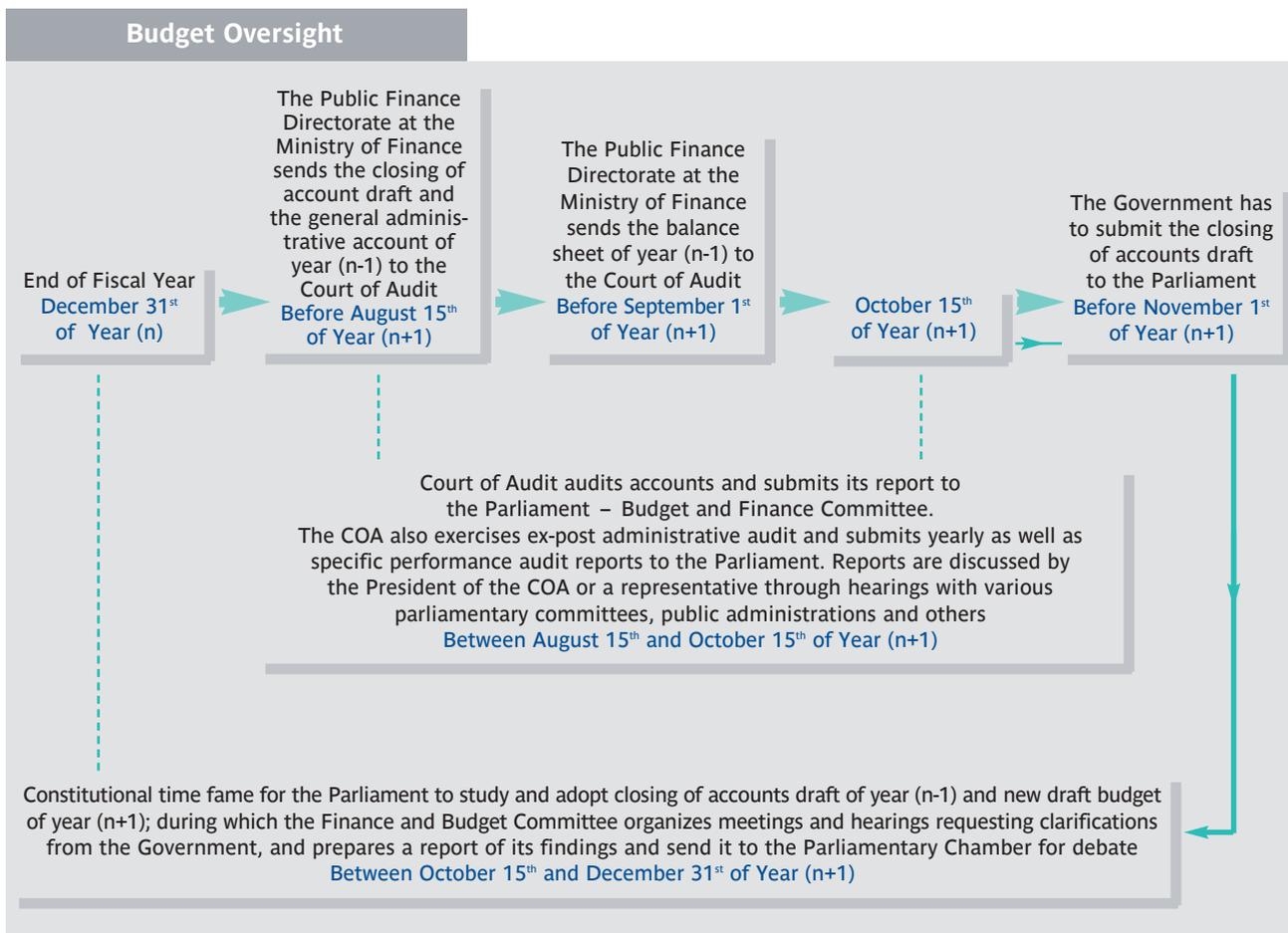
### Training activities on Parliamentary Oversight

Activity	Ministry of Finance	Lebanese Administrations	Foreign Participants	Total Trainees
Workshop on Parliamentary Oversight in Lebanon specific to the Advisory Unit at the Lebanese Parliament		4		4
Workshop on Value for Money for the Court of Audit		23		23
Delegation Visit of the National Audit Office of the UK (Parliamentary Oversight in Lebanon)	4		44	48
<b>Total</b>	<b>4</b>	<b>27</b>	<b>44</b>	<b>75</b>

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## Orientations

In 2012, The Institute will focus on the following axis:

- Accompanying of all the reform and development projects related to public finance in Lebanon and the MENA region;
- Ensuring correlation and complementarity between projects and the individuals tackling improvements in public financial management at the national level. The Institute shall not only build the capacities

of Ministry of Finance Employees, but shall also contribute in building those of all civil servants involved in managing public funds in general;

- Appealing to competent trainers-experts with the highest standards and join efforts with them to prepare and execute high quality training programs on financial themes, using dynamic techniques.

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# A Distinguished Training Center in Customs and Related Themes



The Customs training calendar for 2011 contributed in unifying Customs procedures with specific focus given to building capacities in combating smuggling, particularly drugs smuggling.

In order to encourage cooperation and exchange of expertise on themes related to protection of the citizen, society and economic safety, the Institute focused on strengthening the links between the Customs Administration and other Governmental Bodies, especially Enforcement Agencies and the Business Sector.

The Institute did not spare any effort to reinforce networking with the World Customs Organization and other international and regional organizations in order to benefit from their international expertise and experiences.

## Main Achievements in Customs-Related Trainings

- Continuation of work on the four training axes in accordance with the Institute's mid-term plan 2009-2011; the number of trainees amounted to **864**;
- Development of specialized curriculum in customs legislation, which includes four training modules on customs exemptions, imports and exports control, suspensive custom regime, and customs infractions;
- Reinforcement of the collaboration with local partners and execution of **4** training programs targeting employees of Customs Administration and other enforcement agencies, namely the Ministry of Economy and Trade and the Internal Security Forces;
- Supporting the promotion of **43** customs sergeants to adjutant level, through the delivery of a specialized training program;
- Supporting customs modernization projects through the implementation of the ASYCUDA system; by hosting and organizing **16** training courses for **73** Customs' forwarders and **49** students specializing in Customs Affairs;
- Reinforcement of coordination with the regional representative of the World Customs Organization. An official visit to the Moroccan Ministry of Finance was organized for a delegation from the Lebanese Ministry of Finance which included representatives of the Customs Administration, in order to learn about the Moroccan experience in modernizing its Customs Administration;
- Reinforcement of cooperation and networking with organizations and international institutions, and organizing three training programs with the World Customs Organization, and developing with the European Union a training program on post clearance audit and investigation methods.

### Axis of the Customs Training Mid-Term Plan

- International Trade Facilitation
- Enforcement of customs control and protection of the economic and financial interests
- Reliance on Information Technology
- Unification of International Customs Procedures and standards

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## Training Addressed to the Customs Administration

This year, the Institute focused its training activities on customs control and inspection, anti-smuggling, and risk management. It executed 6 out of 9 training programs, as per the 2011 training calendar. 700 civilian and customs officers from the Customs Administration

participated in the mentioned trainings. The whole program was not executed due to the limited number of customs trainers as a result of the heavy workload that the Customs Administration witnessed this year.

### Customs training programs

Activity	Number of sessions	Trainees from Customs Administration	Trainees from Other Lebanese Administrations	Total trainees
<b>Specialized training programs</b>				
General Principles of Customs Exemptions	1	32		32
Conditions for the Suspensive Customs Regime	1	25		25
Imports Controls	2	23		23
Customs Infractions	1	12		12
Customs Infractions: Investigation and Prosecution	1	13		13
Image Analysis of X-Ray Detectors	14	143		143
Anti-Drug Trafficking	11	270		270
Anti-Smuggling and Relevant Customs Procedures	1	25		25
ASYCUDA World Technical Training	14		73	
A workshop for Beirut Arab University Students on ASYCUDA World	2		49	
Workshop on Clearance Control and Investigation in Collaboration with the European Union (TAIEX)	1	25		25
Specialized Training Program to Support the Promotion of Customs Brigade	1	41		41
<b>Total</b>	<b>50</b>	<b>609</b>	<b>122</b>	<b>609</b>

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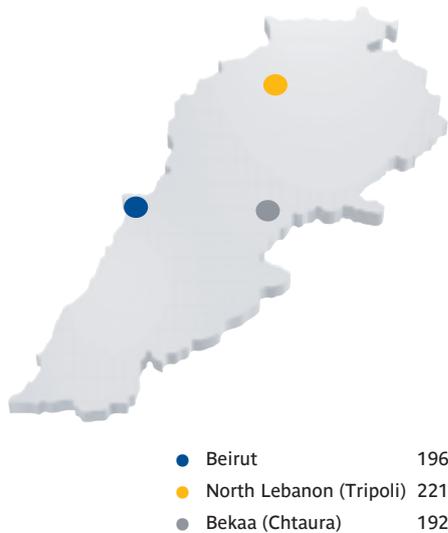
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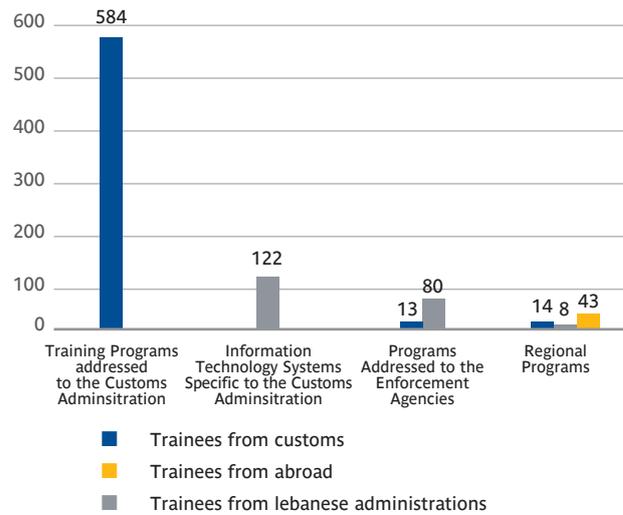
Anti-Drug Trafficking



Geographic distribution of participants



Distribution of trainees in customs training programs



## Special Focus on Combating Illicit Drug Trafficking

The Institute has been giving, for years now, a special attention to combating illicit drug trafficking. It has indeed doubled its efforts in enforcing this portfolio, and has, in this respect, initiated a partnership with the Civil Aviation Security Training Center for the development and implementation of specialized training program. The latter aims at strengthening the skills of participants in controlling the illegal trade of drugs. 270 brigades from the provinces of Tripoli and Chtoura took part in this training. In addition, the Institute worked hard on promoting prevention and raising awareness on the harmful effects of drugs at the national level, in collaboration with the Customs Administration, the Internal Security Forces and the Ministry of Education and Higher Education.

### “How to Protect our Children From Drugs”, Presentation and Discussion Session

On the occasion of the International Day Against Drugs, the Institute organized a presentation and discussion session entitled “How to Protect our Children from Drugs”, in collaboration with the Syndicate of Pharmacists. Experts from the Customs Administration and the Internal Security Forces and Civil Society (Skoun, Oum El Nour, Jad) participated in this session. A documentary film was shown and specific flyers were distributed by the United Nations Office on Drugs and Crimes (UNODC).

### Specialized Training Course on “Anti-Drug Trafficking” for the Customs Brigade

This year’s program was distinguished by its comprehensive training module. In addition to the theoretical and legal framework of drugs, practical exercises on modern inspection techniques, urine and saliva analysis, inspection of vehicle and travelers etc... enriched the training material.

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## Specialized Training on Image Analysis of X-Ray Detectors

The Institute supported the Customs Administration by building the capacities of the Customs Brigade in using and analyzing the images of X-ray detectors, implemented at all customs borders during the last years.

**143** brigades working at the main terrestrial control and marine borders of the Customs Administration participated in the program. The training was distinguished by its practical aspect: actual use of the Logy X program, available at the Civil Aviation Security Training Center. This program allows comparison between the list of goods and the actual goods present in suitcases

or containers. Consequently, this will enable checking the nature and quantities of imported goods through reading and analyzing X-ray images.

