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USAID/Lebanon

AGENCY FOR INTERNATIONAL DEVELOPMENT, Beirut, Lebanon — Housing Grant FY77

Grant Implementation Field Survey — Narrative Report

The sample surveyed consists of sixty housing units repaired through Decree-Law 20 loans funded by the $4 million AID grant. This represents about nine percent of the AID-assisted units, and less than one percent of the units in the total DL20 program. The sample is distributed geographically weighted roughly in accordance with the actual distribution of the total AID component. The survey was done by a local engineer, Mr. Tony Affif, and his own assistants.

The survey process entailed selecting files randomly from among those at the Office of the Director General of Housing, Accounts Division, where the files covering completed work are kept.

Using an "Individual Unit Report" sheet, the surveyor collected information on all units to be surveyed from the loan files. Field visits to each unit followed. In all but five cases, the surveyor was able to talk directly with the owner.

The surveyor encountered some difficulties of a bureaucratic nature, but found the beneficiaries open, hospitable, and proud of their homes. Since tension remained high in certain areas, the surveyor also encountered travel problems. Under these circumstances, the use of local personnel with qualities of individual initiative was crucial to the completion of the job.

The survey confirms that the program is going as expected, and that its objectives are being met, albeit at a slower pace than expected. At least 92% of the beneficiaries returned to their homes by the time repairs were completed and the program appears fiscally and technically sound.

Comments on data:

1. Locations: The sample shows 37% of the units to be in urban areas. Medium-sized towns were included as urban. The breakdown accords with Lebanon's general urban/rural population balance.

2. Application Date: 15% applied after the original deadline of May 1977 was extended to November '77.

3. Time required to go through steps:

a) The average time of nearly five months between the date of application and the date of signing cannot be ascribed to any single factor. In some cases, such as in the South, lack of security undermined citizen confidence as well as prevented the MHC's Working Groups going to the field. In Tripoli the average delay of over six months might be ascribed to the tremendous work loads of the Regional Office.

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b) The nearly three-month delay between signing the loan contract and receiving the 50% (final) disbursement shows the beneficiaries to be relatively efficient in effecting repairs once they decided to go ahead. The cumulative time at this point shows that all but Beirut had already exceeded the six-month total time allowance stipulated in DL-20.

c) The average time of over four months from the last disbursement to the final inspection can probably be ascribed to administrative delays.

The overall average time absorbed between signing of the application and the final inspection is nearly one year. For individual Regional Offices, the time required is roughly directly proportional to the number of loans executed, the fastest being in Bourj Hammoud, where only about 120 loans have been executed, in the total DL-20 program. The longest period in the sample was 17 months. The shortest was 8.5.

4. Loan amounts requested and received: As was generally known before the survey was made, the applicants requested nearly three times the amount needed to effect repairs. If the proportion holds for all DL 20 loans, the estimate of a LL 300 million actual loan market comes closer to confirmation.

The average loan of LL 8,800 is close to the average loan projected in early 1977 when the grant program was initially analyzed. Four units received loans above the earlier AID ceiling of LL 12,000. The highest loan made, LL 21,500, is affordable for a family with an income of LL 5,020/yr, under the terms of DL 20.

5. Repairs required: This breakdown shows that prior to the raising of the loan limit, only minor structural damage could be covered by loans limited to LL 12,000, and that the bulk of the AID-repaired units were victims of surface damage and looting of doors, windows, and equipment. (Exception-example under 10 below).

6. Construction type: Since many of the units were of mixed construction type, this data indicates the predominant type. Thus several houses consisted of older portions of load-bearing stone with wood-framing, but were predominantly of reinforced concrete. The breakdown appears to follow roughly the actual proportions of housing construction type in Lebanon, with perhaps slight overemphasis on the newer construction types.

7 & 8. Number of storeys; detached/attached: As with construction type, this data follows roughly the country-wide proportions.

During the early life of the grant program, greater emphasis was expected on one-story, detached units. The extremely limited activity in the South, however, would explain the actual breakdown as shown in the survey.

