



# LEGISLATIVE AND ADMINISTRATIVE LAND AND PROPERTY RIGHTS FRAMEWORK

LEBANON

- Draft -

#### LEGISLATIVE AND ADMINISTRATIVE LAND AND PROPERTY RIGHTS FRAMEWORK. LEBANON (Draft)

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#### ABOUT THIS REPORT

This report is part of a regional work aiming at providing an overview of relevant policies, laws, regulations and key stakeholders relating to different aspects of land governance and land-related decision-making processes in the Arab region. The report was developed by an independent consultant under the Arab Region Programme on Good Land Governance in Support to Inclusive Development, Peace and Stability funded by the Federal Ministry of Economic Cooperation and Development of Germany (BMZ). Its preparation was managed and coordinated by the UN-Habitat and the Global Land Tool Network (GLTN).

**GLTN and the Arab Land Initiative** - GLTN is a multi-sectoral alliance of international partners committed to increasing access to land and tenure security for all, with a focus on the poor, women and youth. The Network's partners include international rural and urban civil society organizations, research and training institutions, bilateral and multilateral organizations, and international professional bodies. In 2016, GLTN Partners, led by UN-Habitat and the World Bank, launched the Arab Land Initiative to promote equal access to land, peace, stability and economic growth in the Arab region through good land governance and transparent, efficient and affordable land administration systems. The Initiative aims at empowering land champions from the region by developing capacities, increasing collaboration and promote innovation, learning and sharing of best practices. It also supports the implementation of land gender-responsive and fit-for-purpose land tools and approaches at national and local level. The Research Innovation Fund is one of the streams of work of the Arab Land Initiative.

For more information, please consult the referenced documents, visit www.gltn.net or write to unhabitatgltn@un.org.

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# ABBREVIATIONS

ADR	Alternative Dispute Resolution
AEC	Appellate Expropriation Committee
BDH	Banque de l'Habitat
BPT	Built Property Tax
CAS	Central Administration of Statistics
CBDE	Census of Buildings, Dwellings and Establishments
CDR	Council for Development and Reconstruction
CFDP	Central Fund for Displaced Persons
CIArb	Chartered Institute of Arbitrators
CIPE	Center for International Private Enterprise
CNRS	National Council for Scientific Research
CoC	Code of Obligations and Contracts
DGALC	Directorate General of Administrations and Local Councils
DGC	Directorate General of Cooperatives
DGRB	Directorate General of Roads and Buildings
DGU	Directorate General of Urbanism
DRDNR	Directorate of Rural Development and Natural Resources
DRI	Democracy Reporting International
EC	Expropriation Committee
FAO	The Food and Agriculture Organization of the United Nations
FEXTE	Fund for Technical Expertise and Experience Transfers
GAD	Directorate of Geographic Affairs of the Lebanese Army
GDA	General Directorate of Antiquities
GDE	General Directorate of Environment
GDI	General Directorate for Investment
GDLRC	General Directorate of Land Registration and Cadastre
GDWER	General Directorate of Water and Energy Resources
GIS	Geographic Information System
GIZ	German Development Agency
GLTN	Global Land Tool Network
GP	Green Plan
GTZ	German Technical Cooperation
НВ	Housing Bank
HCUP	Higher Council for Urban Planning
HLP	Housing, Land and Property
LARI	Lebanese Agricultural Research Institute

LBP	Lebanese Pound
LCCP	Lebanese Code of Civil Procedure
MoA	Ministry of Agriculture
МоС	Ministry of Culture
MoD	Ministry of Defense
ΜοΕ	Ministry of Environment
MoEC	Ministry of Education and Culture
MoEW	Ministry of Energy and Water
MoF	Ministry of Finance
MoIM	Ministry of Interior and Municipalities
MoJ	Ministry of Justice
MoPWT	Ministry of Public Works and Transport
MoSA	Ministry of Social Affairs
NAP	National Action Programme
NFP	National Forest Programme
NGO	Non-Governmental Organisation
NP	Notaries Public
NPMPLT	National Physical Master Plan of the Lebanese Territory
NRC	Norwegian Refugees Council
OEA	Order of Engineers and Architects
РСН	Public Corporation for Housing
PPP	Public Private Partnership
REDAL	Real Estate Developers Association of Lebanon
RER	Real Estate Registry
RET	Real Estate Tribunals
SSC	State Shura Council
ті	Transparency International
UNDP	United Nations Development Programme
UN-Habitat	United Nations Human Settlements Programme
UNHCR	United Nations High Commissioner for Refugees
UoMs	Union of Municipalities
USD	USD: United States Dollar
VGGT	Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and
	Forests in the Context of National Food Security

# **EXECUTIVE SUMMARY**

Land management and administration is gaining increasing importance in Lebanon in view of the scarcity and degradation of land and water resources which is affecting the human society in the country. Land governance constraints in Lebanon indicate that legislation related to land use, planning, protection and zoning and other land-related legislation must be updated and their application must be effectively enforced to protect the non-renewable land resources in the country. Moreover, land planning matters overlap between many ministries and public agencies, which need to be addressed to ensure efficient land development in the country which respects the National Physical Master Plan of the Lebanese Territory (NPMPLT).

This Lebanon report is part of a regional work aiming at providing an overview of relevant policies, laws and regulations relating to different aspects of land governance and land-related decisionmaking processes in the Arab region. The report also analyses the institutional set-up and the key stakeholders in the land sector.

The report deals with the four functions of land management and administration in Lebanon: the land tenure, the land value, the land use and the land development in addition to a cross-cutting component — land disputes resolution — which is presented as a separate category in this report. The report also presents an overview of the existing legal and administrative land and property frameworks and is supplemented by an annex listing, the mainland and property legislation applicable in Lebanon since the time Lebanon was officially placed under the French Mandate by the League of Nations (1923–1943), until the end of 2019. As a host country to refugees, Lebanon first received about 100,000 Palestinian refugees in 1948 after the Arab-Israeli war and second, with the start of the Syrian war in 2011, it received more than a million Syrian refugees, making it the country with more refugees per capita than any other according to United Nations High Commissioner for Refugees (UNHCR). Accordingly, a special section of this report briefly examined the Housing, Land and Property (HLP) rights of refugees in Lebanon. Based on this research, a number of recommendations have been developed to improve land management and administration in Lebanon.

## Land Tenure

The land tenure system in Lebanon is pluralistic and includes statutory, customary and religious land tenure systems in addition to informal land rights. Each of these systems is governed by special legislation or by unwritten practice rather than through written codified law as it is the case with customary land rights like the *musha* (communal or collective) land, which commonly refers to a special type of land tenure whereby a large area of land is held, as a unit, by a corporate body such as a village. Customary tenure rights and informal settlements are not registered in Lebanon's land registry meaning many land and property rights owners do not have access to formal security of tenure.