It is worth mentioning that this program is very important as it is a main step in achieving a number of goals within the Customs Administration's reform and modernization agenda; the most essential being international trade facilitation, enforcement of control, reinforcement of safety and security at the borders, fighting smuggling of illegal substances, and hindering commercial fraud as well as customs and tax evasion.

## Customs Training Programs for Enforcement Agencies

The Institute devoted various training programs for law enforcement agencies and other concerned administrations. The themes of these were mainly related to the safety and economics aspects of customs topics. We cite the following as an example: a program on investigation techniques in criminal psychology, programs related to combating counterfeiting as well as commercial fraud. The latter is an interestingly growing and spreading phenomenon that has become one of the most dangerous issues in regards to its

impact on the health of consumers on one hand, and on the governments as a result of the decrease in the income on the other.

In addition, the collaboration with the private sector continued and several workshops on **"counterfeit products: guidelines and techniques"** were implemented, with about **70** participants from the Ministry of Economy and Trade. The most relevant program was: fighting counterfeit and piracy - the health and safety of the consumer.

### Training Program on Investigation Techniques in Criminal Psychology

This program aims at improving law enforcement interviewing and investigation techniques; and to emphasize the importance of body language.

The program targeted officers from the Customs Administration and Internal Security Forces. Main subjects of training were body language, psychology of lying, interrogation techniques and preliminary interviews.

### A Special Partnership with the Private Sector



The Institute has been, in close collaboration with Business Conserv Company, supporting Law Enforcement Bodies in their mission to identify counterfeit products in the Lebanese markets. Specialized training programs have been thus developed to build the capacities of concerned parties to familiarize them with the designs and specificities of original goods and to provide them with the skills to compare with counterfeit goods.

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# Lebanon: Regional Training Center for the World Customs Organization

Despite all the efforts made to reinforce Lebanon's regional role this year's circumstances prevented the realization of all the projects mentioned in the regional training plan for 2011. Therefore, the Institute hosted only 3 training programs out of 5 in which 43 officials from the Arab countries participated.

## Distribution of participants in the regional customs training program

Activity	Number of sessions	Trainees from Customs	Trainees from Lebanese Administrations	Trainees from abroad	Total number of trainees
The Harmonization System	1	3		13	16
Customs Value	1	4		8	12
Fighting Counterfeit and Piracy - the Health and Safety of the Consumer; in collaboration with the World Customs Organization	1	7	8	22	37
<b>Total</b>	<b>3</b>	<b>14</b>	<b>8</b>	<b>43</b>	<b>65</b>

## Orientations

During 2012, the Institute will mainly work on the following axis:

- Reinforcing the knowledge of new economic and commercial concepts; developing knowledge related to all types of commercial fraud, organized crimes and means of smuggling;
- Encouraging the Customs Administration to participate in training programs specialized in public finance management (budget preparation, public procurement...) and offering middle rank officials programs aimed at developing their managerial skills on team management, performance appraisal and time management;
- Participating in the prevention and contributing in raising social awareness on the harmful effects of drugs and developing training programs on fighting against the illicit trafficking of natural and synthetic drugs. In addition, introducing the enforcement bodies and concerned parties to the physical properties of drugs and develop their skills in data analysis, investigation and monitoring;
- Creating a platform for sharing experiences and expertise and good practices with the other law enforcement bodies and the parties concerned with trade and financial crimes; and reinforcing openness towards the private sector in order to benefit from its technical expertise;
- Reinforcing the regional and international cooperation in order to benefit from the international expertise and good practices in the field of risk management and targeting;
- Asserting Lebanon's role as a regional training center and coordinate with the World Customs Organization, the regional representative and the Center for Capacity Building in Abu Dhabi in order to prepare and develop training programs.

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# Promoting Economic and Financial Education

Two years ago, the Institute bestowed upon the subject of economic and financial education a great importance, and has been trying since to raise awareness on economic and financial matters in a way that encourages growth and the effective participation of citizens in their communities. Moreover, the Institute carried on, in 2011, with the capacity building program for economic teachers in secondary public schools. In addition, it organized a series of workshops to strengthen the economic and analytical capabilities at the Ministry of Finance and public administrations and institutions. 712 participants from Lebanon and abroad participated in the indicated workshops; 3 of which were implemented in collaboration with local and international organizations. Finally, and under the annual initiative of “Youth at the Ministry of Finance”, a number of activities targeting the Lebanese youth were organized throughout the year.

## Distribution of Participants in the Economic and Financial Education Programs

Activity	Number of sessions	Ministry of Finance	Lebanese Administrations	Foreign Participants	Total
Workshop on the Economic Principles Governing the Public Sector	1	3	13		16
Workshop on Statistical Techniques for Decision Making	1	3	16		19
Public Private Partnership as a Case Study to Finance Infrastructure Projects	1			15	15
<b>Training Programs in collaboration with the Arab Planning Institute</b>					
The 10 <sup>th</sup> Annual Conference on “Modern Trends for Funding Development”	1	3	17	86	106
Workshop on the Economies and Challenges of Globalization	1	1	19		20
Workshop on Analyzing Competitiveness and its Policies	1	1	21		22
<b>Total</b>	<b>6</b>	<b>11</b>	<b>86</b>	<b>101</b>	<b>203</b>
<b>Training abroad</b>					
Child Finance Strategy	1	1			1
Conference on Financial Literacy “Partnering to Turn Financial Literacy into Action”	1	2			2
Financial Capability Measurement Meeting	1	1	1		2
<b>Total</b>	<b>9</b>	<b>15</b>	<b>87</b>	<b>101</b>	<b>208</b>

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## Promoting Economic and Financial Education in Secondary Public Schools Program

The Institute pursued its collaboration with the Guidance and Counseling Directorate at the Ministry of Education and Higher Education and executed the second phase of the program of Promoting Economic and Financial Education in Secondary Public Schools. This included a series of workshops and field visits targeting 205 economics teachers who are currently teaching 56,000 students, and are guiding them towards managing their financial future.

The first activity was held between October and December 2011. It included a series of field visits to the Lebanese Central Bank, the Port of Beirut and the Ministry of Finance. The visits aimed at providing the teachers with a comprehensive vision and interactive tools about monetary and financial policies and at deepening their knowledge about the economic role played by these administrations.

The activities for 2012 include an interactive training program on micro and macro economic concepts; in addition to various workshops whose aim is to facilitate the process of promoting economic and financial education of students and improve their interaction with their teachers.

### Phase one of the program

The first phase of the training program consisted of developing training material and interactive techniques that complement the economics public schools curriculum. 8 modules were chosen as the priority, as per the needs assessment that the Institute undertook in collaboration with the Ministry of Education and Higher Education - the Guidance and Counseling Directorate. The training material was developed in cooperation with experts and teachers from the Faculty of Economics at Saint Joseph University (USJ). This phase was implemented in 9 public schools in Beirut and the region; in which 159 economics public school teachers participated.

### Training activities of the Capacity Building Project for School Teachers

Capacity Development Project for Economic Secondary Public School Teachers	Ministry of Finance	Lebanese Administrations	Foreign Participants	Total Trainees
Capacity Building Project for Economics Secondary School Teachers: Make up Session	1	30		30
First Field Visit: The Role of the Central Bank in Setting Monetary Policies	1	159		159
Second Field Visit: The Role and Missions of the Ministry of Finance in Managing Public Funds in Lebanon	3	169		169
Third Field Visit: The Economic and Commercial Role of the Port of Beirut, The Free Zone, and the Role of Customs Administration in Trade	3	151		151
<b>Total</b>	<b>8</b>	<b>509</b>		<b>509</b>

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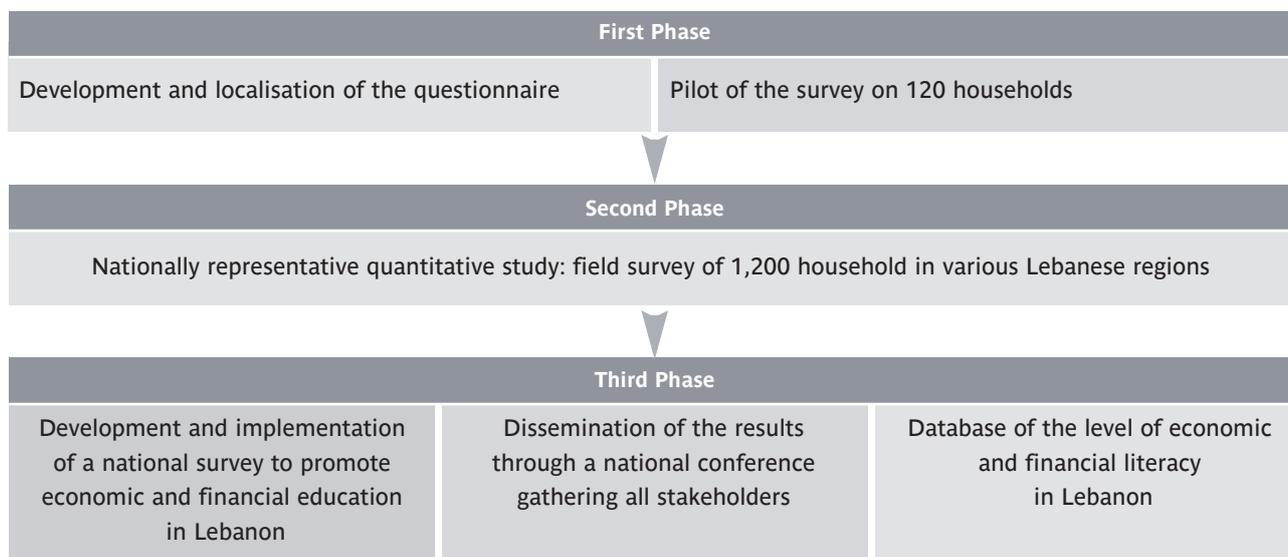
## National Survey on Economic and Financial Literacy

In 2011, the Institute started the preparation process to undertake a nationally representative survey to assess the economic and financial capabilities of Lebanese population. The first phase of the study was undertaken in collaboration with the Consultation and Research Institute, when the questionnaire was developed and a pilot was conducted on **120** households in various Lebanese regions. The project is funded by the World Bank.

The questionnaire is comprised of five modules: 1) day-to-day money management, 2) choosing appropriate products, 3) planning ahead, 4) financial literacy 5) public finance.

The implementation of the field survey of **1,200** households is expected for January 2012. This quantitative study will be complemented with a qualitative study mainly based on focus groups with various stakeholders.

Chart of the preparatory phases to launching a National Strategy to Promote Economic and Financial Literacy



## Youth at the Ministry of Finance

The Institute has been striving to introduce the Lebanese society, and the youth in particular, to the Ministry of Finance. The yearly training program **“Youth at the Ministry of Finance”** introduces university students to the role and missions of the Ministry, to the main concepts of public finance management and seeks to promote their economic and financial education. It also encourages them to join the Ministry’s team.

More than **114** university students participated in this program this year; They were informed about it through:

- Program brochures distributed at the Library of Finance, and in the Institute’s various activities;
- Annual job fairs, of the American University of Beirut, University of Antonine, Sagesse University, and Saida Career Day.

University students  
at the Institute



### Field visits of university students

University	Meeting Date	Number of Groups	Number of Students
Lebanese University- Faculty of Law - Jal el-dib	7-1-2011	1	16
Lebanese American University - Jbail	18-2-2011	1	7
Lebanese University - Faculty of Law and Political and Administrative Sciences - French Branch	18-3-2011	1	25
American University of Science and Technology - Achrafieh	6-5-2011	1	23
Antonine University - Baabda	13-5-2011	1	19
Antonine University - Baabda	20-5-2011	1	24
<b>Total</b>		<b>6</b>	<b>114</b>

## Orientations

- Training for Economics Public School Teachers **“the Island Game”**: an economic simulation game based on the basic concepts of macro and micro economics;
- Organization of an annual conference gathering teachers and experts in economics and finance;
- Creation of educational tools such as booklets, educational games and other related activities;
- Implement a qualitative study to complement the quantitative study and organize a national conference to disseminate the results and recommendations of the study;
- Increase the number of programs targeting university students.