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9. Additional work done: The sample shows that the loan amounts were generally adequate. Some owners took the opportunity to improve their homes beyond the pre-war state, and contributed their own resources to do so. Ten percent appeared to have been under-funded, but only slightly.

10. Who did repairs: As expected, considerable amounts of self-help went into the repair work. 60% of the units were repaired with both contractor and self-help. Only one owner in the sample, himself a construction worker, did all work himself, apparently choosing to rebuild his home anew.

11. Unit surface areas: The median of $150m^2$ is roughly as expected for owner-occupied units. Four units were below $80m^2$, with the bulk between 100 and $150m^2$. At the high end, there were ten units at $200m^2$, four at 250, and one each at 300 and 400.

12. Multifamily structure: Except for Beirut and Tripoli, the 22% of units found in multifamily structures are generally at most three-family buildings. As noted under parts 7 and 8, this proportion is higher than was expected during the early life of the program, when greater emphasis was expected on units in the South.

13. Whereabouts of owner: Information concerning owners whereabouts at the time of application was taken from the loan application. Data on those who were living in the unit after repairs is from first-hand observation by the surveyor. Of the five units which were vacant (or owner absent) at the time of the survey, some may in fact be occupied by the owner. Reticence on the part of neighbors in these cases made it impossible to ascertain the actual status of the occupancy or the whereabouts of the owner.

General Comments:

While income could not be verified in this survey, it is the judgement of the surveyor, based on observation, that 53 of the 60 beneficiaries can be said with certainty to be below the median income. Of the seven remaining, three appear to be somewhat above the median, but still modestly. These three include owners without recorded income but some land holdings, and a wife who owns the unit but whose husband appears to be present and working. The actual income status of these cases is impossible to verify. The four other owners who cannot be judged with certainty to have incomes below the median are even more difficult to assess, and include retired farmers and widows with no income but who very likely get some family support.

If empirical income verification is difficult, it is further complicated by the fact that incomes and prices have risen considerably since application was first made in May 1977, but observation and intuition, perhaps the best evaluation method in this case, confirm that the program is meeting its aim of reaching the low-income.

Many beneficiairies took the opportunity of the surveyor's visit to ask whether the Government would ever collect repayments on the

loans, revealing a widespread, if natural, hope that it will not. Some volunteered complaints about the working of the loan bureacracy, as might be expected. Others expressed the hope of obtaining another loan to make improvements.

A weakness of the program, which is confirmed by the survey, is that the procedures take too long. While it is clear that political uncertainty is partly to blame, there is no doubt that legal and administrative obstacles are equally to blame. This is not news to the Ministry of Housing, which has made some attempts to streamline DL 20 procedures.

Interesting points revealed by the survey include the high degree of owner self-help utilized, and the fact that many owners would like to borrow more money for home-improvements not related to war-damage.

In general, the samples surveyed leave no doubt that the objectives of the program are being fulfilled. Loan amounts tend to be on the low side, but are in line with repairs required. The units are being repaired, and are being occupied by the owners. However, since the sample was aimed only at units for which repairs were completed, and which met the criteria for AID financing, the survey does not reveal the extent to which low-income owners were unable to follow through with loan applications or complete the work. A separate random survey would be required to get this information.

The survey process itself showed that the DL 20 filing procedures were very complete but also cumbersome. This is not a surprise, but confirms the need for a quicker information retrieval capability in the office of DGH.

AGENCY FOR INTERNATIONAL DEVELOPMENT, Beirut - Lebanon FY77 Housing

Grant Implementation Field Survey of November 1977 Summary Fa

Total units surveyed: 60 (out of total approximately 700 at that time)

Distribution:

| | |
|---|---|
| Beirut | 4 |
| Baabda/Chouf | 11 |
| Bourj Hammoud | 3 |
| Aley | 8 |
| Zghorta/Koura | 10 |
| Tripoli/Akar | 15 |
| South | 5 |
| Bekaa | 4 |