The land tenure in Lebanon is based on the French Protectorate era Civil Law and private ownership. The Land Property Code enacted by the Decree 3339 of 12 November 1930 as

amended, identifies five different types of real estates: *mulk* (private property); *Amiri* (Stateowned land) with disposition rights for individuals; *metrouke murfaka* (land owned by the State but subjected to a right of collective use); *metroke mehmi* (land that belongs to the State at the governorate or municipality level, and which is part of the public domain); and *khalie mubah* (*Amiri* land that has not been inventoried and delimited) and is considered to be State private property. Additionally, there is waqf, also known as religious endowment land. It is land that has been entrusted to a religious organization, often for a specific purpose.

With respect to land and property registration in Lebanon, the General Directorate of Land Registration and Cadastre (GDLRC) is the institution in charge of land and property administration and operates a well-maintained digital land register and cadastre system. However, the GDLRC underperforms in sharing digital geospatial data, record coverage, State land inventory and management, and property taxation and valuation.

According to Lebanese law, only properly demarcated properties can be registered at the Real Estate Registry (RER). The cadastre coverage of Lebanese territories is as follows: 65 per cent are surveyed, while 35 per cent are not surveyed. Moreover, while private State lands are registered in the land registry, the public State lands are not registered in it at all. Thus, the government does not have access to reliable information on its property assets.

The influx of Syrian refugees to Lebanon had implications on the land tenure. As Syrian refugees struggled to find affordable rental housing, which was limited, it resulted in an increase in the rent and affected vulnerable Lebanese families' access to adequate housing. A study carried out by United Nations Human Settlements Programme (UN-Habitat), and UNHCR in 2014 reported that the vast majority of vulnerable Syrian refugees were securing shelter through informal markets. The study also pointed out that HLP rights of Syrian refugees, in many cases, were not protected. For example, forced evictions were carried out, disregarding legal guarantees provided in the Lebanese national law and international standards. Moreover, the UN-Habitat/UNHCR study observed that the central State had not taken a strong leadership role on shelter and housing issues. Historically, central government policies played a limited role in providing affordable land and housing options and in regulating the housing market in Lebanon.

#### Land Value

Land value functions include the assessment of the value of land and properties and calculating and gathering revenues through taxation. Several legislations regulate land valuation in Lebanon. These include the Built Property Tax (BPT) Law of 17 September 1962 as amended, the Expropriation Law No. 58 issued on 29 May 1991 as amended and the Rental Law No. 2 issued on 28 February 2017, which governs lease contracts for built premises concluded before 23 July 1992.

There is a lack of access to land and property values in Lebanon. This has implications on revenues, sustainable land management and beyond; specifically, the transaction (value) registration process (to the land registry) leaves room for subjectivity. The process is vulnerable to corruption and results in the registration of lower-than-market values. Another weak point of the property appraisal system is that valuation experts are not always selected from the Syndicate of Real

Estate Appraisers which applies strict rules for the selection of its members to ensure they are qualified. It is submitted that an improved valuation of the property will increase market transparency, reduce the banking sector's mortgage risks and enhance the recurrent property tax.

With respect to property tax, it is governed by the law issued on 17 September 1962 as amended by Law No. 366/94 and Financial Laws Nos. 107/99 and 173/2000, which applied the BPT. The property tax covers all properties located in Lebanon and ranges from 4 to 14 per cent. The expenses borne by the owner on behalf of the tenant are deductible. Buildings owned by the government, hospitals, religious authorities, political parties and foreign governments in addition to agriculture land and urban non-built property are exempted from property tax. The capital gains tax on the sale of a property is assessed based on the difference between the property's price at the time of ownership and its price at the time of disposal or sale and the applicable tax rate is 15 per cent in accordance with Lebanese Income Tax Law as amended. Additionally, upon registering the property ownership transfer, a 6 per cent of the purchase price is levied in terms of property transfer tax along with other applicable fees and taxes (such as stamp duty). It is also worth mentioning that profits from real estate speculations are not taxed. In fact, taxation on this sector is limited to property registration.

Each year, the Ministry of Finance (MoF) establishes the estimated value of land and immovable property in the various regions of the country which serves as the minimum threshold for the application of taxes and levies payable at the time of their transfer.

Taxes on the transfer of property are applied on the net value of the share of heirs when the movable or immovable property is transferred through inheritance, testacy, gifts or other methods. The tax is progressive according to six brackets and there are varying rates according to the degree of the relationship between the inheritor and the legator.

## Land Use

Lebanon is a highly urbanized country, with 78.4 per cent urban population, that is, 5,353,116 people, as of 2020, living in urban areas (with a density of 667 per square kilometre), concentrated in and around the main cities and coastal towns that became inter-connected. This urbanization was not regulated by any State policies or plans, resulting in many cities and towns interconnecting into a single urban area that is challenged by a lack of basic services, as well as transport problems, traffic congestion and deterioration of the natural environment. Moreover, the urban exploitation of the green cover in Lebanon continues beyond the classified land, which does not exceed 10 per cent of the country, and perpetuates urban encroachment on rangelands, forests or other green cover leading to further water depletion. This mismanagement of land use indicates that legislation relating to land use, planning, protection and zoning must be updated and their application must be effectively enforced to protect the non-renewable land resources in the country.

Non-classification of land in many areas of the country, where no special planning is done yet, has created a situation whereby saleable plots are large and are co-owned by many landowners, each of them not owning a specific and well-defined area of the plot, but rather, a relative number of

shares of it. This has caused a high number of co-owners of each plot and the total and ground exploitation coefficients are low and consequently, there are a high number of construction infringements.

The National Council for Scientific Research (CNRS) in Lebanon has developed the following landuse classification:

- Build up areas 650 km<sup>2</sup>, 6 per cent
- Agricultural use 3.300 km<sup>2</sup>, 32 per cent
- Forest and other woodland 2.600 km<sup>2</sup>, 25 per cent
- Shrubs and vegetation cover, 3.200 km<sup>2</sup>, 31 per cent
- Wetlands 5 km<sup>2</sup>, 0 per cent
- Open land and rocks, 500 km<sup>2</sup>, 5 per cent
- Water bodies, 15 km<sup>2</sup>, 0 per cent.

## Land Development

Lebanon lacks a national framework that guides the planning process at the level of public policies. At the institutional level, the public entity entrusted with planning responsibility is inexistent. The Ministry of Planning was dismissed in the 1960s. The outbreak of the civil war (1975–1990) exacerbated the overall situation. During the war period, the role of State institutions was limited to providing basic and essential services responding to emergency needs only. To date, planning matters overlap between many ministries and public agencies, notably: the Council for Development and Reconstruction (CDR), the Directorate General of Urbanism (DGU), the Higher Council for Urban Planning (HCUP) and in certain cases, the municipalities.

