

UCLG COUNTRY PROFILES

Lebanese Republic

(دولة لبنان اللبنانية)



Capital: Beirut

Inhabitants: 4.196.453 (2008)

Area: 10.452 km²

1. Introduction



Lebanon currently has a population of 3,800,000. The country covers an area of 10,452 km² and has 225 km of Mediterranean coastline.

The country is divided into 6 governorates¹ (*muhafazat*), including Beirut, where the central administrative powers are based. The other governorates (North Lebanon, Mount Lebanon, Beqaa, South Lebanon, Nabatiyeh) are split into many districts (*aqdya*), which in turn are subdivided into many towns and villages with rigid geographic boundaries.

Power within each governorate is split between:

- The Governor (*muhafez*), who represents all the Ministries, apart from the Ministries of Justice and of Defence.
- The Public Prosecutor to the Court of Appeals in that governorate, who represents the Ministry of Justice.

¹ Law on Administrative Structure (Decree-Law No. 111 of 12/06/1960).

- The Commander of the Military Region, who represents the Ministry of Defence.

Within each district, it is the District Administrator (*qa'imaqam*) who represents the central authorities.

As a result, Ministers not only manage their own Ministry in Beirut, but also (by means of Governors and District Administrators) those bodies that fall under their authority, in spite of the fact that the officials themselves are responsible to the Minister of the Interior.

The law² also provides for the existence of governorate councils, which would be appointed by the central authorities to play an advisory role and give recommendations on issues relating to the governorate. However, a council of this type has never been set up.

Lebanon has a mixed administration, which combines **centralisation** (by concentrating a certain number of responsibilities and powers between Ministers and Ministry Directors in Beirut), **decentralisation** (through Governors and District Administrators, who have some responsibilities and powers) and **decentralised administration** (by means of municipalities and municipal unions).

² Decree-Law No. 111 on Administrative Structure of 12/06/1960.



It must be noted, however, that the Lebanese Constitution makes no mention of decentralisation. It is organised by laws and also features in the Taif National Pact, which is seen as a constitutional document as it was adopted by the Lebanese Parliament on 05/11/1989 to bring a consensual end to the Lebanese Civil War. In fact, under the title “administrative decentralisation”, paragraph A of Article 3 of the Pact states that:

“1 - The State of Lebanon is a united state with strong central authority.

“2 - The powers and responsibilities of Governors and District Administrators will be broadened and all the State’s administrations will be represented at the highest level within each governorate and district in order to serve citizens more effectively and respond to their needs at the local level.

“3 - Administrative divisions will be maintained to give focus to national cohesion and encourage respect for coexistence and unity of the country, the people and its institutions.

“4 - Decentralisation will be extended to small administrative units (districts and below) by means of the election of a council managed by the District Administrator of each district in order to ensure local participation.

“5 - We will adopt a comprehensive and unified development plan that is capable of bringing about economic and social development at the governorate level by strengthening financial resources for municipalities, agglomerations and municipal unions”.

Despite such clear stipulations, nothing has been put in place for municipalities to change their situation. Furthermore, all attempts to implement new laws on administrative structures or on municipalities have in fact resulted in

increased centralisation due in part to the role of political leaders³.

The first attempt at a municipal structure dates back to 1833, when the city of Beirut’s “Provincial Council” (*Majlis al-Wilaya*) was founded. Its sole responsibility was to look after public sanitation, security and lighting in the city.

The first real municipality in Lebanon was founded in 1861 in Deir el-Qamar.

Municipal legislation began with the Ottoman Law of 18 May 1877, which was replaced at the decision of the French High Commissioner in 1922. This did not relate to Beirut; the city was structured by a 1924 resolution, demonstrating that the capital has always been regulated under separate legislation.

Elections only started back up again in 1998 after they were suspended during the Lebanese Civil War (1975–1990). In agreement with local deputies, municipal councillors were therefore appointed or retained in their positions by means of decrees taken at the Council of Ministries, based on exceptional laws.