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# Strengthening Managerial Skills

Worldwide experience has proven that financial reforms are at the heart of state modernization. Yet no reform could be complete without accompanying it with capacity building of employees. Developing managerial skills of the latter, and increasing their knowledge will enable them to strengthen their team spirits, guide them towards planning, anticipation, and motivate them to work in a better way. In this regard, the Institute continued with its initiatives targeting middle and senior public officials in the Lebanese administration through a series of specialized meetings tackling the main topics related to planning, managing and evaluating public policies; its link to government work; and discussion of international good practices.

## Meetings of Senior Lebanese Officials

For the second consecutive year, a series of meetings addressed for senior public officials from across the Lebanese civil service were organized under the theme of Public Policy Design and Implementation. The meetings were implemented in collaboration with the French National School of Administration (ENA) and the Institut Francais of the French Embassy in Lebanon, with the support of Fransabank. The program tackled the modern methodologies of public policy development, focusing on public finance management policies, civil service development, modernization of HR management, sharing core values and promoting

openness, public expenditures management, as well as on audit and control tools. Four workshops addressed to 20 Senior Lebanese Officials including Court of Audit magistrates, General Directors as well as senior public officials from various administrations and institutions, from the civil and military branches.

The participatory approaches used during these meetings created a unique atmosphere, a mix of knowledge-sharing, exchange of experiences and networking through animated group works and interesting presentations.

### Meetings of Senior Lebanese Officials



A cooperation project between Lebanon and France aimed at developing the capacities of senior public officials interested in deepening their knowledge in Public Financial Management issues, upgrading their skills and getting acquainted with international best practices.

- **First axis:** Public Policy Design and Implementation.
- **Second axis:** Public Finance: An Instrument of State Modernization and Performance.
- **Third axis:** Today's Civil Service: Costs, Challenges and Opportunities.
- **Fourth axis:** Control, Audit and Management of Public Expenditures.

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## Managerial Programs for Middle Public Officials

Middle Officials at the Ministry of Finance benefited from management programs that aimed at building their supervisory and leadership skills; that will help them achieve good team management and incite them to perform better. In this regard, 5 training programs were organized, in which 118 trainees from the Ministry of Finance and other public administrations and institutions participated. The trainings were on various subjects, such as leadership skills, team building, and the basics of documents' archiving in the public sector. In addition to that, the Institute developed a specific program on communication skills in finance for public officials; and another program on professional methods in representing your ministry in international meetings and conferences.

### Training programs on the development of managerial skills

Activity	Number of Sessions	MoF	Lebanese Administrations	Total Number of Trainees
Leadership Skills in the Public Sector	1	9	5	14
Documents' Archiving and Documenting Methods in the Public Sector	1	16	9	25
Representing Your Ministry in International Meetings and Conferences	1	22	2	24
Workshop on Communication and Teamwork	1	22		22
Communication Skills in Finance for Public Officials	2	2	31	33
<b>Total</b>	<b>6</b>	<b>71</b>	<b>47</b>	<b>118</b>

## Language Skills and Information Technology Programs

531 trainees participated in information technology (Microsoft Office) and languages programs; 77% of which were from the Ministry of Finance. Moreover, the Institute organized 9 languages workshops in which 214 employees participated. It also organized 4 specialized Office workshops on Word, Power-Point Presentations, and Excel in which 195 employees from the Ministry of Finance participated. In addition to that, the Institute provided the Customs Administration with IT workshops on the ASYCUDA system, attended by 317 employees.

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## Languages and information technology programs

Activity	Number of Sessions	MoF	Lebanese Administrations	Total Number of Trainees
<b>Languages programs</b>	<b>18</b>	<b>214</b>		<b>214</b>
English Language	9	107		107
Work place: English and Conversation - Advanced	3	33		33
Work place: English and Conversation - Intermediate	2	28		28
Work place: English and conversation - Intermediate - Tripoli	1	19		19
Focus on Grammar - High Intermediate	1	11		11
Focus on Grammar - Intermediate	1	8		8
Language introduction - 2	1	8		8
<b>Information Technology programs</b>	<b>36</b>	<b>195</b>	<b>122</b>	<b>317</b>
<b>Microsoft Office</b>	<b>13</b>	<b>195</b>		<b>195</b>
Word - Intermediate Level	3	54		54
Word - Advanced Level	3	39		39
PowerPoint Presentation	1	24		24
Excel - Advanced	6	78		78
<b>Information Technology systems for the Custom Administration</b>	<b>23</b>		<b>122</b>	<b>122</b>
ASYCUDA World technical training	14		73	73
Workshop Specific to Arab Open University's Students regarding ASYCUDA World System	9		49	49
<b>Total</b>	<b>54</b>	<b>409</b>	<b>122</b>	<b>531</b>

## Main Orientations

- Focus on participatory approaches that illustrate best practices, discuss them and make way for comparison with the international mechanisms and the new techniques in public financial management;
- Strengthen the information technology and languages training in all the Lebanese regions and widen its scope;
- Target senior officials of the public sector and provide them with specialized training programs in public financial management and its relation with concepts and theories of modern management.

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611

Participants  
from Lebanon  
and Abroad

29

Training Programs  
Abroad

12

Regional  
and International  
Organizations

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# Cooperation and Networking

Cooperation and Networking

Partners

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# Cooperation and Networking



As of the year 2010, we have been witnessing major changes in the Arab World and the region has gone through major perturbations, which has undoubtedly affected the regional activity of the Institute which could not foresee the political and institutional changes on the short term. Nevertheless, the Institute succeeded in building new strategic partnerships with a number of organizations in 2011; namely the Islamic Development Bank, the European Union, the Organization for Economic Co-operation and Development (OECD) and the United Nations Environment Program (UNEP). It also strengthened its previously established partnerships, in particular with the Economic and Social Commission for West Asia (ESCWA), the United Nations Development Program (UNDP), the Arab Planning Institute (API) in Kuwait, the French Government and other parties. These partnerships resulted in the implementation of important initiatives such as the Economic and Financial Education project, as well as the elaboration of an institutional development plan for the Institute: "Horizon 2015" etc...

## Main Achievements

- Reinforcement of the collaboration with the Ministries of Finance of Jordan and Palestine; hosting of delegations from their training centers and the organization of joint regional seminars and workshops;
- **80** staff members and affiliated trainers of the Ministry of Finance and the Institute of Finance participated to specialized training programs and field visits to a number of capacity building institutions and administrations in the region;
- Mobilization of the financial support of the Islamic Development Bank for the promotion of economic and financial education for public school teachers;
- Support from the World Bank for the implementation of the financial literacy survey in Lebanon;
- Reinforcement of the bilateral cooperation between Lebanon and France through the hosting of two French delegations on the occasion of the commemoration of the fifteenth anniversary of the Institute; the first composed of senior officials of the French Ministries of Economy and Finance and its international cooperation agency ADETEF. This visit was also an occasion to discuss collaboration opportunities with the Minister of Finance and the Ministry's senior officials. The second delegation was composed of members of the French Ministry of Civil Service and the French National School of Administration, who also met with senior officials from the Ministry of Finance, the Office of the Minister of State for Administrative Reform, the Civil Service Board and the Lebanese National School of Administration;
- Involvement of private sector institutions such as Fransabank and the Chamber of Commerce, Industry and Agriculture of Beirut and Mount Lebanon (CCIA-BML) in initiatives aiming at developing the capacities of public sector senior officials;

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- Involvement of the civil society in the organization of a number of local training programs and awareness sessions on economic and financial issues;
- Organization of two high level regional conferences in Jordan and Lebanon attended by 125 government officials from the MENA region; in the framework of the GIFT-MENA network.

The Institut des Finances Basil Fuleihan places cooperation with partner institutions and governments

at the core of its mission. Technical assistance is provided to assist the Institute in the accomplishment of its objectives, sharing the accumulated knowledge and facilitating the exchange of expertise among local and regional institutions involved in capacity development. Cooperation with Arab countries and building on experiences of the Mediterranean countries (MED-MENA) are among its utmost priorities.

## Arab-Arab Cooperation

### Providing technical assistance to the training centers affiliated to the Ministries of Finance in the region

In an effort to promote the exchange of best practices and to share the Institute's experience in accompanying reform implementation and in training strategy and engineering, institutional building, communication tools and networking, the Institute and ADETEF undertook a number of initiatives aimed at developing the capacities of the staff of the training centers affiliated to the Palestinian and Jordanian Ministries of Finance.

#### Jordan

The main initiative, which culminated 6 years of cooperation with the Training Center of the Jordanian Ministry of Finance, was the joint organization of a regional conference on **"The Role of Training in Support of Public Accounting Reform"**.

In this framework, two study visits were organized in 2011. The first aimed at assisting the Jordanian team in the organization of the conference, whereas the second

was an occasion to introduce the team about the reform programs at the Lebanese Ministry of Finance and participate in the commemoration of the Institute's foundation.

#### Palestine

In an effort to accompany the launch of the Palestinian Public Finance Institute (PFI), the Institut des Finances Basil Fuleihan hosted a team from the Palestinian PFI headed by its Director on a study visit during which the Lebanese Institute shared its experience in accompanying reform implementation and highlight the key role of training institutes in reforming public administrations and managing change, the organizational and administrative set-up as well as its training, institutional building and communication strategy and tools. Furthermore, the participation of Palestinian officials in the regional training programs organized by IOF in Lebanon allowed its guests to benefit from its expertise through sharing experiences, coordinating efforts and identifying collaboration venues.

### Regional Conference on "The Role of Training in Support of Public Accounting Reform" - Dead Sea, Jordan, July 2011

The Training Center of the Ministry of Finance of Jordan, in collaboration with the Institut des Finances Basil Fuleihan, organized a regional seminar on "The Role of Training in Support of Public Accounting Reform" in the Dead Sea region, Jordan, under the flagship of the GIFT-MENA network (Governance Institutes Forum for Training in the Middle East and North Africa).

The seminar brought together 60 experts from 14 MENA countries, mainly high-level officials concerned with public accounting and internal audit reform, heads and senior training managers of schools and institutes servicing the public sector, as well as representatives of regional and international organizations and of the private sector. The objective of the seminar was to enable participants to exchange and learn about each others' experiences in reforming public accounting frameworks, capacity building, and the role of training in facilitating reform implementation.

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Specialized Meetings in Economic Development for Countries around the Mediterranean



### Morocco

In an effort to strengthen collaboration among public finance administrations in the Arab countries, and with the support of the Islamic Development Bank, a Lebanese delegation conducted a study visit to the Ministry of Economy and Finance of the Kingdom of Morocco, under the theme of “State Modernization” with particular focus on the modernization of Human Resources Management, Budget preparation and the introduction of performance-based budgeting, as well as the introduction of e-government and capacity-building and training. This visit will be complemented by a number of other initiatives in 2012 as a result of the Institute’s longstanding relations with the Moroccan Institute of Finance and the Ministry of Administrative Modernization. Moreover, Morocco, represented by the Higher Institute of Administration participated to the commemoration of the Institute’s fifteenth anniversary.

## Arab-Mediterranean Cooperation

### The Network of Training Schools and Institutes in the MENA Region

As the secretariat of the GIFT MENA network, the Institute continued providing the network with intellectual and financial resources and playing an active role in fostering exchange and cooperation among the countries of the South and the Mediterranean Region. Despite the regional unrest in Tunisia, Egypt, Yemen, Libya and Syria that affected the network’s work plan throughout the second half of the year, the secretariat pursued its activities throughout 2011 with the support of the French treasury through ADETEF.