The main available tools relating to planning and planning frameworks in the country are the NPMPLT, the Physical Master Plans and Strategic Plans. It is worth mentioning that the multiplicity of legislation that governs urban planning in Lebanon tends to blur the transparency of the framework of legislative planning and creates ambiguities, which eventually lead to the non-respect of urban planning rules and regulations. For example, despite the existence of an Urban Planning Code issued by Legislative Decree No. 69 of 1983, there is a large number of rules and regulations relating to land rights and planning procedures which are addressed and scattered in various laws.

With respect to the land and housing market, the real estate sector in Lebanon was witnessing a boom, and prices were relatively stable before the civil war of 1975. During the war, the country was in a state of stagnation and construction activity was limited and restricted to safe areas only where prices increased. After the war ended, the country witnessed a construction boom in all its areas, especially in Beirut. This was initiated by motivations provided by banks and the Lebanese Government. In the late 1990s, the real estate sector experienced a crisis represented by a pause in market activity. However, this was followed by a 32 per cent annual growth in the value of real estate sales transactions characterized by a real estate boom. As of 2020, the Lebanese property market remained depressed. There were too many new buildings on the market, and demand was falling sharply. It is very likely that in 2021–2022 the Lebanese housing market will witness a

crash. Its early signals, such as defaults on housing loans, freeze in transactions, increasing requirements of fresh/cash dollar payments in a market that is dried out of dollars, lack of capital inflows in any form and a depressed banking sector, are tangible.

There is no public housing in Lebanon and housing is only available through the market. Since its independence from France in 1943, the Lebanese State has rarely engaged in the production of public housing or introduction of measures to protect or secure affordable housing for low-income groups. Low-income families and individuals in in the country typically access urban housing within low-income neighbourhoods and (Palestinian) refugee camps. Informal settlements in Lebanon are overpopulated and many of their buildings are prone to collapsing, especially those constructed before 1970 without compliance with building and construction regulations. In 2011, the Ministry of Social Affairs (MoSA) adopted, in its national strategy for social development, the objective of improving the living conditions in informal settlements which included, among others, the granting of housing loans equally allocated to different regions and slum rehabilitations through the improvement of the basic infrastructure, sewage systems and the buildings' physical conditions.

Land in Lebanon is protected by constitutional and legal guarantees. According to the "Expropriation Law", the State may only expropriate land rights in the public interest and against payment of a prior and equitable compensation. The Expropriation Law establishes general provisions for prior compensation of expropriated assets and easement fees for other restrictions imposed on the property. All compensation is a financial award through legal assessment by Expropriation Committees (ECs). The decisions of the ECs may be appealed to the Appellate Expropriation Committees (AECs) by the directly affected party and the decisions of the AECs are binding on both parties. The Lebanese law of expropriation only compensates those with legal rights, but mechanisms exist that protect various forms of customary rights made on a case-by-case basis to the ECs.

## Land Disputes Resolution

Land disputes are common in Lebanon and occur for various reasons such as the non-surveyance of large areas which have no officially defined boundaries and are not registered in the cadastre; unresolved inheritance issues, reasons relating to post-conflict security of tenure, and housing and shelter in addition to the encroachment and the illegal occupation of private property and State-owned properties.

The formal justice system is the main mechanism for resolving land-related disputes in the country. It includes the Single Real Estate Judge, the First Instance Courts Ruling on Real Estate Matters, the *Conseil d'Etat* which has limited jurisdiction defined by the law in land expropriation cases and the Judicial Committee Ruling on Housing Land Disputes established to look into disputes arising from the implementation of the Housing Law.

Recourse to resolving land-related disputes through Alternative Dispute Resolution (ADR) mechanisms such as arbitration, conciliation or mediation is not well developed despite the existence of several arbitration centres in Lebanon. Nevertheless, in 2018 the Lebanese

Parliament approved a new law, Law No. 82 on judicial mediation. The objective of the new Mediation Law is to promote ADR, relief parties from long and cumbersome court litigation procedures and resolve disputes equitably and expeditiously.

## Land-Related Legal Framework

In Lebanon, some laws and regulations relating to land tenure are old and refer to *the Medjelle* and Ottoman laws, while other laws exist in the Civil Code or are separately issued such as the recent law for the protection of the environment (Law 444 of 2002). The legal rules on urban development are overlapping and are not contained in one legislation. The multiplication of planning rules and regulations are damaging the idea of planning and there is no regulation on unplanned land use.

The lack of land policy in in the country is affecting the relevance of some land-related legislation. For instance, multiple legislations on settlement of buildings violations were issued to maximize the State revenues and did not contribute to resolving citizens' housing problem which is the original reason for issuing them. Another dilemma is the costal property which remains to a large extent unprotected despite the availability of special legislation.

The Lebanese Constitution of 1926 as amended is protective of land rights. However, it neither provides for the right to water, the right to adequate housing and the right to be protected from displacement nor explicitly prohibits sex discrimination.

The Chamber of Deputies (the parliament) in Lebanon is in charge of legislating. The President of the Republic does not have the right to legislate. He issues decrees of laws approved by the parliament which must be countersigned by the Prime Minister. The Council of Ministers in Lebanon issues decrees, decisions and circular letters and the President and the Prime Minister countersign all ministerial decrees.

As part of this research, about 100 Lebanese land-related legislations have been assessed and 63 main land-related legislations are summarized and annexed to this research. Some of the legislations date back to 1921, when Lebanon was under the French Mandate.

# Land-Related Institutional Framework and Stakeholders

In Lebanon, there are ten ministries which are engaged in various land-related functions. They exercise these functions through their sub-entities such as the GDLRC which is under the MoF, the Directorate of Geographic Affairs of the Lebanese Army (GAD) which is under the Ministry of Defense (MoD), the DGU and the Directorate General of Roads and Buildings (DGRB) which are under the Ministry of Public Works and Transport (MoPWT), among others.

The private sector, including the banks, the civil society organizations such as the Order of Surveyors, academic institutions such as the Lebanese University and religious communities such as the Maronite Church, are important land stakeholders in Lebanon. The coordination between them and also between the State land-related sub-entities, however, is weak because of several constraints such as data availability and access to information.

## Conclusions

This report draws some important conclusions related to Lebanon's land management and administration. Although the country has an established legal framework to register and protect private property and its land-related laws are gender neutral, customary and informal land rights are not registered in the land registry and are therefore not protected like formal land rights. Moreover, the degree to which Lebanon's laws protect private property rights and the degree to which the Lebanese Government enforces these laws are very low, mostly because the government fails to enforce these laws properly. Corruption in public institutions and the weak rule of law are the main reasons for weak enforcement of the laws.

The quality and availability of services for property registration provided by the GDLRC, still need a lot of improvement. Moreover, there is a need for a unified State land inventory for improved State land management and administration. Furthermore, the current property valuation process applied for property registration leaves room for subjectivity and results in the registration of land at a lower value than the real market values. Property market information is not available or updated in Lebanon, which impacts land valuation and taxation.