In the first chapter, we will look at municipalities, their powers and responsibilities and the parallel role of the *mukhtar*, before demonstrating the intersection of powers and responsibilities with the central authorities. We will then look at municipal finances and the status of municipal employees.

³ In this study, the term “political leaders” refers to male and female politicians, whether they currently occupy an official post or not. They are both elected officials and (often hereditary) representatives of a community who maintain client-based links with their loyal supporters and who represent the cornerstone of the political and administrative system.



2. Local Democracy

2.1 Municipalities

The number of municipalities has grown regularly: in 1963 there were 475, and currently there are 930. Nearly half the villages do not fall under a municipality, but they do have a *mukhtar*. New municipalities can only be created by the approval of the Minister of the Interior and Municipalities in cases where the number of inhabitants and projected local revenue has reached a certain threshold.

Since independence, five laws relating to municipalities have been put in place. The first law was created in 1947, and the last (Decree-Law No. 118 of 30 June 1977) is still in place, despite many amendments.

The municipality is the only form of administrative decentralisation in Lebanon and is defined as “a local administration enjoying legal status and financial and administrative independence which exercises powers and responsibilities over the area it is granted by law”.

This law also states that the creation of what are known as “municipal unions”, bodies that bring together a certain number of neighbouring municipalities with common interests, must be approved by the Minister of the Interior or the municipal councils in question.

Where there are no fundamental legal differences between the roles of municipal unions and individual municipalities, this study will make no distinction between these two administrative units. We will simply highlight that the council of municipal unions has the Mayors or representatives of each of the municipalities as members. In the same way that municipal councillors elect the Mayor, union council members vote to elect their president.

Municipal structure is made up of a decision-making power and an executive power:

2.1.1 Decision-making power

Decision-making power is invested in a municipal council that has between 12 and 24 councillors, depending on the number of inhabitants. Candidates can be elected individually and are not obliged to be a member of a list; furthermore, no denominational distribution is required, contrary to what happens in legislative elections⁴. Only members of State bodies can put themselves forward as candidates. They are elected for a period of 6 years, and there is no limit to the number of times mandates can be renewed for candidates who obtain the majority of the vote.

As with legislative elections, each municipality is considered to be a single electoral constituency.

The law grants municipal councils decision-making powers and responsibilities relating to all activities of public interest within the municipal area based on a non-exhaustive list which sets out the relevant areas of public interest.

The law also allows them the right to supervise the work of public administrations belonging to the central authority that work within the municipal area via reports sent to the relevant authorities, as well as communicating requests and recommendations through the Mayor.

⁴ Art. 8 and onwards in the Law on Municipalities.



2.1.2 Executive power

The Mayor⁵ holds⁶ executive power and is elected via secret ballot by the municipal council in the presence of the Governor (*muhafez*) or the District Administrator (*qa'imaqam*) for a 6-year period. The Deputy Mayor is elected in the same way. However, the Mayor's term of office can be appealed after a 3-year period upon request by the majority of municipal councillors. This can ultimately lead to another councillor being elected.

Although there is a Mayor and a Deputy Mayor in Beirut, who are elected in the normal way, it is the administrator of the capital, falling under the Ministry of the Interior, who is invested with executive power.

The law sets out a non-exhaustive list of the most important powers and responsibilities for Mayors⁷, such as carrying out decisions made by the municipal council and issues requiring fast and direct intervention that are accompanied by the implementation of necessary measures. In these areas, their powers and responsibilities are absolute. The Deputy only exercises power in situations where the Mayor is absent for more than 7 days, and then only upon the decision of the municipal council.

2.1.3 The mukhtar⁸

During the Mamluk government in Lebanon, villages were managed by a person the citizens trusted and held in esteem. Over time, this position evolved to become that of "village chief" (*sheikh al-*

qaryah), and later *mukhtar*, the title that is still used today.

The *mukhtar* is currently elected via universal direct suffrage by voters from each neighbourhood or village for a 6-year period, which runs parallel to municipal elections.