Main activities of the year:

- Preparation of a diagnostic report on economic and financial literacy in Lebanon, a potential pilot project for the region;
- Coordination with regional and Arab organizations to facilitate study visits to administrations and institutions in the region such as the visit to the Ministry of Administrative Modernization in Morocco;
- Publishing the conditions required for the network’s website; studying the offers and selecting the best available company for the development of the website in fall 2011;
- Organization of a regional conference on the **“Role of Training in Support of Public Accounting Reforms”** in the Dead Sea region, Jordan;

### Publications of the Network



This brochure summarizes the works of the GIFT-MENA Annual conference entitled “Reforming for results at a time of crisis: Public Financial Management in MENA” The conference offered a platform to discuss the advancements and challenges pertaining to the implementation of PFM reform in MENA countries and encourage dialogue and innovative solutions related to PFM reform design and implementation among peers and also share capacity-building needs and contacts with providers and beneficiaries of technical assistance and training in the area of PFM.

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- Organization of the fourth annual meeting of the OECD-MENA network of senior budget officials in the MENA region;
- Organization of a conference on **“Rethinking Training for the Public Sector”** in Beirut;
- Issuance of the proceedings of the 2010 GIFT-MENA Annual Conference on **“Reforming for results at a time of crisis: Public Financial Management in MENA”**, that was held in Beirut in December 2010. (Refer to the box).

Through this network, the Institute is committed to developing the national capacities in public financial management in line with the reform efforts undertaken by governments of the MENA region. The Institute counts on the value added of the network’s activities to enhance the initiatives for economic growth in the region and improvement of the public finance performance.

### Specialized meetings in economic development for countries around the mediterranean

In the framework of its partnership with the Finance Institutes affiliated to the Ministries of Finance of France, Italy, Morocco, and Spain; and based on the success and popularity of the Specialized CHEDE MED Meetings (cycle de hautes études pour le développement

économique en méditerranée), initiated in 2010, a series of meetings, attended by more than **40** senior representatives of the public and private entities, were held in 2011 in the various countries, under the theme **“Innovation: A Lever for Economic Development”**.

Lebanon was represented by **10** participants.

These meetings played an important role in building bridges for collaboration between the partner countries and setting the foundations for potential partnerships among the participants.

The meeting organized in Lebanon was entitled **“Lebanon: A Mediterranean Hub at the Service of Innovation”** and was sponsored by the Chamber of Commerce, Industry and Agriculture of Beirut and Mount Lebanon (CCIA-BML). Discussions covered the role of Lebanese institutions in promoting, financing and coaching innovation. Participants were invited to interact with more than **25** key resource persons including decision makers, researchers, bankers, private equity, economists, technology experts, innovators, etc. through a program rich with interventions, field and touristic visits organized in collaboration with Kafalat, the Banque Libano-Française, Berytech, the National Council for Scientific Research, the Higher Institute of Management and MIT Award for Innovators.



The programs include seminars, meetings and round tables that gather decision makers, public opinion leaders, researchers and renowned players in the economic and social world in addition to field visits to research institutes and important infrastructure projects to present specific explanations and practical cases on the discussed topics.

The first meeting was organized by the Spanish Tax Studies Institute and was entitled: “Innovation and Economic Development on the Mediterranean: Energy, Environment, Technology and Information Networks”.



The second meeting was organized by the Institute of Public Management and Economic Development in France and was entitled: “Networks and Financing, Catalysts of Innovation in the Mediterranean for Economic Development”.



The third meeting was organized by the Institute of Finance of the Kingdom of Morocco and was entitled: “Innovation’s Ecosystem in Morocco”.



The fourth meeting was organized by the Italian School of Finance and Economics and was entitled: “The Economic and Corporate Development on the Italian Mediterranean”.



The fifth meeting was organized by the Institut des Finances Basil Fuleihan in Beirut and was entitled:



“Lebanon: A Mediterranean Hub at the Service of Innovation”.

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## Cooperation with the European Union

During the past years, the Institute benefited from the technical assistance tools and funding provided by the European Union, and in particular the TAIEX - Technical Assistance and Information Exchange Instrument, for the organization of workshops at its premises, such as the **“Clearance, Control and Investigation”** workshop; to which **25** senior officials from the Lebanese Customs administration participated. This year was distinguished by a new form of collaboration with experts from the SIGMA consultation team - Support for Improvement in Governance and Management. The latter is a joint OECD and EU initiative principally financed by the EU to assist countries covered by the European Neighbourhood Policy in developing good governance and management. The project aimed at evaluating the Institute’s capacities and performance; and preparing an institutional development plan **“Horizon 2015”**. This support will continue throughout 2012 and the experts from SIGMA will accompany the Institute’s team in executing the plan and adjusting it when needed.

### Cooperation with France

Cooperating with French organizations is an essential part of the Institute’s work, as these relations were established since its foundation in 1996. Moreover, the Institute’s work, values and methodologies are highly inspired by the French experience and strongly promote Francophone values.

A major highlight of the Institute’s cooperation with France for 2011 was the participation of the Institute’s team in the thirtieth anniversary of ADETEF - the International Cooperation Agency of the Ministries of Economy and Finance. Subsequently, a delegation composed of **14** French senior officials from various administrations of the French Ministry of Finance, the Technical Cooperation Agency of the Ministry of Public Service and the French National School of Customs in the commemoration of the fifteenth anniversary of the Institut des Finances Basil Fuleihan which was held this year under the theme: **“15 Years of French-Lebanese Cooperation at the Service of State Modernization”**. The ceremony was an occasion to honor French personalities who accompanied the Institute throughout its 15 years’ journey.

### Fifteen Years of Privileged Cooperation with France



- **752** senior civil servants participated to training programs abroad, **336** of them were trained at French institutions.
- **97** attended training programs at the National School of Taxation
- **53** pursued training programs at the National School of Administration
- **7** pursued long term training programs at the National Schools affiliated to the Ministries of Economy and Finance
- **69** training programs were organized in Lebanon in collaboration with the French Ministries of Economy and Finance
- **27** study and delegation visits were organized to the French Ministries of Economy and Finance
- **24** French delegations visited the Lebanese Ministry of Finance

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These two occasions were an opportunity to re-activate the bilateral technical cooperation between the Lebanese and French Ministries of Finance; through various visits and meetings organized in their framework. The French delegation discussed venues of collaboration with the Minister of Finance and senior Lebanese officials from the Office of the Minister of State for Administration Reform (OMSAR), the Civil Service Board and the National School of Administration. Moreover, the delegation was invited to participate to a field visit to the Civil Aviation Security Training Center (CERSA) - a promising French- Lebanese collaboration initiative aiming at serving Lebanon and the region.

The main highlight of the year 2011 was a privileged collaboration with the cultural, economic and security units of the French embassy in Beirut. The latter supported the different activities of the Institute and provided it with the necessary technical expertise and funding.

The High level meetings specific to senior officials at Lebanese public administrations and institutions were organized in collaboration with the French National School of Administration and supported by the Institut Français whereas the Mediterranean Economic development Project (CHED-MED) was supported by the Economic Unit and the French Agency for Development (AFD).

### Cooperation with the United Kingdom

In addition to the partnership with Westminster Foundation for Democracy in the framework of the Lebanese Parliament capacity building project; 2011 witnessed the launch of new cooperation initiatives with three British institutions; in particular, the National Audit Office (NAO). The Institute hosted representatives from these organizations on introductory visits that aimed at identifying potential collaboration initiatives and providing technical support for specialized training programs in public finance management. The table below highlights the fields of collaboration.

### Cooperation with Italy

In the framework of the “Capacity Building in Public Procurement” project funded by the Italian Government, the Institute benefited from the Italian technical expertise on several occasions. This project was supported by two consecutive Italian Ambassadors to Lebanon, who actively participated to the steering committee meetings and backed up the project alongside the Minister of Finance, emphasizing the importance of bilateral collaboration between Italy and Lebanon and, in particular, the development of capacities of civil servants.

Fields of cooperation	Organization
Strengthening the financial capacities at the Lebanese Parliament	National Audit Office (NAO)
Studying the possibility to developing training programs in public financial management	Chartered Institute of Public Finance and Accountancy (CIPFA)
Studying the possibility to developing training programs in public procurement	Chartered Institute of Purchasing and Supply (CIPS)

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# Partners



The Institute persevered in its methodological and continuous work to strengthen its position on the local and regional levels as a learning hub and platform for sharing knowledge and expertise between local organizations and countries of the Region; developing partnerships between Arab and Euro-Med organizations; and reinforcing existing partnerships in Lebanon and abroad. Moreover, the Institute was able to mobilize a number of stakeholders from the private sector to participate to some of its led initiatives in 2011, which aimed at reinforcing the capacities of senior civil servants. These private sector organizations included Fransabank; the Chamber of Commerce, Industry and Agriculture of Beirut and Mount Lebanon (CCIA-BML) and the Ecole Supérieure des Affaires (ESA). It also included the participation of civil society organizations in a number of local training programs and awareness sessions related to financial and economic topics. These partnerships created an opportunity to get exposed to the best regional and international practices and exchange of expertise. In the framework of these partnerships, 20 training programs were organized in collaboration with 12 regional and international organizations; accounting for 611 participants from Lebanon and abroad.

## Local Partnerships

The Central Bank of Lebanon is one of the strategic partners of the Institute. In addition to the collaboration with its Training Center and the External Affairs Directorate, this year witnessed a special collaboration through the organization of training programs on monetary issues addressed to the staff of the Treasury Directorate of the Ministry of Finance. Moreover, the Institute reinforced its collaboration with the Civil Aviation Security Training Center (CERSA) in an effort to upgrade the skills of the staff of the Customs Administration.

### A Special Collaboration with the Civil Aviation Security Training Center (CERSA)



The Institute reinforced its partnership this year with the CERSA. The latter was created in partnership with the French National School of Civil Aviation (ENAC). The importance of this initiative lies in the fact that it facilitates the coordination among the various stakeholders and ensures that both the Institute and the Center mutually benefit from each others' expertise and capacities in the development and execution of high-quality programs using advanced techniques.

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## Regional Partnerships

### Special partnership with the Islamic Development Bank

The culminating point of 2011 was the initiation of a special partnership with the **Islamic Development Bank**, which aims at strengthening South-South cooperation and encouraging the sharing of Arab expertise. This resulted in the joint organization of study visits and regional workshops and training programs specialized in public financial management addressed to officials from several Arab and Islamic countries. Moreover, this partnership also resulted in supporting the Institute's initiative in enhancing the economic and financial literacy of the Lebanese youth.

### Renewed partnership with the Arab Planning Institute in Kuwait

In May 2011, the Institute hosted at its premises the Arab Planning Institute's specialized certificate on **"Globalization and Competitiveness"** addressing more than twenty senior officials from Lebanese public Administrations and Institutions. Moreover, the Institute and its Kuwaiti counterpart jointly organized the Board of Trustees meeting of the Arab Planning Institute in January 2011. The Institute also collaborated with its Kuwaiti counterpart for the organization of the API's tenth yearly conference on **"Recent Trends in Financing Development"** which was held in Beirut in March. This year was also marked by the participation of the Chairman of the Board and the new General Manager of the Institute Dr. Badr Malallah to the GIFT-MENA network's conference. He also attended

with the former Chairman of the Board, Dr. Issa Al Ghazali the celebration of the fifteenth anniversary of the Institute.

### Economic and Social Commission for Western Asia (ESCWA)

The regional meeting on **"Economic Policies Supporting the Transition to a Green Economy in the Arab Region"**, was organized by ESCWA in collaboration with the Institute of Finance, the United Nations Environment Program (UNEP) and the League of Arab States (LAS). The event was organized as part of the regional preparatory meeting series for Rio+20 and it aimed at discussing with policy-making staff of ministries of finance in the Arab countries available options for economic policy reform and financial instruments supporting an advantageous transition to green economy in the Arab region.

Other issues discussed included sustainable public procurement, environmental taxation, and green investment incentives..

### Middle East Technical Assistance Center (METAC) of the International Monetary Fund

In light of the international trend aiming at linking technical assistance and capacity development, and the Institute's approach for cooperation and exchange of good practices, the Institute launched a series of initiatives aiming at discussing and setting the framework for a future collaboration with METAC, that will be developed further throughout the year 2012.

### The "Budget Preparation" Regional Training Program, in Collaboration with the Islamic Development Bank

24 senior public officials from different Budget Departments of various state administrations and monitoring bodies from 8 Middle East and North African countries participated to the regional specialized training program on Budget Preparation.