#### Recommendations

Enhancing land and property management in Lebanon needs to take into account the following:

Improving land and property registration

- Property digital records should be used instead of manual records to streamline the work of GDLRC.
- All legal restrictions on the use of geographical data by GAD and in the cadastral work or on online access to geospatial data beyond the GDLRC and the MoF should be eliminated to allow freedom of access to all land stakeholders and the provision of modern land eservices to the public.
- Resuming the surveying of the remaining properties across the Lebanese territories, as currently only 65 per cent of the territories are delineated and surveyed, to increase the security of tenure.
- With respect to State property registration, all State public land should be registered in the land registry and managed by one agency only, i.e., the State Property Department of the GDLRC as to allow the State to identify and access all its property. It is recommended that a complete and up-to-date State land information system (private domain State land and public domain State land) is established based on a systematic cadastral mapping of the whole country. Moreover, the existing registration of the State private property should be improved through the standardization of their owners' designation.

#### Improving management of State property

- Establishing an inter-institutional platform for classification, management, acquisition and disposal of private domain State land, as well as clear destination and protection of public domain State land.
- Periodically updating valuation and monitoring of State private properties prices.

- Improving procedures of State private properties' sale to obtain the highest possible price.
- Enforcing the law to protect State land against encroachment and illegal occupation of maritime public domain.

# Improving urban planning

- Strengthening the institutional framework: building on the existing set-up of the key
  institutions involved in planning in Lebanon, namely the DGU, CDR, Union of
  Municipalities (UoMs) and Order of Engineers and Architects (OEA), to strengthen their
  institutional capacities and allow them to synchronize their efforts to better contribute to
  planning.
- Strengthening the legislative framework: currently, urban planning rules are dispersed under many legislations, and the responsibilities and duties of key urban planning, as determined by laws, are overlapping. Accordingly, a thorough review of existing planning legal frameworks is necessary to highlight key gaps in the legal system and to determine the required modifications on laws and regulation.

# Improving land governance and land policy

- Creating a platform for inter-institutional land policy dialogue.
- Developing and applying measures for improved transparency and accountability in managing private and public land.
- Developing a strategy for linking strategic spatial planning with modern land administration and sustainable land management.
- Fostering evidence-based policymaking and effectiveness of public institutions by securing land data availability and access to information.
- Modernizing land legislation in general, in particular old land registration legislation.
- Passing the draft law on administrative decentralization to permit the full and efficient participation of local stakeholders in land administration and management.
- Preventing land fragmentation caused by inheritance laws and the high transactional costs.
- Protecting agricultural lands, through better land-use planning, enacting efficient legislation against constructions' violations and enforcing existing legislation.
- Activating the role of the Public Private Partnership (PPP) in all functions of land management administration, especially regarding land development and towards resolving the issue of informal settlements.

## Land-related disputes resolution

• The role of ADR, such as arbitration and mediation, in resolving land disputes should be promoted and prioritized by legislation over the role of national courts.

# CHAPTER ONE: INTRODUCTION

# **1.1. Objectives of the Study**

This report is part of a regional work aiming at providing an overview of relevant policies, laws and regulations relating to different aspects of land governance and land-related decision-making processes in the region. The report also analyses the institutional set-up and the key stakeholders in the land sector.

# **1.2. Research Method**

The approach used in the preparation of this report relied on the collection of all land-related data about Lebanon including key land policies and legal and institutional/administrative frameworks, and analysing and assessing them against internationally recognized best practices and landrelated international frameworks. No field assessment was carried out as this research is a desk study. However, some stakeholders and key informants were interviewed to get a sense of existing land challenges in the country.

# **1.3. Study Limitations**

Key challenges and limitations to this research included limited access to data, people and official institutions as the research is a desk study only, and lack of validation visits to the country which is going through a complex political and security situation. Some of the challenges and limitations were mitigated through close cooperation and networking with national and international consultants in reviewing and assessing the materials used in the report and weighing its outcomes.

# **1.4. Country Overview**

Lebanon is a small, culturally, politically and economically open, middle-income country in the Eastern Mediterranean with 6,825,445 million inhabitants as of 2020. Its total land area is 10,230 km2 (3,950 square miles) (Worldometer, 2020). Tourism and financial services are the backbones of the national economy. Lebanese society is religiously and politically diverse. A parliamentary democratic system set in place following independence in 1943 ensures that government offices are distributed proportionately to represent religious diversity. The Lebanese civil war (1975–1990) interrupted elections, undermined the prevailing quasi-democratic system and encouraged informal economies and laissez-faire development, accelerating the growth of towns and cities along Lebanon's 225 km long Mediterranean coast, where the largest cities are located, including the capital city, Beirut.

The Lebanese Constitution was drafted in 1926. It has 102 articles and was amended several times. Section C of the preamble states that "Lebanon is a parliamentary democratic republic". The Lebanese system is characterized by a highly centralized governance system which is another



colonial legacy that continued to dominate postcolonial decades, resulting in a weak role for local authorities in terms of decision-making and in responding to local needs.

Figure I: Map of Lebanon. Source: Encyclopaedia Britannica, 2008.

The war in Syria in March 2011 and the influx of refugees severely impacted the economy and land use and increased demand for access to shelter, services and jobs in Lebanon which is currently hosting about 1.5 million Syrian refugees. Nevertheless, several indicators point out that the Lebanese real estate industry benefited from the war in Syria. The flight of the Syrian bourgeoisie and capital generated demand for housing and sustained high prices of real estates and rent (Ashkar, 2015). However, the real estate boom did not last long. From 2013 onwards, prices of real estate plateaued until they started slowly crashing in 2016 and in 2019/2020 in the aftermath of the financial/monetary crisis.

In October 2019, mass protests swept across Lebanon shortly after the government announced new tax measures. The protests followed years-long frustration caused by the corruption of the political elite and the government's failure to manage the country's waste, electricity and economic crises (Maalouf, 2020).

The Lebanese real-estate system is based on a cadastral system, which is a parcel-based land information system that registers land and property.<sup>1</sup> In 1998, the Lebanese State started to modernize and automate the land registry and cadastre with the support of United Nations Development Programme (UNDP) and the World Bank. Title sheets were updated and replaced as a first step toward the establishment of an integrated IT system for real estate transactions. Paper sheets were turned into automated digital ones, which saved time and facilitated the registration process and the issuance of deeds and affidavits. The GDLRC is the institution primarily responsible for land administration functions in Lebanon. It launched the first three publicly accessible electronic digital land registry services for: a) requesting title registry extracts, b) tracking transactions and c) fee simulation. Although the Lebanese land administration has many basic elements and capacities in place, the potential is not capitalized on modern digital land administration infrastructure and services. In May 2018, the French General Directorate of Public Finances and the Lebanese MoF signed a technical cooperation agreement for the modernization of certain GDLRC services. This project, known as the Fund for Technical Expertise and Experience Transfers (FEXTE) Project, aims at achieving the modernization of: (i) the land and cadastral legislation, (ii) the governance of the GDLRC, (iii) the relationship with the user and (iv) the systems and databases.