According to the Law of 27 November 1947 (Art. 22), the *mukhtar* heads the village council and represents its constituency in relations with the authorities.

In documentation, the role of *mukhtar* and that of municipal council appear to be complementary; even similar. Elected *mukhtars* enjoy various powers and responsibilities⁹ with regard to administration, public security, the Civil Registry, cadastre, water management and financial, agricultural, public hygiene and artistic issues. They also represent all State administrations before citizens of the village.

In reality, *mukhtars* only exercise a small proportion of these powers and responsibilities, which in practice fall under administrations dependent upon the central authority via the Governor (*muhafez*), the District Administrator (*qa'imaqam*) or the municipalities. The powers and responsibilities of *mukhtars* relating to the Registry Office are not disputed, however, due to their proximity and detailed knowledge of the inhabitants of neighbourhoods and villages.

2.1.4 The intersection of powers and responsibilities between municipalities and the central authority

According to the law¹⁰, municipalities are supposed to manage income to implement local projects; accept contributions; carry

⁵ Called the "Municipal President" in Lebanon (*Ra'is al-Baladiyya*).

⁶ Art. 67 and onwards in the Law on Municipalities.

⁷ Id., Art. 74 onwards.

⁸ *Municipalités et administration locale* No. 1, Centre d'Etudes et de Recherches sur le Moyen-Orient contemporain, 2000.

⁹ Art. 25 and onwards in the Law on the *Mukhtar*.

¹⁰ Art. 47 onwards in the Law on Municipalities.



out public works; smarten up the town; manage public hygiene issues, water-related projects, public lighting and road signals; create green spaces; build markets, sports grounds, public toilets, museums, hospitals, health centres, underground shelters, municipal libraries and general housing; organise transport; give help to the poorest people and to disabled people and support clubs and NGOs; as well as getting involved, where relevant, in all activities relating to public hygiene, sports, social issues and culture.

In reality, their role is limited to direct services (rubbish collection, maintaining roads and pipe work and public lighting). There are many reasons for this: on the one hand, the modern idea of work at the municipal level that is central to social development is not yet established in people's minds. On the other, it would be an understatement to say that municipalities lack the necessary financial resources. Moreover the *a priori* administrative power that the central authority holds over decisions made by municipal councils is an issue.

Therefore, it is the central authority that exercises most of the powers and responsibilities that are theoretically assigned to the municipalities, particularly in relation to planning, transport, education, social services, public hygiene services, water resource management and distribution, energy and economic development. Even town planning decisions are taken by the High Urban Planning Council¹¹, and the administrative reform bill is not set to change anything about this¹².

¹¹ ING. MOUNAH ABOU CHAKRA, *L'urbanisme, entre la loi et les plans directeurs des municipalités*, in *Municipalités et administration locale*, No. 3, p. 33, Centre d'Etudes et de Recherches sur le Moyen-Orient contemporain.

¹² YOUSSEF AL KHALIL, *Le rôle des municipalités dans le développement économique et rural*, Id., in *Municipalités et administration locale*, No. 2, p. 45,

What we have seen above also applies to Mayors, although the law¹³ grants them executive power and, in theory, greater powers and responsibilities than those of the municipal council.

2.2 Financing for municipalities

There are many sources of income for municipalities and each has its own specific criteria and method of collection. The Law on Municipalities (Art. 86) divides them up into various, and markedly different, categories:

2.2.1 Taxes deducted directly by municipalities from taxpayers.

These are taxes relating to rental rates, building permits, pipe maintenance, the use of municipal public land, advertisements in cinemas, cattle slaughtering, meeting rooms and certain types of businesses.

Although these taxes represent at most 30% of the municipal budget, they are the only taxes that the municipality can collect directly¹⁴.

In addition, since 1992, all legislation has led to a decrease in this type of income, while charges and taxes going straight to the central authority have increased, thus demonstrating that the legislature is keen to strengthen this to the detriment of local powers as represented by municipalities in Lebanon.