1. Location: Rural 63% (38);
   Urban 37% (22) (includes medium towns).
2. Loan application made in May 1977: 85% (51);
   " " " between May and November 1977: 15% (9).
3. Average time required between steps (months):

| | Application to Signing | Signing to 50% disbrs. | 50% disbrs. to Final Insp. | Total Time |
|---|---|---|---|---|
| Beirut | 3.1 | 2.4 | 3.5 | 9.8 |
| Baabda | 4.7 | 3.0 | 4.4 | 11.3 |
| Bourj H. | 4.3 | 3.5 | 1.5 | 9.3 |
| Aley | 3.9 | 2.2 | 6.3 | 12.1 |
| Bekaa | 5.8 | 2.3 | 6.3 | 14.4 |
| Zghorta | 4.7 | - | - | 12.8 |
| Tripoli | 6.2 | 3.4 | 4.3 | 14.1 |
| South | 4.8 | 2.6 | 4.0 | 10.8 |
| Overall | 4.7 | 2.8 | 4.3 | 11.8 |

4. Amount requested by owner: median LL 23,000, average LL 22,000.
   Amount of loan: median LL 8,500, average LL 8,800.
   Lowest loan made: LL 2,500; Highest: 21,500.
5. Repairs required:

| | | | |
|---|---|---|---|
| doors and windows | 85% (51) | electrical | 32% (19) |
| painting | 73% (44) | reinforced concrete | 15% ( 9) |
| plastering | 58% (35) | floor tiling | 15% ( 9) |
| sanitary | 50% (30) | roofing (other than concrete) | 2% ( 1) |
| walls | 48% (29) | | |

6. Construction type:
   a) reinforced concrete, block infill 68% [illegible]
   b) cement block load-bearing with concrete roof 7% [illegible]
   c) stone load-bearing with concrete roof 25% [illegible]
   d) stone load-bearing with wood-framed roof - [illegible]

7. Number of stories:

| | | |
|---|---|---|
| one | 40% | (24) |
| two | 35% | (21) |
| three | 7% | ( 4) |
| four or more | 18% | (11) |

8. Detached units: 65% (39); attached 35% (21)

9. Owner did additional work with own resources: 5% (3);
   More work required than affordable with given loan: 10% (6).

10. Work done by:
    a) contractor alone 38% (23)
    b) contractor and owner self-help 60% (36)
    c) owner self-help alone 2% ( 1)

11. Unit surface area: Median 150 $m^2$; average 157; smallest 50; largest 400$m^2$.

12. Multi-family structure: 22% (13).

13. Owner not living in house on application date: 37% (22);
    Owner returned to house after repairs: 92% (55);
    Unit still vacant, or owner absent: 8% ( 5).

14. Unit equipped with:
    a) electricity 100%
    b) running water 100%
    c) sanitary toilet 100%

EM 0310

Republic of Lebanon
South Council
No. 411/S2
May 8, 1980

To: Council for Development and Reconstruction(CDR)

From: Council for South Lebanon (CSL)

Subject: Final report about the Social Aids distributed to Affected households in the villages of South Lebanon (Return Project)

Ref: Agreement signed between the CDR and CSL on June 5, 197

Further to our letters No. 378 of August 1, 1979 and No. 543 dated October 15, 1979 and No. 787 of December 22, 1979 we submit herein to you our final report as follows:

1. In its decision of April 19, 1978 the Council of Ministers assigned the CSL to conduct an immediate survey for the damages in South Lebanon as a result of the Israeli attack and to make social aiding distribution to the people affected by the damages in order to repair and reconstruct their houses and to return to their villages. These aids are as follows

-For repair LL.500 to LL.2000 for each housing unit.
-For reconstruction LL.7000 for a housing unit for family of 7 or less persons and LL.10,000 for family of above 7 persons.

2. CSL started surveying and inspection on June 13, 1978 and still continuing this as a result of repeated Israeli attacks.

3. The CSL is responsible for determining the housing social aids and their disbursements based on the inspection reports submitted by technical committees, each headed by a civil engineer.

4. Total funds paid by the Council as of December 31, 1978 reached LL.17,785,760 distributed among 6854 persons in 93 villages. This amount includes the amount of LL.7,084,000 which represents the A.I.D. amount given to CSL in accordance with the agreement between CDR and the UNHCR in Lebanon dated Sept.1, 1978.