The Lebanese land register has good coverage of private properties (land parcels and apartments), but the cadastre covers only 55 per cent of land parcels (World Bank, 2018).

<sup>&</sup>lt;sup>1</sup> Historically, Decisions Nos. 186, 189 and 188 of 15 March 1926 and Legislative Decree No. 12 of 28 February 1931 are the main Decisions which govern land registration and the RER in Lebanon. They replaced the *defter khané*, which during the Ottoman period constituted the first form of administration of the land registry.

# CHAPTER TWO: LAND MANAGEMENT AND LAND ADMINISTRATION

# **2.1. Land Administration Functions**

Land administration refers to "the processes of determining, recording and disseminating information about the ownership, value and use of land, when implementing land management policies" (Williamson and others, 2009). The definition of land management is broader than land administration. It covers all activities associated with the management of land and natural resources that are required to fulfil political objectives and achieve sustainable development. Land management can be considered the process by which a country's resources are put into good effect.

Land administration can be considered to be composed of four key functions (Williamson and other, 2009):

- 1. Land tenure and land rights (securing and transferring rights over land and natural resources, including public land).
- 2. Land value (valuation and taxation of land and properties).
- 3. Land use (planning and controlling the use of land and natural resources).
- 4. Land development (implementing utilities, infrastructure and construction planning), and cross-cutting land dispute resolution which is presented as separate category in this report.

#### Four Functions of the Land Management Administration

Land management and administration covers the processes and institutions relating to:

#### Land tenure:

- Securing access to land and the resources related to it, and their allocation, recording and security
- Cadastral mapping and legal surveys to determine parcel boundaries
- Transfer of property or use from one party to another through sale, lease or credit security
- Management and adjudication of doubts and disputes regarding land rights and parcel boundaries

#### Land value:

- Assessing the value of land and properties
- Calculating and gathering revenues through taxation
- Managing and adjudicating land valuation and taxation disputes

#### Land use:

- Control of land use by adopting planning policies and land-use regulations at the national, regional and local levels
- Enforcing land-use regulations
- Managing and adjudicating land-use regulations.

#### Land development:

- Building new physical infrastructure and utilities
- Planning constructions

- Acquiring land for the public
  - Expropriating land
  - Changing land use by granting planning permission, and building and land-use permits
- Distributing development costs

Figure II: Four functions of the land management administration. Source: Adapted from Williamson and others (2010) pp. 119–120.

# 2.2. Land Tenure

# 2.2.1. Land Tenure Definition

Land tenure is the relationship, whether legally or customarily defined, among people, as individuals or groups, with respect to land — for convenience, "land" is used in this research to include other natural resources such as water and trees. Land tenure is an institution, i.e., rules established by societies to regulate behaviour. Rules of tenure define how property rights to land are to be allocated within societies. They define how access is granted to rights to use, control and transfer land, as well as the associated responsibilities and restraints. In simple terms, land tenure systems determine who can use what resources for how long and under what conditions (FAO, 2002).

# 2.2.2. Land Tenure Systems

Legal pluralism in Lebanon includes statutory, customary and religious land tenure systems in addition to informal rights. **The statutory land tenure system** is mainly regulated by three decrees issued, during the French Mandate to Lebanon, on 15 March 1926. They are Decree No. 186 relating to land delimitation, Decree No. 188 relating to the establishment of the land register and Decree No. 189 relating to the details of the application of Decree No. 188 and later on, Decree No. 3339 of 12 November 1930, "The Property Ownership Code", which together form the main sources of Lebanese land law. So, before the emergence of the Code of Obligations and Contracts (CoC) in 1943, the statutory land tenure system in Lebanon was governed by autonomous land legislation (Sakr, 2015).

**Customary land rights** refer to the enjoyment of some use of land that arises through customary, unwritten practice rather than through written codified law (Land Portal).

The early form of customary land tenure in Lebanon is the *musha* (communal or collective) which commonly refers to a special type of land tenure whereby a large area of land is held, as a unit, by a corporate body such as a village. *Musha*, or village communal lands, under the Ottoman rule were governed by customary rights and managed by the community to ensure sustainable and equitable use of woodland resources and for pastoral uses (Egoz, Makzoum and Pungetti, 2011). The land is apportioned among the different members according to schemes laid down by age-old customs. Collective holdings and individual use are simultaneously insured by a system of periodic redistribution of land which constitutes one of the most striking features of *musha* tenure. The *musha* tenure system is linked to the nomadic Bedouin tribal system that existed in neighbouring countries like Syria, Iraq and Jordan.

In Lebanon, *musha* was prevalent in the areas adjacent to the Syrian desert — the central depression, the Beqaa Valley, the eastern highlands and the Anti-Lebanon Mountain Range — but not on Mount Lebanon. It is suggested that at the time of settlement following occupancy by force or otherwise, a tribe naturally decided to hold an area communally in order to safeguard its internal unity and cohesion. As the deeply rooted individualistic feelings of the Arab nomads prevented any permanent form of collective exploitation, the land had to be regularly reapportioned among tribesmen for individual and exclusive use. The *musha* organization seems to have gone through a long process of evolution. Today, the general tendency in Lebanon seems to be towards a greater demand for individualization and a gradual weakening of the communal spirit.

Although the land was in theory held collectively, individual shares have been permanently stabilized. Each member has complete independence on both the use of one's holdings and the rotation of crops. It is doubtful if any villages in Lebanon are still organized under *musha* in its pure and primitive form. However, some effects such as long narrow fields and fragmented holdings are still apparent in the landscape.

In its primitive form a *musha* village was, above all, characterized by the minute fragmentation of the land holdings into large and narrow strips, some of which stretched from one end of the village to the other. Such fragmentation probably originated from the desire to give each member a fair proportion of the different types of soils found in the communally held area. The process of consolidation of *musha* villages started with the French Mandate and continued with the Cadastral Service of Lebanon. At present, all Lebanese villages which were formerly *musha* are composed of consolidated holdings with minimum fragmentation (Irby, 1971).

It is worthwhile to note that the Ottoman Land Law of 1858 prohibited the registration of any area in the name of a village or a tribe. All communal holdings had to be partitioned and individual titles used. To evade the law, the *musha* villages fictitiously registered their land either in the names of one or more of their own members or those of neighbouring townsmen who had promised protection against the greed and oppression of State officials. Peasants who were formerly cultivators of their own lands therefore became tenant farmers while tribal sheikhs and neighbouring townsmen became landowners. In most cases, land was stabilized but the desired result — tenure security for the cultivator — was not achieved (Irby, 1971).