Centre d'Etudes et de Recherches sur le Moyen-Orient contemporain.

¹³ Art. 74 onwards in the Law on Municipalities: "Actions Mayors are authorised to take".

¹⁴ NOUHAD NAWFAL, Study published in *La revue de l'Administration* No. 2, p. 24, Institut national de l'Administration et du Développement (organismes dépendant du Conseil de la Fonction Publique), 1997.



2.2.2 Taxes collected by the state, independent administrative authorities and public institutions on behalf of municipalities, which are then transferred directly back to them.

This income includes 10% of the total collected by national electricity, telephone and water companies.

These taxes are supposed to be transferred directly by the administrative unit in question to each municipality at a sum prorated from the amount taken from its constituency. However, this payment requires a decision from the Minister entrusted with looking after the aforementioned administrations, and he/she will only get involved on a case-by-case basis following repeated requests, which get delayed. This occurs frequently, and it goes without saying that the political factor often plays a decisive role.

2.2.3 Tax collected by the state on behalf of all municipalities.

This income is made up of sums of money deducted for a certain number of taxes collected by the State. For example, tax on income from commercial, non-commercial and industrial professions, land taxes, taxes on liquid fuels, port taxes, insurance policy taxes, vehicle registration taxes, customs taxes, alcohol and tobacco taxes, and the tax for land that is built on.

According to the law¹⁵, the money collected should be transferred at the end of each month into a special account called the "Independent Municipal Fund" and distributed each year—in accordance with the very specific percentages—to municipalities and municipal unions, based on the number of inhabitants, according to the Civil Registry and the latest municipal balance sheets. It was even anticipated

that a certain percentage would be used to support municipal and rural development projects.

In reality, this fund does not exist. The portion for municipalities is transferred to the Public Treasury where it becomes part of the State's income. Redistribution has not happened for many years, unless municipalities need support with something in particular, in which case they are given a "treasury advance" with a very high interest rate.

At the same time, by taking the amount corresponding to the Independent Municipal Fund, the State has started to establish direct cleaning contracts in the capital and Mount Lebanon governorate, as well as contracts for public lighting and asphaltting the roads (the latter was carried out without even informing the municipality in question). To give an example, the cleaning contract for the city of Beirut from 1996–2002 came to 614 billion Lebanese pounds (LP), or 87.7 billion Lebanese pounds per year¹⁶. In the same period¹⁷, 681 billion was distributed to municipalities and 586 billion was taken from the Independent Municipal Fund without their approval.

Following complaints from municipalities, the State has transferred a proportion of the money due from 1997 onwards. However, payment was spread over four instalments per year, following repeated requests, pressure and protests, and a two-year delay on the anticipated date.

2.2.4 Aid and credit

Aid obtained by municipalities takes the form of either credit granted by the Lebanese State or aid given to carry out infrastructure projects (pipe work, public

¹⁵ Law on Municipalities, Art. 87 stated in Decree No. 1917, 17 April 1979.

¹⁶ *Al-Dawlyia lal Maalumat* (International Information Journal) No. 4, 2004.

¹⁷ *An Nahar*, No. 555462, 1 June 2003.



waste, monument restoration....) to one or several municipalities.

However, more and more municipalities receive direct aid obtained through bilateral cooperation with European municipalities.

2.2.5 Other income

This includes donations, bequests and fines, as well as income from municipal buildings, all of which are of fairly small amounts and are unpredictable.

The General Directorate of Municipalities is currently preparing the municipalities' budget in electronic format. At the moment, however, few statistics are available.

Nevertheless, the *Al-Dawlyia lal Maalumet* journal stated that during 2002, income into the Independent Municipal Fund reached 200 billion LP, which represented 2% of the State's general budget and 0.75% of the GDP. In the same period, 171 billion was distributed to municipalities, 20 to municipal unions and 9 to Civil Defence for equipment.