5. Reference agreement between CDR and CSL of June 5, 1979 stipulated to provide the CSL a grant of $2.8 million given by AID for the above purpose.

6. The CSL received the total amount of the above grant and deposited it in the Treasury Department of the Ministry of Finance after it had been transferred and converted from US currency to Lebanese Pounds through the Lebanese Central Bank as follows:

| | |
|---|---|
| Check No. 4,044,180 of June 11, 1979 $700,000 | LL. 2,270,800 |
| Checks(two) No. 4,111,025 and No. 4,111,030 dated Oct.2, 1979 amount of $1.4 million | LL. 4,777,500 |
| Check No.4,167,879 of Jan.8, 1980 $700,000 | LL. 2,380,000 |
| Total LL | 9,428,300 |

7. In our letter of Dec.22, 1979 we indicated that the CSL spent during the period Oct.16 to Dec.14, 1979 LL.1,541,100 for social aids without charging any of this amount to subject grant agreement because the last payment against the grant had not been received at that time. Today and after receiving the last payment, the amounts spent for destroyed houses at Rashaya El Fukhar have been added against funds of subject grant agreement as follows:

| Rashaya El Fukhar | |
|---|---|
| Destroyed | 104 houses |
| Repair | 49 houses |
| Total | 153 houses |

Total amount paid by CSL for the above was LL.844,000 out of which LL.376,390 was paid for reconstruction was charged to the AID grant agreement.

Therefore, the amounts spent against subject grant agreement as follows:

| | |
|---|---|
| Rashaya El Fukhar above | LL. 376,390. |
| Amount shown in our letter No.378 of Aug. 1, 1979 | 6,842,310. |
| Amount shown in our letter No.543 dated Oct.15, 1979 | 2,209,600. |
| Grant total LL. | 9,428,300. |

8. As per above the CSL disbursed the total amount of the referenced grant agreement which is LL.9,428,300.00 before the end of calendar year 1979. These were distributed among 5770 households in 55 villag in 7 Casas as listed below:

| za | No. of Vlgs | Destroyed | Repaired | Total | CSL share LL. | AID share LL. | Total LL. |
|---|---|---|---|---|---|---|---|
| sbaya | 15 | 203 | 937 | 1140 | 840,735 | 1,828,465 | 2,669,200 |
| .rjeyoun | 3 | 32 | 122 | 154 | 141,000 | 248,550 | 389,550 |
| .nt Jbeil | 9 | 147 | 745 | 892 | 665,125 | 1,633,875 | 2,299,000 |
| ;re | 11 | 172 | 580 | 752 | 811,500 | 1,591,300 | 2,402,80 |
| abatiyeh | 13 | 203 | 2532 | 2735 | 929,225 | 3,957,535 | 4,886,76 |
| idon | 2 | 11 | 20 | 31 | 43,125 | 73,075 | 116,20 |
| ezzine | 2 | - | 66 | 66 | - | 95,500 | 95,50 |
| Total | 55 | 768 | 5002 | 5770 | 3,430,710 | 9,428,300 | 12,859,01 |

The attached schedule No.1 shows the names of the villages and affected households and the total amounts distributed against the agreement and by the CSL. It should be noted that each of the 5770 affected households occupies a separate housing unit and that the aids disbursed each against the agreement was either LL.3625 for reconstruction of between LL.500 and LL.2000 for a repair of a housing unit.

We would like to point out that each affected household(person) was issued a check in his name drawn at the Lebanese Central Bank and we have previously provided you with lists of all beneficiaries and the amount of each with relevant information.

9. The CSL continues its survey operations and the inspection on the continuous damaged houses and the total amounts approved so far in 1980 reached LL.15,868,200 for 7964 affected households in the various villages of the South area.

Director General of
Council for South Lebanon

/s/

Hassan Ali Farhat

Translated by:
KFarhat/AID Lebanon
May 18, 1980

Note: Schedule No.1 attached to the report showing distribution villages in each Caza not translated since the report by Caza is considered sufficient.