Although the French Mandate authorities planned to eliminate communal land in what can be described as the first step towards the 'abstraction of land into property', customary use rights continued to be practised in most villages. As a result, the present status of *musha* land as an independent category in the land registry is not clear: it is State-owned lands with varying degrees of control by village municipalities. War, civil strife and rural abandonment have invariably undermined the value of *musha* lands for traditional, pastoral uses. In a small, highly populated country, *musha* lands are under growing pressure from real estate developers as landscapes with exceptional scenic value. Their contested land registry status becomes an added asset, a legal loophole, seized upon by neoliberal politics to acquire prime landscapes for large-scale development. With rural economies failing, especially in marginal landscapes, village communities

are persuaded, or coerced, to relinquish their customary rights (Egoz, Makzoum and Pungetti, 2011).

In 1971, a law was issued and conveyed ownership of *metrouke murfaka* land (land owned by the State but subjected to a right of collective use) to municipalities when such lands are located within their borders. Another law was issued and distributed some *musha* land in Mount Lebanon to villages, so their ownership was no longer vested with the State. Accordingly, *musha* land in Lebanon covers part of *Amiri* land (State-owned land), part of *metrouke murfaka* land and all *metrouke mehmi* land (land that belongs to the State at the governorate or municipality level, and which is part of the public domain) (Shheita, 2014).

Another form of the customary land tenure system is the agricultural land-use rights known as "Muzara'a wa Musaqat" or, in English, "cultivation and watering". Muzara'a wa Musaqat is a form of partnership contract in farming whereby the landowner allows a farmer to cultivate land provided that the farmer will later share the crops with the landowner. Muzara'a wa Musaqat is mostly governed by local custom — Erf Mahali. These crop share agreements enjoyed, under the Ottoman law, the Medjelle, a statutory recognition even when such customary use rights were not registered.

The *Medjelle* defines *al-Musaqat* as a kind of partnership in which trees are found by one and cultivated by another, and that the fruit produced is shared between both of them (Article 1441). *Al-Muzara'a* is defined as a kind of partnership, where the land belongs to one person and it is cultivated by another, i.e., a partnership to cultivate and divide the crops (Article 1431). Both *al-Muzara'a* and *al-Musaqat* do not have to be in writing, they are binding by the parties' verbal exchange of offer and acceptance (Articles 1432 and 1442). Article 623 of the Lebanese CoC provides that *al-Muzara'a* and *al-Musaqat* are governed by special texts and by local custom.

**Concerning the religious land tenure system or waqf** in Lebanon, after the establishment of the French Mandate, the French High Commissioner reorganized the law of waqf and issued Decision (*arrêté*) No. 753 of 1922 relating to the management of Islamic waqf and the independence of the Islamic community in its use and administration of waqf. In addition to the Islamic charitable waqf, the Christian communities have also adopted a similar concept of waqf regulated by each community's specific law, such as the Code of Canons of the Eastern Churches (Cath. Canon 1007 et seq.) and the Law on Personal Status of the Catholic Communities (Article 255 et seq.) However, not all waqf are of a charitable nature in the country. When a property is initially alienated for the benefit of certain relatives of the founder (or other specified persons) and will subsequently benefit a charitable enterprise, the alienation is known as a *waqf zurry* (or *ahli*); a family waqf that is regulated by a secular law enacted in 1947. There is also a type of waqf known as a mixed waqf which is part charitable and part family (Sakr, 2018).

A recent research on waqf lands in Beirut region, used for agriculture, reported that agricultural waqf are more resilient — than private lands — to urbanization, especially when found on convent sites located in the peri-urban area of Beirut. Moreover, when agricultural leasing and sharecropping are possible on waqf lands, they are ruled by contracts extending over 3, 6 or 9 years among Catholics, and vary according to the agricultural project among the Orthodox, which

grants greater land security than those found on private lands (annually renewed contracts). Various agricultural forms can be found on waqf: market gardening, fruit trees, breeding and processing (direct tenure by clergymen) and also hydroponics, nurseries and special crops (indirect tenure of lands, leasing), whereas on private lands, we find market gardening and more and more nurseries. Identified agricultural logics show a revival of agriculture on waqf lands borrowing different trajectories and maintaining various links to the city (Lteif, 2019).

As for the non-formal tenure system, it includes a wide range of categories with varying degrees of legality, informality or illegality. They include "regularized" and un-regularized squatting, unauthorized subdivisions of legally owned land, and various forms of unofficial rental arrangements. In some cases, several forms of tenure may co-exist on the same plot, with each party entitled to certain rights (Payne and Durand-Lasserve, 2012).

According to the Voluntary Guidelines on the Responsible Governance of Tenure of Land, Fisheries and Forests in the Context of National Food Security (VGGT) general principles (3A), land administration services should support all types of land tenure and should be accessible for all people, including women, minorities, people with different legal status and other vulnerable groups. Land challenges in Lebanon include customary tenure, informal settlements and unsurveyed areas where people do not have access to formal security of tenure.

# 2.2.3. Property and Ownership Types

Land tenure in Lebanon is based on the French Protectorate era Civil Law and private ownership. It is submitted that the clear and official definition of the elements of property and land is considered one of the essential elements for the success of the integral methodology of planning and land management (Darwish, 2012).

The Land Property Code enacted by Decree 3339 of 12 November 1930 as amended, identifies five different types of real estates (properties) as follows:<sup>2</sup>

*Mulk* – Land susceptible to full ownership lying within the perimeter of administratively determined built up areas. This is the only category of land that can be sold.

*Amiri* – Land owned by the State but individuals may have land-use rights on it *(tasarof)*. This type of land today is like *mulk* (private property).

*Metrouke murfaka* – Land owned by the State but subjected to a right of collective use, usually governed by local customs or administrative regulations. This type of land is owned by municipalities who can dispose of it if it is located within their borders. However, an amendment to the Land Property Code, by Law No. 173 of 14 February 2000, Budget 2000, restricted the municipalities' freedom of selling or undertaking any kind of disposition on this type of land, to obtaining the prior approval of the Council of Ministers, based on the recommendation of the Minister for Finance and the Minister for Municipal and Rural Affairs.

*Metroke mehmi* – Land that belongs to the State at the governorate or municipality level, and which is part of the public domain (e.g., streets, public squares, public gardens and public markets).

<sup>&</sup>lt;sup>2</sup> The Land Property Code, Articles 5–9.

*Khalie mubah* – *Amiri* land that has not been inventoried and delimited, and on which the first occupant with the State's permission acquires a right of preference. It is considered to be State private property and includes empty lands, forests, mountains, etc.

**Waqf**<sup>3</sup>, also known as religious endowment land – It is land that has been entrusted to a religious organization, often for a specific social purpose (e.g., to build a school) or, more generally, for charitable purposes. Religious groups have used waqf land to settle Syrian refugees. The waqf institution (Muslim and Christian) plays an important role in the land market as they own about 30 per cent of the private land in Lebanon and offer many possibilities like land concession and rental.