2.3 Municipal civil servants

In accordance with the principle of municipal independence, each municipality must implement a structure and a flowchart for its civil servants and employees¹⁸. However, the same Law (Art. 80) cancelled these requirements *de facto* by providing that the governorates' capitals, as well as a large number of municipalities, would be subject to the Civil Service Council in this respect. In this way, many municipal civil servants are in fact responsible to this body, which in turn is directly responsible to the Prime Minister.

Also, a bill issued at the start of the Lebanese Civil War put a ban on all

recruitment at the municipal level, which progressively deprived them of human resources. The average age of municipal civil servants currently exceeds 55.

All of this has prevented municipalities from fulfilling their goals and from collecting taxes in an effective manner.

In order to counter this deficiency, in 1977 the Law on Municipalities established that the Minister of the Interior should assign a certain number of civil servants the task of informing municipalities of the most effective methodologies (Art. 92) and set up a programme of training seminars for municipalities and their services (Art. 94). It goes without saying that this never saw the light of day.

2.3 Municipal level

The power of control held by the central authority takes various forms:

2.3.1 Administrative control

The Law on Municipalities (Art. 57) states that municipal council decisions come into effect immediately, apart from those that require approval from a body charged with exercising administrative control; in other words, based on categories established by law according to their type: the Governor (*muhafez*), the District Administrator (*qa'imaqam*) or the Minister of the Interior.

In practice, it is understood that all decisions that are not mentioned in the law automatically escape this control mechanism.

Control over municipal council decisions is based on strict procedures, and their approval or refusal must be given in

¹⁸ Art. 88 in the Law on Municipalities.



writing and must be justified. This is based on the following considerations¹⁹:

- o Legality of the decision.
- o Analysis of the decision with regard to the public interest.
- o Existence of the necessary funding.
- o If the dossier has not been presented to the relevant administrative structures, they must be provided with a copy.

A study showed that on average, it was considered that 6 out of 30 municipal council decisions could come into immediate effect, 14 required the approval of the Governor (*muhafez*) or District Administrator (*qa'imaqam*) and 10 of the Minister of the Interior²⁰.

2.3.2 Control over civil servants

The Central Inspection Board, which is directly responsible to the Prime Minister, exercises control over all civil servants and employees of the State—including municipal ones—but not over elected representatives.

2.3.3 Financial control

Like all public administrative units, Lebanese municipalities are subject to the requirements of the Law on Public Finances and Decree No. 5595/82.

All financial decisions made by municipal councils are therefore subject to many types of control, which have noticeably been tightened over the last few years:

2.3.3.1 The power of control held by the Comptroller General of Finance.

The Law on Municipalities (Art. 95) states "all financial affairs within the municipality

of Beirut, any other municipality or municipal union falls under the control of the financial comptroller, known as the "Comptroller General". The issues in question are clearly listed in a decree taken at the Council of Ministers upon the advice of the Minister of the Interior.

The Comptroller General's role covers the budget, budget amendments and the corresponding balance sheet, as well as expenditure and revenue, and particularly tax collection. He/she must also offer advice on financial decisions when requested by the municipality and, in the case of embezzlement, must refer it to the Public Prosecutor before the State Audit Office.

2.3.3.2 Power held by State Auditor

Article 112 of Decree 5595/82 provides that the Minister of the Interior has the right to exert considerable power over a municipality in which he/she suspects serious embezzlement is taking place. The Minister can ask the State Auditor, a civil servant placed under his/her control, to perform an audit of the municipality in question.

2.3.3.3 Power held by the State Audit Office

In administrative terms, the State Audit Office has *a priori* control over revenue and the sale of municipal property where its value goes above a certain threshold.

A priori control over expenditure covers the public supplies market, public works, service provision, aid and donation decisions, and involvement in activities where the amount goes above a certain level proportional to the type of expenditure, as well as the way in which it is carried out.

¹⁹ ING. HICHAM AL JORDI, *Le pouvoir et les municipalités*, Centre National de Recherches, p. 20, 1998.