This comprehensive program examined the three principles of sound budgeting as well as the steps followed in modern budget preparation systems. It highlighted typical weaknesses and pitfalls in budget preparation and focused on the required steps for moving from a traditional budget framework to performance budgeting, and on practical techniques and tools such as Medium Term Expenditure Frameworks, performance indicators, and others.

The fourth Annual Meeting of Senior Budget Officials in the MENA Region



## Partnerships with International Organizations

### The Organization for Economic Co-operation and Development (OECD)

The Institute's efforts aimed at organizing and attending meetings with officials from the OECD throughout the past year paved the way for an increased and active participation to a number of important international initiatives among which:

- Participation of the Minister of Finance Mrs. Raya Haffar to the Mediterranean Business Forum;
- The Institute's hosting of the fourth OECD meeting of Senior Budget Officials in the MENA Region in Beirut;
- Participation of the Institute's team and trainers in six international conferences organized by the OECD.

### The World Bank

This year, the World Bank supported the National Economic and Financial Literacy initiative, led by the Institute, in collaboration with the Ministry of Education and Higher Education. Moreover, the Institute is conducting a national survey which aims at assessing the economic and financial capability of the Lebanese population as a preliminary step for the development of a national strategy to improve financial literacy. The Institute will be undertaking throughout the coming year a number of initiatives in collaboration with the World Bank; among which a regional conference on public procurement to be organized in Beirut.

### The United Nations Environment Program (UNEP)

In the framework of the **"Capacity Building for Sustainable Public Procurement"** project (SPP) launched by the United Nations Environment Program, Lebanon, represented by the Ministry of Finance - Institut des Finances Basil Fuleihan joined the six pilot countries for the implementation of the Marrakech Task Force (MTF) approach on Sustainable Public Procurement (SPP). The initiative's objectives are to accompany the development of SPP in Lebanon by promoting capacity building activities and supporting the development of national sustainable public procurement policies through the testing of the approach, drawing policy conclusions from the testing and eventually improving the MTF Approach.

### The fourth Annual Meeting of the Network of Senior Budget Officials (SBO) in the MENA region

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The meeting was held in Beirut and was attended by more than 60 senior budget officials and public finance experts from the MENA region and their OECD counterparts; in addition to representatives of training centers and regional and international organizations. The meeting served as a platform for the presentation and discussion of various budget-related reform projects and country experiences, namely public-private partnerships, restoring public finances in OECD countries, the impact of democratic transitions on budgeting and public expenditures, transparency and citizen information as well as building capacities

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In this regard, technical and financial support were provided to conduct two studies: a review of the Lebanese legal framework and a market readiness analysis. In addition a number of

initiatives were organized to raise awareness and to build capacities of staff working in the public procurement field in Lebanon.

## Challenges faced by the Cooperation and Networking Unit

The main challenge faced throughout the year was the limited participation of public officials from the countries affected by the “Arab Spring” in the regional and international programs organized by the Institute. This eventually led to the cancellation of a number of regional workshops and programs from the 2011

training calendar. However, these activities were resumed in the second half of the year. Nonetheless, the international financial crisis also affected the programs which generated limited funding opportunities provided by donors.

## Cooperation and Networking Orientations

The cooperation and networking team looks forward to:

- Reinforcing the technical cooperation with the Ministries of Finance in the region (Jordan, Palestine, Morocco, Yemen...);
- Promoting the cooperation and networking with the World Customs Organization and international organizations concerned with facilitating trade.

Moreover, the general orientations for 2012 include a follow-up on the modernization programs through:

- Providing specialized trainings and organize fields visits in order to facilitate the exchange of experiences and good practices;
- Offering the necessary resources to activities that promote regional exchange of knowledge and expertise in the areas of the Institute of Finance;
- Maximizing financing, technical support, and multilateral cooperation through the development of partnerships with donors.

Finally, the short term expectations are related to the political uncertainties which affect the region’s economies and administrations, however the future seems

promising. In this regard, the Institute aims through the GIFT-MENA network, to participate in the rebuilding of the countries’ public finance administrations and developing their staff’s capacities through joint efforts and initiatives, based on the countries’ understanding of the regional geo-political situation and on the active role of concerned parties in modernizing public financial management. Therefore, the network will try to play an active role through:

- Organizing study visits, workshops, training programs and conferences, and issuing useful brochures for concerned organizations;
- Pursuing the regional specialized training offer in PFM through launching training programs on “Budget Execution” and “Audit and Control”;
- Enhancing communication and information through developing a website for the GIFT- MENA network and launching the second edition of the “Guide of Training Schools and Institutes in the MENA Region”;
- Organizing field visits to promote exchange among the network’s members



100  
New Publications  
and Reports

Printing  
10 500  
Copies  
of "Hadith el Malia"

Printing  
and Distributing  
58 500  
Copies  
of Publications

619  
New books

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# Publication, Communication and Information

Publishing, Communication and Information



Publishing Activities



The Library of Finance: a Center Specialized in Economics and Finance



Communication Activities



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# Publication, Communication, and Information



Despite the numerous technical, financial and administrative challenges that continually faced the publication and communication department during the past few years, it managed nevertheless, to realize outstanding results. In June 2011, it published the first issue of the biannual journal *Assadissa*, which aspires to become a tool in the spreading of a new economic, financial and administrative culture as well as to foster dialogue between researchers, academics, writers, and experts specialized in public finance and state building. This same year was also characterized by the establishment of a more productive interaction between the training and publications activities in a way that complements the former and allows for the dissemination of information to the public.

## Main Achievements

- ▲ The Launching of *Assadissa*, the Journal of Public Good and State Building; The adjustment of the publication strategy in light of the study conducted by the department in 2010, “**Current Situation and Future Potentials**”, and according to which a work plan was designed in order to enhance research within the Publication Department;
- ▲ The engagement of academics from the Faculty of Economics of the Lebanese University in the Advisory Board of “*Assadissa*”, which already includes academics from the American University of Beirut as well as high officials from the Lebanese Public Sector. The Board’s role was also activated with the planning for the second and third issues of the journal;
- ▲ Completion of the first draft of two new financial and fiscal awareness guides, in addition to the issuing of revised editions of two training guides.

### About “Assadissa”

#### The Advisory Board

Officials from the Directorate General of Finance, public institutions, academics, experts, as well as the Director of the Institut des Finances Basil Fuleihan.

Suggests the main theme for each upcoming issue, reviews and evaluates the published material.



#### Editors and Writers

Lebanese Public administration officials, judges and lawyers, experts and researchers from Lebanon and abroad. Propose and submit research papers, participate in the evaluation process.

#### The Editorial Board

Director and the publication team of the Institute. Develops a detailed plan of the main theme, sends requests for papers, edits and approves material.

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# Publication Activities

## Launching of the Journal *Assadissa*

Amidst the transformations currently witnessed in the Arab World, the Institute published the first issue of "*Assadissa*", the journal which tackles the issues of public good and state building in Lebanon and the Arab World. The journal aspires to have a deep and effective contribution towards the enrichment of public financial and economic knowledge, the defining of national priorities, and, consequently, towards the setting up of public policies.

The journal's first issue focused on the topic of "State Property in Lebanon" through five contributions from

renowned Lebanese and French researchers and experts. It also presented two research papers: "The Legal Framework for Combating Money Laundering in Lebanon" and "Economic Growth and Financial Development: an Alternative to the Neo-Liberal Approach". In addition to two book reviews, the Journal also included a section on Lebanese Indicators which dealt with the issue of "Measuring the Public Sector Wage Bill in 2011", a section on Global Economic Trends which addressed the problem of "Soaring Food Prices: Reasons and Consequences" and finally, a Legislations section.

## *Assadissa*

While the media and civil society claimed the position of the fourth and fifth authorities respectively due to their influence upon the three main branches of the modern state, namely the legislative, executive and judicial branches, the production of knowledge can also claim the position of the sixth authority, emphasizing the role that the knowledge community can exercise in the setting up of public policies; hence, the name of *Assadissa*.



### *Assadissa* Launching Ceremony

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The ceremony was organized under the patronage of the Minister of Finance and was attended by 200 personalities including MPs, Ministers, high civil and military officials, academics, active members of the public and private sectors and representatives of the civil society and the press.

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## Training Guides

Two training guides were re-designed and re-printed:

- ▲ **“The Administrative Texts and Correspondence in the Public Sector”**: this guide explains the main characteristics of the different types of texts and correspondences used in a public administration and, as such, is a good reference particularly for those attending the training sessions at the Institute. The guide also offers practical exercises on how to draft the different genres and types of texts.
- ▲ **“Your Guide to Archiving and Preserving Documents in the Public Administration”**: this guide was prepared in collaboration with the National Archives Institute and is intended as a useful tool for persons working in this domain at the Ministry of Finance. It provides information on the different types of documents, the archiving unit, the classification and coding of documents, in addition to preservation methods. In this regard, the guide is considered a useful reference for all administrations.

Two new general information reference guides are also under preparation:

- ▲ **“Your Guide to the Performance Based Budgeting”**, is a basic introduction to this type of budgeting and to the benefits emanating from its adoption as opposed to the Line Item Budgeting which is still in practice today in Lebanon. It also provides an overview of the main initiatives that have been undertaken towards implementing this transition both at the local and international levels.
- ▲ **“The Trainer’s Guide”**, is considered as a useful reference for trainers in general. It seeks to explain the concept of adult training, its methods and techniques, as well as to provide a detailed explanation about the criteria used to set training objectives. This guide also gives adequate attention to the implementation of training sessions as well as to the technique of evaluation and follow-up.

## The Financial and Fiscal Awareness Series

The series aims at assisting the citizens in carrying out their obligations towards the fiscal administration while preserving their rights. It explains, in a user-friendly style, the main formalities and their related procedures, and provides citizens with the necessary information to complete the tax payment process. Following the directives of the Minister of Finance and the Director General of Finance, the publication team pursued this year, in collaboration with high ranking officials at the Directorate General of Finance, the preparation of two new guides: **“Your Guide to the Personal Declaration of the Income Tax”** and **“Your Guide to the Registration and Declaration of the Salary and Wage Tax”**. The publication of these guides was postponed to mid-2012, when all the legislative amendments and related decrees are expected to be completed.

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## Reports and Studies

The Communication and Publications Department prepared and issued two reports:

▲ **“Public Financial Management in MENA: Reforming for Results at a Time of Crisis”**: A report on the GIFT-MENA network’s yearly conference.

▲ **“Fifteen Years of Lebanese-French Cooperation 1996-2011”**: issued on the occasion of the fifteenth anniversary of the Institute, this report highlights the main stages of this cooperation in capacity building, exchange of expertise, technical assistance, and regional initiatives.