# 2.2.4. Private and Public Land

**Private land** – Private land and property may be owned individually or collectively and must be registered to ensure the full protection of the law.

**Public land or State-owned property** – This may be divided into the State public property and the State private property. The State public property is regulated by Decree No. 144 issued on 10 June 1925 — the Regulation of Public Property — which concerns property that is destined by nature to public use (e.g., roads, seashores, etc.) The State private property, by contrast, is regulated by the Decree No. 275 issued on 25 May 1926 — the Management and Sale of the State's Immovable Private Property — which concerns the developed or undeveloped land that is not destined by its nature to public use. These properties can belong to the State represented by the MoF or to municipalities which they can allocate for different uses.

The State land management responsibilities are split between several parties in Lebanon. According to the above-mentioned Decree No. 275 of 1926, the State private property is managed only by the Department of Private State Properties under the GDLRC of the MoF, except for forests which are officially under the Ministry of Agriculture (MoA). As for public State property, it is managed by several ministries, such as the MoPWT responsible for protected public coastal properties, the Ministry of Environment (MoE) responsible for the protection of lakes, valleys and riverbeds, and the Ministry of Culture (MoC) responsible for the preservation of antiquities and historical interests.

# 2.2.5. Land and Property Registration

The Lebanese land registration system is based on a cadastral system, which is a parcel-based land information system that registers land and property. The institution in charge of land and property administration is the GDLRC which operates a well-maintained digital land register and cadastre system, which was developed in 1995 with help from the World Bank and France.<sup>4</sup>

<sup>&</sup>lt;sup>3</sup> Waqf is the plural of waqf or *wakf* in Arabic and it means endowed lands. It is not a type of land listed separately in the Lebanese Land Property Code but is added here for its relevance.

<sup>&</sup>lt;sup>4</sup> The World Bank's Revenue Enhancement and Fiscal Management Technical Assistance Project (P005340) financed automation of real estate property registration and transactions (Cadastral Organization Modernization and Automation Project 1 – COMAP 1) and digitization of cadastre maps (COMAP 2).

According to the Lebanese law, only properly demarcated properties can be registered at the RER. In general, most built up urban areas have been demarcated and registered. The private land and property ownership is based on a system of shares. Each property is made up of 2,400 shares. If the property is owned by many people, each person is the owner of a certain number of shares of the property, but without being allocated a specific physical part of it (UNHCR and UN-Habitat, 2014). Article 393 of the Lebanese CoC of 1932 as amended — Lebanon Civil Code — provides that if the land has not been properly registered with the RER, any transaction (sale or lease) is not legally enforceable. In addition, only registered rights are enforceable against a third party, for example, in the case of land or property rented-out or sold by someone else. If the buyer of real estate property fails to register the sale contract at the RER during the prescribed period of ten years, the buyer legally loses the right to register the transfer of ownership at the RER. However, non-registration at RER is a widespread practice, especially amongst low-income buyers. High registration fees and the requirement that properties comply with building and zoning regulations, coupled with the absence of effective enforcement, make registration a burden. Although the system provides strong protection for registered rights, it is also evident that the poor and those living in low-income neighbourhoods are less likely to benefit from the full protection of the registration system.

The cadastre in Lebanon is mainly in charge of:

- Demarcation, land measurements and betterments
- Supervising works related to optional land demarcation
- Monitoring the work of sworn surveyors or engineers.

The land registry offices are mainly in charge of:

- Registry books of the 18 registry offices
- Maintaining databases of properties and title register records. The database covers 25 cazas (subdistricts) and around 1,600 villages and cities.

Property records are maintained in:

- Registry books across 18 registry offices in Lebanon
- Distributed databases. A database holds close to 3,000,000 properties and close to 24,000,000 title register records.

The cadastre coverage is as follows:

- 65 per cent of Lebanese territories are surveyed.
- 35 per cent of Lebanese territories are not surveyed (Maarrawi, 2020).

According to its general manager, the GDLRC is adamant on going online for the following services (Maarrawi, 2020):

- Title register
- Transaction tracking
- Fees simulations
- Title register changes
- Ownership request tracking

# • Paid invoices.

A recent evaluation of the Lebanese land administration system by the World Bank reported that the GDLRC which operates the digital land register and cadastre system, underperforms in sharing digital geospatial data, record coverage, State land inventory and management, and property taxation and valuation. For example, the Lebanese land register processes 800,000 manual information requests per year, while the Croatian Land Registry portal (covering roughly the same size population) processes 25 million online queries annually. Additionally, while the Lebanese digital land register and cadastre provide some electronic services to the public, the digital records are not recognized as legal records and the manual records are maintained in parallel based on a Registration Law from 1926.<sup>5</sup> Although the Lebanese land register has a good coverage of private properties — land parcels and apartments — the cadastre covers only 55 per cent of land parcels. And finally, no direct access to digital land registry and cadastre is provided beyond some technical departments of the MoF and GDLRC.

Moreover, while State private lands are registered in the land registry, their designation (i.e., the institution, which is recorded as the owner/custodian of the land) is not standardized, for example, a query of list of all State lands vested to the Ministry of Education and Culture (MoEC) does not produce a reliable result. It is estimated that the State private property registered at the GDLRC is between 60,000 and 70,000 properties, composed of lands, buildings, offices, etc., located on the 65 per cent surveyed territories of Lebanon. In addition, the State public lands are not registered in the land registry at all. Thus, the government does not have access to reliable information on its property assets. The State Property Department of GDLRC controls and manages the registered State properties.<sup>6</sup> In practice, the department focuses on disposing property via auctioned sales and leases. The undersigned State properties are administered by regional Cadastral Court Judges. Encroachment and unauthorized land use are believed to be common on State lands, but there is no data, resources or means for monitoring State lands systematically (IBRD, 2018).

Under the VGGT Article 17.4, States have the following obligation: "implementing agencies should adopt simplified procedures and locally suitable technology to reduce the costs and time required for delivering services. The spatial accuracy for parcels and other spatial units should be sufficient for their identification to meet local needs, with increased spatial accuracy being provided if required over time. To facilitate the use of records of tenure rights, implementing agencies should link information on the rights, the holders of those rights and the spatial units relating to those rights. Moreover, records should be indexed by spatial units as well as by holders to allow competing or overlapping rights to be identified" (FAO, 2012).

<sup>&</sup>lt;sup>5</sup> Decisions Nos. 188 and 189 as amended issued on 15 March 1926 by the French High Commissioner regulate the establishment of the RER in Lebanon and defines the procedure for the registration of land rights in the RER. The procedure is based on handwriting and correction of the registry entries in red ink, by the handwriting of the registrar (Article 11 of Decision 189 of 1926). Decision 188 of 1926 grants full legal authority to these handwritten real estate records, issued long time before digitization was introduced to the GDLRC (Article 8).