²⁰ ABDELGHENI IMAD, *Les élections municipales*, Jarrous Press, p. 20.



As for *a posteriori* control, this covers all financial affairs from the start to the end of their implementation and up until the moment they are put in writing. In this way, the State Audit Office issues an annual report which provides information to all parties concerned.

Judicial control is exercised over all accounts and all persons in charge of managing public funds, or in relation to either of these.

Also, the law grants the State Audit Office the power to impose fines on any corrupt civil servants.

Predictably, most of these clauses have not been used and citizens continually complain of widespread corruption and poor use of public funds within Lebanese administrative institutions, including, of course, municipalities. The main reason for this dysfunction is the feeling of impunity, which is strengthened by the protection that most civil servants receive from their political leader for (often illegal) requests to which they always respond positively.

2.4 Political intervention in municipal elections

There are currently 930 municipalities in Lebanon (25 have been established since 2004), for 10,668 municipal councillors and 2,389 *mukhtars*. There are only 256 female elected representatives across 198 municipalities²¹.

The clause establishing that the Mayor and his Deputy are elected by means of direct suffrage was amended just before the 1998 municipal election without ever being applied. Here we can see that political leaders want to separate Mayors from their citizens by making it so that they cannot

lay claim to support from the people to act freely on their behalf.

Political analysis of the role of political parties and personalities in municipal affairs is not easy in a country where dependency and commitments blend together at the family, personal, confessional, community and political levels. The few political parties do not exist at the national level, but are rather established in particular governorates. This explains why coalitions only last for the duration of an electoral campaign.

In this respect, participation levels are a very good indicator of the Lebanese opinion of the electoral process: a survey carried out by the *Al-Dawlyia lal Maalumet* journal showed that 72.5% of Lebanese people think that holding elections is good because it allows them to express their opinions and choose their representatives. Despite this, the actual average participation level at the last municipal election did not surpass 33.3%. The main reason for this, according to those who were questioned, was that the elections were marred by fraud.

According to the same survey, only 18.8% of voters made their choice according to the candidate's agenda. The rest favoured political, community, or family ties, or their own personal interests.

On this note, in 2004, 121 municipal councils and 400 *mukhtar* were elected to office, following an alliance at the local level between parties and political leaders. This explains the indifference of voters, at least in part.

The participation rates varied according to the importance of what was at stake, reaching between 21.4% in Beirut and 70% in Beqaa.

²¹ *Al-Dawlyia lal Maalumet* (International Information Journal), No. 29, February 2006.



3. Conclusion

In conclusion, a historical, legal and practical analysis of local governance gives an image of local democracy affected by dysfunction at all levels and, in spite of legal documentation, by the fact that centralisation is becoming more and more powerful and municipalities are becoming weaker and weaker.

One reason for this is the country's feudal-confessional structure, which generates a client-based social and political system. In this system, someone from a particular group can ask his/her political leader to compensate for the State's failings, help him/her to circumvent the law, or simply ask that the law be enforced.

In return, the client supports his/her leader at elections. In this way, the political leader is representing a community and not an agenda, and the community feels that it is in power when its representative is elected.

Moreover, this relationship of double-dependency has become stronger still since the Lebanese Civil War, and even increased when the economic crisis started to take hold. It is corrupting the entire society from education to employment, and all possible and imaginable administrative and legal services, to the point that it is impossible to ensure one's rights are respected outside of these channels.

The most dangerous aspect of this system is that engenders competition between members of Parliament and municipalities that is largely prejudiced against the latter. Members of Parliament use their legal position to weaken the role of municipalities and make Mayors submit to their political influence in an attempt to route all municipal services through them and their personal network, thereby

keeping citizens happy so as to win their vote.

Therefore, it is clear that in order to have a democratic system that works effectively and for an administration to move towards greater decentralisation, it is above all necessary to establish a secular State that works for all citizens and has political parties based on ideology.

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