### Reports under preparation and expected to be issued in 2012

<p><b>15 Years in Review: Results of the Beneficiaries Satisfaction Survey - Institut des Finances Basil Fuleihan</b></p>	<p>A bilingual report in Arabic and English showing the results of the finding of the survey executed by INFOPRO company at the end of 2009. The survey reflects the views of the beneficiaries of the Institute’s services such as directors, heads of departments, and employees from the Ministry of Finance and other public institutions and administrations.</p>
<p><b>The Institut des Finances Basil Fuleihan Institutional Development Plan: Horizon 2015</b></p>	<p>A directive plan for the institutional development at the Institute that will be published in French and Arabic with an executive summary in English to be distributed to all concerned parties for discussion.</p>
<p><b>Review of the Public Procurement Legal Framework in Lebanon: Possibilities for Incorporating Environmental and Social Sustainability Criteria</b></p>	<p>A final report of the study conducted in cooperation with the United Nations Environment Programme and the United Nations Development Programme on the legal framework of public procurement and sustainability in Lebanon.</p>



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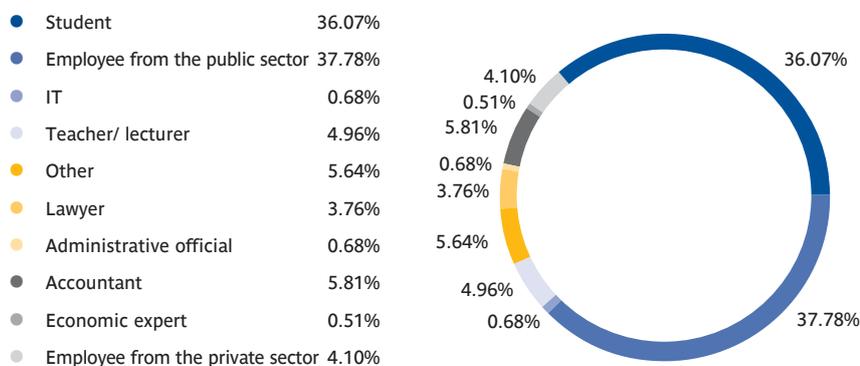
# The Library of Finance: a Center Specialized in Economics and Finance



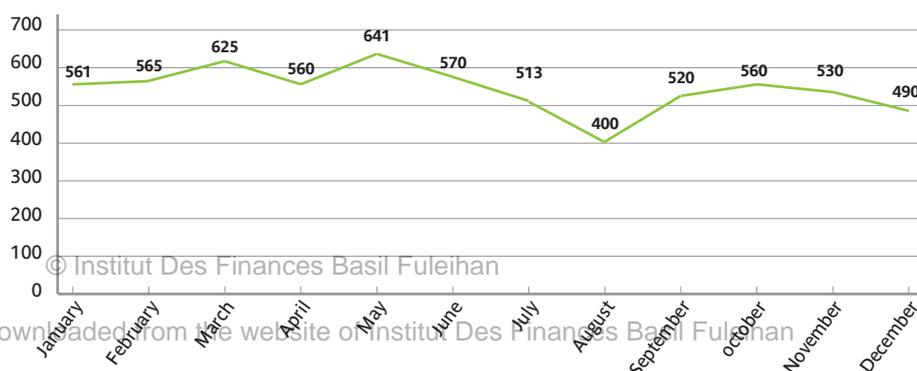
The Library of Finance is considered today to be among the most specialized documentation centers in Lebanon. It provides the Ministry of Finance's employees, specialized experts, economists, journalists, lawyers, university students and researchers with a wide collection of both printed and electronic references on finance, economic, legal and administrative themes as well as other related topics. Moreover, the Institute constantly works on enriching the Library with new references and subscriptions as well as printed and electronic periodicals.

The Library of Finance maintained in 2011 an average of around 23 daily visits. Moreover, 1143 books were borrowed by 609 beneficiaries. It is to be noted that 37,7% of the Library's visitors were public sector employees, mainly from the Ministry of Finance, 36,7% were university students, and 6,25% were from independent professions, including lawyers, economists, accountants, employees of the private sector and others.

Visitors of the library by specialization



Monthly number of visitors



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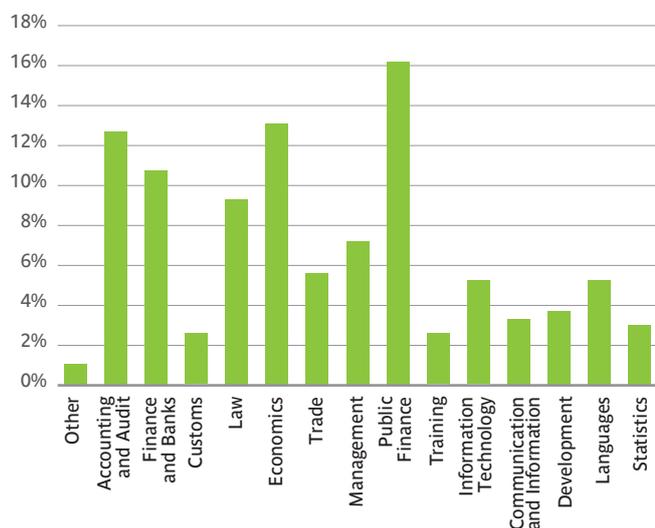
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## Reference Updating and Classification

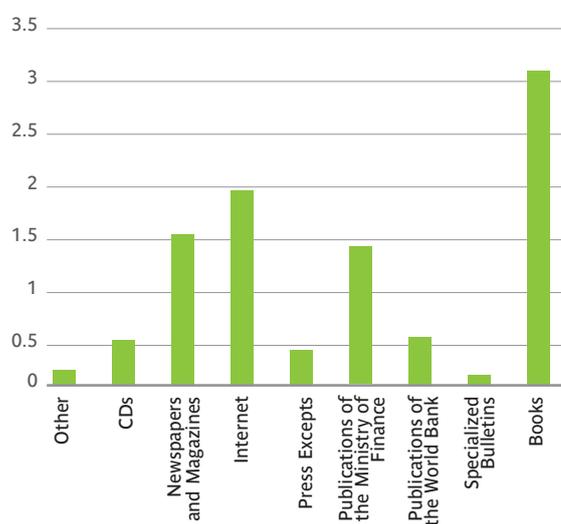
New acquisitions, totaling **619** new books and **100** specialized reports and brochures, including renewed and amended Lebanese laws modified up to 1/1/2010, were donated to the Library by local and international organizations; mainly the International Monetary Fund, the World Customs Organization, the United Nations Information Center in Beirut and the ESCWA.

Research and access to books were the main reasons for visiting the Library of Finance (**31,28%** of the visitors). Among the most researched topics, public finance accounted for (**16%**), followed by economics (**14%**) and accounting/auditing (**12%**). As for the Customs-related topics, the percentage was low at around (**2%**).

Interests of visitors by topics



Interests of visitors by type of references



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The Library was equipped in 2011, with the Hamurabi E-program, which includes the totality of Lebanese legislative texts (laws, decrees, resolutions...), from the original editions to the most recently updated revisions, in addition to courts' jurisprudence, advisory opinions of the Court of Audit, the counsels of the Legislation and Consultation Body at the Ministry of Justice, and, finally, studies and researches related to different legal topics.

## E-Services

In 2011, the Library expanded its electronic access service through the dissemination of the latest economic and financial news, chosen articles and lists of recently acquired books and other publications. Around **150** pieces of information, including **"New at the Library of Finance"**, economic reports, periodical reports of banks, and international E-bulletins were sent to more than **3500** addresses. Moreover, the Library provided the **"E-press excerpts"** service which included articles and studies in finance and economy from Lebanese sources, information about the productive sectors and the public finance, in addition to financial indicators, the Ministry's news, and other updates.

### Electronic Archiving Program of the Library of Finance's Content

In order to facilitate access to information and research, the Institute established the **"electronic archiving of the Library of Finance's content"** project. Through this project, the main information present in references held at the Library will be scanned, mainly the title page and index which will be in turn linked to an electronic database published on the Institute's website, once the scanning of all the books and references in Arabic, English and French is completed.

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# Communication Activities

## Periodic Publications of the Institute

The Institute continued to publish the “**Hadith El Malia**” bulletin (issue numbers 41, 42 and 43), the periodical which provides information about the main activities of the Ministry of Finance. In addition to being disseminated online, about **3500** hard copies were also distributed.

Moreover, two publications were issued. The first about the “**Meetings of Lebanese Senior Officials**” program of 2011, organized in cooperation with the National School of Administration in France, the

Institut francais of the Embassy of France in Lebanon, with the sponsorship of Fransabank; and the second about the municipalities training programs held in cooperation with the United Nations Development Programme (UNDP).

Finally, the Institute issued its annual report for 2010, of which **2500** copies were distributed. An additional **1000** copies of the abridged report, in French and English, were also distributed to interested parties and beneficiaries of the Institute’s services in Lebanon and abroad.

## Media Coverage

A total of **25** press releases were published in 2011 and distributed to the leading Lebanese, Arab and foreign newspapers. These press releases covered the main training programs and conferences organized in

collaboration with the donors. They also covered local, Arab and international meetings, in addition to the various activities of the Ministry of Finance.

## The Institute’s E-newsletter

A new design was prepared for the Institut’s E-newsletter, which acquired a fresh look since July 2011. Moreover, **24** electronic newsletters were published and sent to more than **3500** email addresses in Lebanon and

abroad in Arabic, French and English. The news covered different programs, conferences and developments at the Institute and the Ministry.

## Main Orientations in Publication, Communication and Information

- ▲ Encouraging experts, academics, civil society and the middle and high officials of the Administration to participate in a process of thought and discussion in order to promote the production of specialized publications and research work at the Institute;
- ▲ Continuing the publication of **Assadissa** as a tool for deepening research and promoting debate on matters of finance, economy, and democratic state building, as well as to encourage the sharing of expertise and experiences among the Arab countries;
- ▲ Continuing the publication of financial and fiscal awareness series guides in order to facilitate tax procedures, widen the citizen’s knowledge in that regard, and consolidate trust between the citizen and the Financial Administration;
- ▲ Strengthening the relation with the media and the journalists interested in economic, social and educational topics;
- ▲ Developing the Institute’s website, strengthening electronic information, and continuing to participate in exhibitions, meetings and other periodic communication activities.

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Electronic Archiving

Use of Power-Saving  
Products

67  
Bids during the Year

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# The Financial and Administrative Department

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# The Financial and Administrative Department



The financial and administrative department implemented its financial and managerial annual plan with the aim of meeting the Institute's expectations in harmony with the projects implemented in all its departments. Moreover, the department prepared a medium term budget for 2012-2013-2014 and persevered in producing the monthly financial reports and internal financial audits. It also insured the smooth work flow of the departments, stimulated the employees and managed their affairs.

Additionally, the year 2011 was marked by a tremendous effort made in developing an Institutional Development Plan entitled "Horizon 2015" co-worked in collaboration with the SIGMA program's experts. This plan comprises the development of tools to be used for financial administration, human resources management, and for installing internal procedures related to procurement.

## Achievements

The main achievements of the year can be summarized by the following:

- ◆ Perseverance in the development of financial management systems and improvement of their automation;
- ◆ Financial management of projects executed by the Institute through donations or service contracts with local, regional and international partners;
- ◆ Development of the Institute's team members' skills on related topics for better performance;
- ◆ Continuation of the paper archiving project in both the training and administration departments of the Institute;
- ◆ Completion of the electronic archiving of the photographs taken during the Institute's activities from the date of its establishment till 2011 inclusive;
- ◆ Start of the electronic archiving project meant for the content of the Library of Finance such as books, references and others in view of having them published at a later stage on the new Institute's website;
- ◆ Application of the internal procurement procedures in compliance with the yearly work plan as stated in the Institute's draft budget for the year 2011;
- ◆ Ensuring the best usage of procedures, tools and model documents meant to facilitate the Institute's work and ensure their amendment when need be.

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## Available Credits

The following chart details the direct and indirect contributions as well as the aids, donations, and service contracts administrated by the team in 2011. They are distributed as follows:

### Institute's incomes

Direct contributions	
Contribution from the Lebanese Ministry of Finance	2,000,000,000 Lebanese Pounds
Credits retained from 2010	None
Indirect contributions <sup>1</sup>	
Lebanese Ministry of Finance (Rent Allowances)	410,073,000 Lebanese Pounds
Lebanese Ministry of Finance (Common services expenses for 2010)	49,971,000 Lebanese Pounds
Lebanese Ministry of Finance (Cleaning Contract)	71,856,000 Lebanese Pounds
Financial Support	
Annual Financial Support of the International Cooperation Agency of the French Ministries of Economy and Finance	45,000 Euro
Additional support for the fifteenth anniversary of the Institute	9,700 Euro
Three-year-Financial Support (2010-2013) of the International Cooperation Agency of the French Ministries of Economy and Finance for the GIFT-MENA network	450,000 Euro
Donations	
World Bank from 2007 until 2011	338,000 US dollars
The Italian Government represented by the Italian Embassy in Beirut (2010-2012)	332,000 Euro
Service contracts	
Westminster Organization for Democracy (2010-2013)	34,491 US Dollars
Westminster Organization for Democracy (2011)	11,062 Euro
UNDP (2010-2011)	125,385 US Dollars
The World Bank (2011-2012)	82,930 US Dollars
Development Alternative Inc - DAI (2011)	44,131,500 Lebanese Pounds

According to the statement of the Bank of Lebanon dated 31/12/2011, the balance of the Institute's account amounts to //274,966,776// Lebanese Pounds.

<sup>1</sup> Indirect contributions are the expenses paid for the Institute by the Ministry of Finance. They include the rent of the Institute's six floors from the Order of Pharmacists as well as the common services expenses and the Cleaning Contracts.

## Projects executed through donations and service contracts

### Under the direct financial management of the Institute

Duration of the project	Financial management of the project	Funding party	Title of the project	Amount of the donation/contract
2010-2013	Institut des Finances Basil Fuleihan	Westminster Foundation for Democracy (WFD)	Financial Oversight of the Lebanese Parliament	//34,491// US Dollars
2011	Institut des Finances Basil Fuleihan	Westminster Foundation for Democracy (WFD), The European Union	Project for Enhancing Parliamentary Oversight in Lebanon; funded by the European Union	//11,062//Euro
2010-2011	Institut des Finances Basil Fuleihan in collaboration with the Knowledge Development Company (KDC)	UNDP	Municipalities' Capacity Building Project	//125,385// US Dollars
2010-2012	Institut des Finances Basil Fuleihan	The Italian Embassy in Lebanon	Capacity Building Project in Public Procurement	//332,000// Euro
2011-2012	Consultancy & Research Institute (CRI) for the benefit of the Institut des Finances Basil Fuleihan	The World Bank	Survey of the Financial Literacy in Lebanon project	//82,930// US Dollars
2011	Institut des Finances Basil Fuleihan	Development Alternative Inc. (DAI)	Training project for capacity building on "Financial Management for the Water Authority of Beirut and Mount Lebanon" for 2011	//44,131,500// Lebanese Pounds

### Under the financial management of partners

Duration of the project	Financial management of the project	Executing party	Funding party	Title of the project	Amount of the donation/contract
2010-2012	The Lebanese Development Network (LDN)	Institut des Finances Basil Fuleihan	The Islamic Development Bank (IDB) through the Lebanese Development Network (LDN)	Capacity Development Project for Teachers of Economics in the Lebanese Public Schools	150,000 US Dollars
2010-2012	UNEP and UNDP	UNDP in collaboration with the Institut des Finances Basil Fuleihan	United Nations Environment Programme (UNEP)	First step of the capacity building project in sustainable public procurement (Legal Framework and Readiness of the Lebanese Market in Sustainable Public Procurement)	//30,000// US Dollars

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## Expenditures

The level of direct expenditures from the direct financial contribution of the Ministry of Finance reached 1,4 Billion Lebanese Pounds by 31/12/2011. It equates to 70,5% of the allocated budget for 2011 amounting to two Billion Lebanese Pounds, as approved by the minutes of the meeting with the Budget and Expenses Control Directorate of the Ministry of Finance dated 29/07/2010. To be added, the contracted credits carried from 2010 and which amount to 31,074,445 Lebanese Pounds. It is worth mentioning that the level of expected expenditures from the draft budget is approximately //2,4// Billion Lebanese Pounds; whereas the expected expenditures for 2012 and 2013 is approximately //2,6// Billion Lebanese Pounds for each year. The expenditures' policy that the Institute followed during the first three trimesters of the year was based

on the 2010 budget on the principle of the so-called "rule of twelfth". During that period, no decree was issued by the Council of Ministers to allow the expenditures of the year to be in compliance with the limits set by the Ministry of Finance for the year 2011.

At the end of the year, and as per the circular issued by the Council of Ministers asking to use the limits of the last Budget approved by the Council of Ministers - namely the 2005 Budget - the expenditures' plan was reviewed and priorities were reorganized accordingly. In the last trimester of the year, the Institute received as per the Council of Ministers' Circular no. 7229 dated December 2011 a treasury credit of Eight Hundred Million Lebanese Pounds covering the remaining amount of its due 2011 financial contribution.

The breakdown of the expenditures is as follows:

### Gross expenditures by main sections of the budget plan for 2011 (in LBP)

Provision	Classification	Funder	Allocated	Expenditure
11	Consumable goods	MoF	148,824,200	97,265,961
12	Consumable services	MoF	863,220,000	430,796,470
13	Allocations, salaries and wages	MoF	1,087,518,000	812,850,467
16	Other expenses	MoF	165,000,000	67,691,199
<b>Total current expenditures</b>			<b>2,264,562,200</b>	<b>1,408,604,097</b>
226	Equipment	MoF	157,850,000	23,269,524
<b>Total Fixed Assets</b>			<b>157,850,000</b>	<b>23,269,524</b>
<b>Gross total</b>			<b>2,422,412,200</b>	<b>1,431,873,621</b>

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## Main Achievements of the Financial and Administrative Department

### On the financial level

- ◆ Preparation of the 2012 draft budget endorsed with all justificative documents and statistics, in accordance with the Minister of Finance's circular number 2033/12 dated 06/05/2011 and in line with the general orientation required in preparing a draft budget based on a medium term financial vision (2012-2014);
- ◆ The start of the trial phase for using the new Accounting Software, initially acquired by the Institute by the end of the year 2010. In that framework, the Institute is currently working on a dual accounting system whereby which all accounting transactions are entered on both softwares, the current one and the newly acquired one in view of ensuring that the data is accurately transferred and that the new system is working correctly. This pilot phase is expected to run over a period of six months after which the new accounting system should be permanently and solely utilized;
- ◆ Settlement of the remaining monthly bonds due to the National Social Security Fund and which pertains to the subscriptions fees for the period 2003 until mid 2007. It is to note that the last due bond was settled on 15 July 2011;
- ◆ Settlement of the monthly contributions due to the National Social Security Fund for 2011 and receiving a financial clearance;
- ◆ Production of monthly financial reports as well as monthly closing of accounts meant to facilitate the management of the available funds and credits and ensure the proper execution of the training plan and activities decided for the year 2011;
- ◆ Financial management of projects executed by the Institute through donations or service contracts signed with local, regional and international partners. The financial management includes acceptance of donations, management of expenditures and follow-up on their proper implementation, in addition to the preparation of financial reports for each project according to the donors or contractors' requirements.

The achievements of the financial department for 2011 were important and substantial in view of the big challenges faced due primarily to the unclear vision regarding the public budgets' status.

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### On the administrative level

- ◆ In addition to the routinely administrative work which includes the yearly inventory of prints and publications available in the warehouse, the inventory of fixed assets and electronic supplies, the administrative team started introducing modern archiving and documentation tools and developing operational and sustainable plans for their implementation;
  - ◆ In that frame, the “paper archiving project” at the training department which initially started in 2010 was achieved using internationally recognized standards in archiving. All team members of the training department were trained on the said archiving system to insure its sustainability;
  - ◆ Furthermore the first phase of the “**paper archiving project at the Financial and Administrative Department**” was initiated. This phase comprises of evaluating the actual status of the files and documents available at the department, listing them in a detailed inventory, and reorganizing them according to a specific hierarchy;
  - ◆ In that same context, a new e-archiving system has also been introduced namely the e-archiving of all photographs taken during training sessions and events from the date the Institute was established until the end of 2011;
  - ◆ The Institute has also developed a two-stage plan for e-archiving all the books, references, and publications available at Library of Finance to facilitate their publication on the new website. The first stage, which has been fully implemented in 2011, comprised of e-archiving all books and references available in foreign languages at the Library of Finance. The second stage, being the Arabic books and references, will be implemented in 2012.
- On another hand, the Institute continued strengthening its role on the local and international science by participating in major seminars, meetings and workshops namely:
- ◆ Seminar on “Cooperation for Responding to the Challenges of Economic and Financial Governance”;
  - ◆ ADETEF 30<sup>th</sup> anniversary and Steering Committee of the GIFT-MENA network;
  - ◆ Public Finance Management Conference: Trust and Accountability in Public Financial Management;
  - ◆ Women in the Arab World, Africa and Asia: Emerging Economies, Emerging Leaderships Shaping the Future Together;
  - ◆ The Arab African Crans Montana Forum;
  - ◆ Leading for the Future: The Arab Region in a Changing World;
  - ◆ OECD regional meeting on Corporate Governance of State Owned Companies;
  - ◆ Financial Literacy & Education Trust Fund Financial Capability Measurement Meeting;
  - ◆ Conference on Women in Government: Engendering Public Policies in MENA Region;
  - ◆ Conference on Financial Literacy: “Partnering to Turn Financial Literacy into Action”;
  - ◆ IASIA at 50: Challenges and Ways Forward for Public Administration Globally;
  - ◆ Visit to the Center of Excellence in Finance - Slovenia.

### Sustainable environment

Since 2010, the Institute contributes in the civil society’s efforts to protect the environment and achieve sustainable development through two initiatives:

- ◆ **The first:** collection of round caps from plastic bottles of water for recycling. This will ensure an additional funding source for the NGO "Arc En Ciel" for the purchase of medical equipment for physically handicapped individuals;
- ◆ **The second:** collection of paper waste in a container called “Papivore Malin” provided by the NGO "Terre-Liban" in order to recycle it. To be noted that the Institute contributed to saving 23 trees from June 2010 to June 2011.



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### In human resources management

The Human Resources Department ensured in 2011 a thorough follow-up on each member of the team to develop their capacities and maintain the highest possible level of performance. In that respect, many members of the team participated in languages classes, in workshops on communication skills, in sessions on team work, in addition to different seminars inside and outside the Institute. Weekly staff meetings were also organized to best coordinate the internal workflow.

In the framework of the Institute's **Institutional Development Plan (Horizon 2015)** prepared by the SIGMA program's experts, the Institute developed medium-term work plans to organize and enforce its human resources management. A human resources manager was appointed and trained in that regard. It is worth mentioning that, in 2011, two employees were contracted for the positions of assistant program coordinator.

### In procurement

On the procurement level, the year 2011 was marked by extensive work on the management of the Procurement portfolio in terms of updating the **database of the suppliers**, conducting market studies, in addition to **developing internal procedures** and workflow and **organizing all related paper and electronic archive**. The main achievements on that level are:

- ◆ Development and execution of the procurement work plan defined for the year 2011;
- ◆ Contracting with consultants for the execution of the projects that the Institute is engaged in with some of its partners namely the projects on Reinforcing Financial Literacy in Lebanon and on Capacity Building in Public Procurement;
- ◆ Contracting with a publishing expert to overview all the publications of the Institute scheduled to be published on the occasion of the fifteenth anniversary of the latter;
- ◆ Contracting in 2011 with various consultants and technicians in different fields which resulted in managing around **40** contracts whether for the purchase of goods, for services rendered, or for works and maintenance.

### Re-designing and Renovating the IT Training Rooms

In 2011, the IT training rooms and the adjacent offices on the 2<sup>nd</sup> floor were entirely renovated based on a consultancy study whereby which the furniture and the colors used met specifically the training and trainees' needs.



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The Institute's team

The main procurement activities of the Institute whether works, supplies, services or others are summarized in the following chart:

### Main achievements in procurement

Main achievements	
<b>Consulting contracts for projects' implementation</b>	<ol style="list-style-type: none"> <li>1. Consulting and technical contract for implementing the project on Financial Education in Lebanon</li> <li>2. Consulting services contract for conducting a national survey on the financial and economic literacy of the Lebanese population</li> <li>3. Consulting services contract for supervising the survey's implementation and preparing a national work plan for strengthening financial literacy in Lebanon</li> <li>4. Consulting services contract for implementing the first stage of the capacity building project in public procurement executed through a donation from the Italian Embassy</li> <li>5. Service contract specific to the electronic archive of the photographs of the Institute's activities</li> <li>6. Service contract for the preparation of graphic materials related to conferences and workshops organized by the Institute</li> <li>7. Service contracts for designs specific to the fifteenth anniversary of the Institute</li> <li>8. Service contract for executing the souvenir gift specific to the fifteenth anniversary of the Institute</li> <li>9. Service contract for the e-archiving of the Library of Finance's books and references</li> <li>10. Service contract for paper archiving and documenting: evaluation of the current situation of the Administrative Department's files</li> <li>11. Service contract for monitoring daily press extracts needed for the Library of Finance</li> </ol>
<b>Provision of exigencies according to the outsourcing yearly plan for 2011</b>	<ol style="list-style-type: none"> <li>12. Bid for printing the Institute's graphic identity of the fifteenth anniversary on stationarie</li> <li>13. Bid for for printing leaflets and publications related the fifteenth anniversary of the Institute</li> <li>14. Bid for changing the aluminum windows of the employees' offices on the second and third floors of the Institute</li> <li>15. Bid for purchasing and installing office furniture in the IT training rooms and the adjacent office on the second floor of the Institute</li> <li>16. Bid for works for the rehabilitation of the IT training rooms and the adjacent office on the second floor of the Institute</li> <li>17. Bid for the purchase of stationary and office supplies needed by the Institute</li> <li>18. Purchasing additional book shelves needed for the Library of Finance</li> </ol>
<b>Signature of service contracts</b>	<ol style="list-style-type: none"> <li>19. Contracts for design and calligraphy for the "Assadissa" magazine</li> <li>20. Contracts for designing leaflets and publications</li> <li>21. Contract for designing the Graphic Identify specific to the Institute</li> <li>22. Contract for media consultancy and press coverage services</li> <li>23. Contracts for diverse technical services and maintenance (AC, Photocopier, Sound System in the training rooms, Safety System at the Library, Telephone,...)</li> <li>24. Leasing Contracts for photocopying services</li> <li>25. Annual contracts for translation and simultaneous interpretation</li> <li>26. Contract for catering services</li> <li>27. Contract for video photography</li> <li>28. Service contracts for participation of the Institute in the French and Arab book fairs</li> </ol>
<b>Outsourcing the different needs of the Institute in 2011</b>	<ol style="list-style-type: none"> <li>29. Providing maintenance services and purchasing electronic supplies, furniture, stationaries, cleaning supplies...through prices inquiries and single sourcing depending on the amounts involved</li> </ol>

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It is to note that the Procurement Department had encountered numerous challenges throughout the year namely:

- ◆ The small size of the Procurement Department team as compared to the work load;
- ◆ A lot of procurement for too many small projects;
- ◆ The diversity of tasks assigned to the Procurement team;
- ◆ Training needs for the team mostly in Contracts and Conflicts Management.

## The Financial and Administrative Orientations

The administrative and financial team intends to undertake in 2012 an internal reorganization of its work as per the recommendations of the Organizational Development Plan prepared by the SIGMA team (Horizon 2015). Consequently further efforts will be made for having greater harmony between the internal work, the organizational vision, and the strategic goals set by the Administration in accordance to the above-stated plan. The reorganization is to be observed on the administrative, financial, human resources and procurement levels.

### On the financial level

The financial department plans to develop in 2012 its informatic accounting tools in view of insuring a better managerial monitoring of the Institute's activities. **Analytical accounting** is planned to be introduced to facilitate the work of the team, prevent from its getting burnt out, and be a better means of evaluation on all levels.

In addition to that, the financial department will prepare a draft budget for the year 2013 in compliance with the instructions that will be provided by the Ministry of Finance. It will also pursue the implementation of the 2011 draft budget via an advance provided by the treasury.

### A Distinguished Website

One of the main orientations of the Institute for the year 2012 is working on designing and developing a modern website that would highlight the image of the Institute, serve its training goals, be distinguished in terms of content and access to information, and enhance the communication with its local and regional partners.

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### On the administrative level

The Administrative Department works on **strengthening the level of internal and external communication**.

This falls in the framework of the conception and execution of a modern and developed website for the Institute. Concerning internal communication, regular meetings for teams and team leaders are to be held using effective time management tools. The automation projects will be given a special attention in 2012 and principally:

- ◆ An automated system to manage the Institute's publications;
- ◆ An automated stock management tool (for the warehouse the fixed assets);
- ◆ An automated system for managing the databases of trainers and trainees';
- ◆ An automated system for managing the Institute's suppliers.

### On the human resources level

The major orientation in human resources for 2012 is using a modern strategic managerial approach to these resources based on applying professional practices and on providing motivation that would lead to job satisfaction.

The headlines of this strategy can be summarized with the following:

- ◆ A task distribution based on a flexible job description;
- ◆ An internal training plan to develop the skills of the team;
- ◆ Team management practices that would include yearly personal interviews;
- ◆ Further improvement of internal communication.

### On the procurement level

- ◆ Improve the procedures related to public procurement and contracts' management;
- ◆ Develop and automatize the management of suppliers and study the market;
- ◆ Develop and implement the procurement plan for 2012;
- ◆ Rehabilitate the cafeteria and the kitchen on the first floor of the Institute's;
- ◆ Complete the second stage of the e-archiving project of the Library of Finance's books, references, and publications;
- ◆ Upgrade the electronic Library management system "Alexandrie";
- ◆ Enhance the security of the Institute's premises through buying and maintaining security cameras;
- ◆ Equip the training rooms with e-learning tools and screens.

# Our Partners



## Local Partners

- | The Lebanese Parliament
- | The Civil Service Board
- | The Central Bank of Lebanon
- | The Court of Audit
- | The Office of the Minister of State for Administrative Reform (OMSAR)
- | The Council for Development and Reconstruction (CDR)
- | The Lebanese Army
- | The Ministry of Education and Higher Education (MEHE)
- | The Saint Joseph University - Faculty of Economics
- | The Saint Joseph University - Faculty of Political Studies
- | The Lebanese Development Network (LDN)
- | The Association of Banks in Lebanon (ABL)
- | The Centre for Banking Studies (CEB)
- | The Lebanese Association of Certified Public Accountants (LACPA)
- | The Ministry of Interior and Municipalities
- | The Ministry of the Environment
- | The Knowledge Development Company (KDC)
- | The Arab Bank
- | AMIDEAST Lebanon
- | The French Cultural Center
- | The Lebanese Economic Association (LEA)
- | The Ministry of Energy and Water
- | The Water Authorities
- | The Brand Protection Group
- | The Ministry of Public Health and Public Hospitals

## Regional Partners

- | The Middle East Partnership Initiative (MEPI)
- | The Middle East Technical Assistance Center of the International Monetary Fund (METAC)
- | The Economic Policy Center of the Arab Monetary Fund
- | The Arab Fund for Economic and Social Development
- | The Arab Planning Institute (API)
- | The Islamic Development Bank (IDB)
- | The Islamic Research and Training Institute
- | National Training Institute - Jordan
- | The Training Center of the Jordanian Ministry of Finance
- | The Palestinian Institute of Finance
- | The Yemeni Institute of Finance
- | The Moroccan Institute of Finance
- | The Administrative and General Affairs Directorate of the Ministry of Economy and Finance of the Kingdom of Morocco

- | The Palestinian Ministry of Finance
- | The Jordanian Ministry of Finance
- | The Economic and Social Commission for Western Asia (ESCWA)

## International Partners

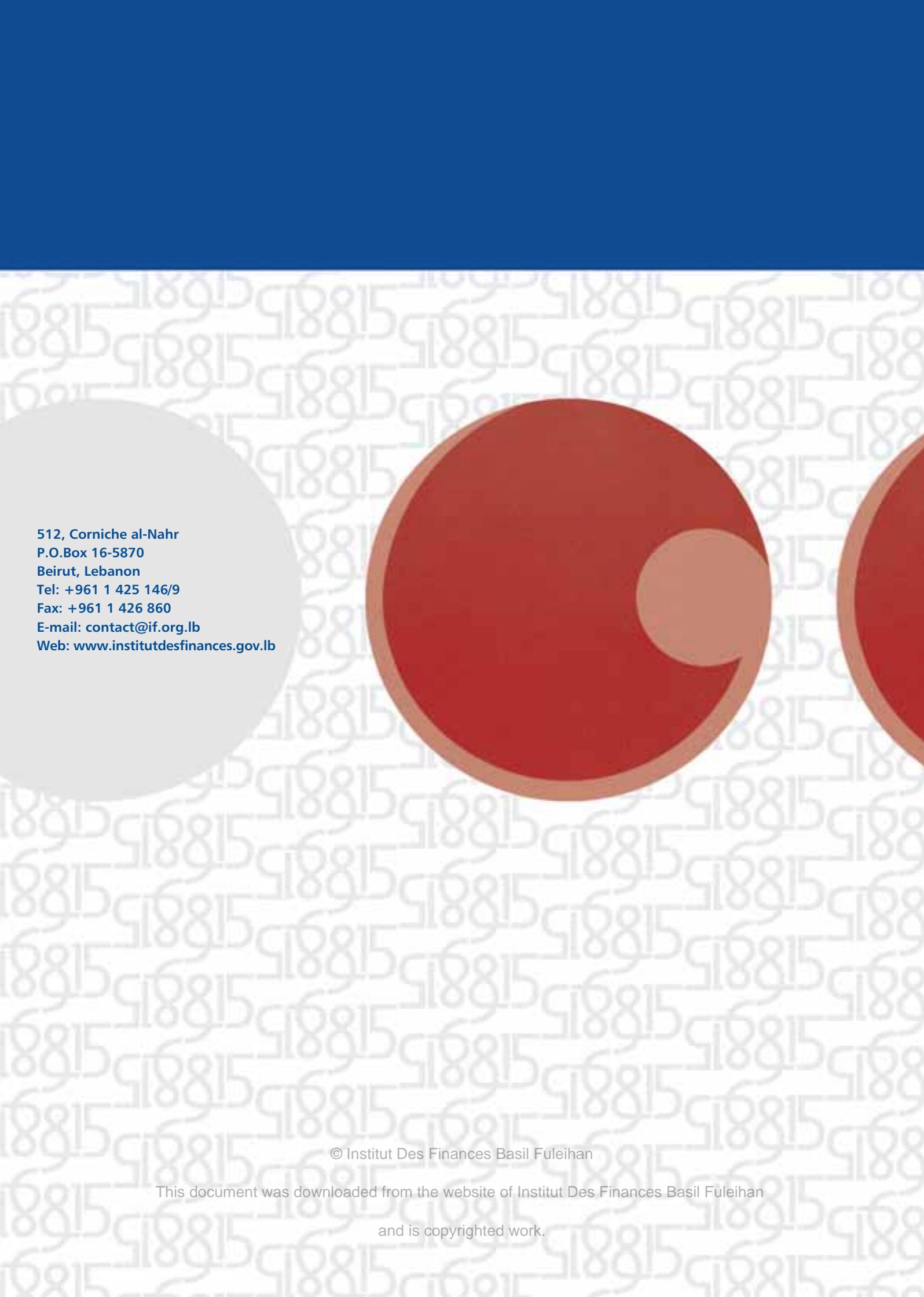
- | The World Bank
- | The United Nations Development Programme (UNDP)
- | The World Customs Organization (WCO)
- | The International Monetary Fund Institute
- | The Italian Development and Cooperation Office
- | The European Union (EU)
- | The Organization for Economic Cooperation and Development (OECD)
- | The European Institute for Public Administration (EIPA)
- | The Spanish Tax Studies Institute
- | The Italian Higher School of Finance and Economics
- | The Spanish International Cooperation and Development Agency (AECID)
- | The American International Development Agency (USAID)
- | The Westminster Foundation for Democracy (WFD)
- | The Westminster Consortium for Parliaments and Democracy
- | The International Management and Training Institute (IMTI)
- | The National Audit Office (NAO)
- | The Korean Development Institute (KDI)
- | The United Nations Environment Programme (UNEP)
- | The Global Forum on Combating Illicit Drug Trafficking and Related Threats - Groupe Pompidou
- | TIRI - Integrity Action

## French Partners

- | The Ministry of Economy, Industry, and Labor
- | The Ministry of the Budget, Public Accounts, and State Reform
- | The Ministry of Foreign Affairs
- | ADETEF, the International Cooperation Agency of the Ministries of Economy and Finance
- | The National School of Administration
- | The National School of Public Finance
- | The National School of Customs
- | The Public Management and Economic Development Institute (IGPDE)
- | The Court of Audit
- | The Economic, Cultural, and Security Cooperation Agencies of the Embassy of France in Lebanon
- | The French Development Agency (AFD)

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