<sup>&</sup>lt;sup>6</sup> Not all State properties are managed by the GLDRC. Different ministries/directorates/entities also own properties and they are, respectively, in charge of managing them, auctioning, etc.

There is a need in Lebanon for full deployment of the digital land administration and geospatial infrastructure to public service and consumption. The land registry and cadastre are public records by law. Regulations and restrictions on geospatial data date back to the era of printed maps and provide no clear guidance on online access to geospatial services (Darwish, 2012).

# 2.2.6. Acquisition of the Right to Property Registration

Article 228 (Title 9) of the Land Property Code of 1930 listed as follows the different ways for the acquisition of the right to land registration:

- By inheritance
- By gifts *inter vivos* and testamentary (Articles 504–532 govern all aspects of gifts)
- By occupation authorized by the State
- By prescription: the right does not affect State-owned land and it is acquired only for the property not recorded in the land registry, through quiet continuous possession as owner, for five years either by the possessor or by a third party acting for it, provided that the possessor has a good reason, and for 15 years if the possessor has no good reason. It is worthwhile to mention that the farmer, the usufructuary, a trustee, the borrower or their heirs cannot prescribe (Article 257 of the Property Code).
- By pre-emption, or the right of pre-emption (*Hak al-Shafa'a*): it is an exceptional right that allows the landholder to evict the buyer of a property *mulk* or *Amiri* if the landholder would have an easement on that land (Articles 238–254 of the Property Code)
- By transactions (Articles 372–503 of the Lebanese Civil Code of 1932 as amended govern all aspects of the sales contracts).

# 2.2.7. Implications of the Syrian Refugee's Crisis on Land Tenure Issues

Since the onset of the Syrian refugee crisis in 2011, Lebanon has received the largest influx of refugees from Syria, amounting, to date, to around a million refugees, corresponding to almost 25 per cent of Lebanon's pre-crisis population. This phenomenon put pressure on the already limited public services and infrastructure, and on the land and housing sector, affecting in different ways both the local population and the refugees.

Housing is one of the most serious concern for most Syrian refugees both in terms of quality and monthly cost. The limited stock of pre-crisis affordable rental housing is drying up. Lebanon had been facing a decades-old affordable housing crisis prior to the Syrian refugee crisis. As a result, rental prices are increasing, forcing many families to down-grade their shelter to more affordable options.

A study carried out by UN-Habitat and UNHCR in 2014 reported that the vast majority of vulnerable Syrian refugees were securing shelter through informal markets. Although the informal market has many strengths (responsiveness, flexibility and relative affordability), it also has severe shortcomings (poor housing quality, insecurity of tenure and negative environmental impact). The resulting increase of rents has affected vulnerable Lebanese families' access to safe, affordable and adequate shelter (UNHCR and UN-Habitat, 2014).

Moreover, the long-term negative land-use consequences can already be detected from the current pattern of refugee settlements in informal tented settlements. In peri-urban and rural areas, the establishment of informal tented settlements on agricultural lands, the large-scale cutting of trees, and the contamination of agricultural land present significant long-term risks. In urban areas, the over-densification of low-income urban neighbourhoods sharply reduce the quality of life in these areas. In all areas, the lack of adequate solid waste management is a serious public health and environmental concern with soil and water contamination noted in many cases.

Beyond the implications of the influx of refugees in the country, the HLP rights of Syrian refugees have not been protected and in many cases domestic law along with international standards were not upheld. For example, it was reported that many evictions of Syrian refugees for defaulting on payment of the agreed rent were carried out by repeated threats and harassment and, in some cases, backed by the implicit or explicit threat of armed militia, or even of the police forces, outside of any legal framework, and in violation of Lebanese law and international standards. Refugees generally seemed unaware that Lebanese law relating to leases for built property (apartments and houses) in many cases provides refugees with security of tenure for three years, and not one year as is generally assumed to be the case and that an eviction must be mandated by a court decision. Moreover, poor enforcement of courts' decisions makes the situation of refugees more complex.

The study observed that the central State has not taken a strong leadership role on shelter and housing issues. Historically, central government policies played a limited role in providing affordable land and housing options, and in regulating the housing market. During the refugee crisis, the most significant policy statement by the government has been to ban the establishment of formal camps, yet there is tremendous scope for more proactive policymaking for managing displacement. Other important institutions, such as CDR and DGU, have not yet been fully engaged in the provision of adequate services (UNHCR and UN-Habitat, 2014).

Long before the influx of Syrian refugees, the Palestinian refugees in Lebanon (over 400,000 registered refugees, corresponding to almost 10 per cent of the total population) have been denied HLP rights. The majority of Palestinian refugees live in 12 refugee camps mandated by United Nations Relief and Works Agency (UNRWA), while a sizeable minority lives in informal settlements in rural areas. Lebanese authorities deny them equal rights with both the Lebanese population and other residing foreigners. Palestinian refugees in the country are deprived of the right of ownership to housing and land and in 2001, the amendment to the law of foreign acquisition of property in Lebanon, officially prohibited them from acquiring real rights through inheritance or sale.<sup>7</sup> The Lebanese authorities contend their aim was to prevent *Tawteen* or permanent settlement of Palestinian refugees in Lebanon. Over the years, refugees have acquired some informal property rights where they live, but they are not protected by the law (NRC, 2014).

<sup>&</sup>lt;sup>7</sup> Law No. 296 of 3 April 2001 relating to "Amending Certain Articles of the Law Implemented by a Decree No. 11614 of 01 April 1969 (Non-Lebanese Acquisition of Real Estate Rights in Lebanon).

# 2.3. Land Value

According to Article 18.1 of the VGGT, States should ensure that appropriate systems are used for the fair and timely valuation of tenure rights for specific purposes, such as operation of markets, security for loans, transactions in tenure rights as a result of investment, expropriation and taxation. Such systems should promote broader social, economic, environmental and sustainable development objectives.

Land value functions include the following key land administration processes:

- The assessment of the value of land and properties, and
- Calculating and gathering revenues through taxation.

# 2.3.1. Property Valuation

The basis for property valuation is found in the Property Tax Law or the BPT Law of 17 September 1962 as amended, in the Expropriation Law and in the Rental Law as follows:

The BPT Law of 1962 as amended determines the amount of the BPT — between 4 per cent and 14 per cent — based on the net yearly revenues of the built property which is determined in one of the following ways:

- 1. In leased properties, based on the annual rental value specified in the lease contract, or
- 2. Based on the evaluation of the Tax Administration for the annual rental value of the property in one the following cases (Article 35 of the BPT Law):
  - a. No lease contract,
  - b. The yearly amount of rent stated in the lease contract was not approved by the Tax Administration,
  - c. The property is occupied by the owner, the buyer or the investor,
  - d. Tolerant occupancy (without rent),
  - e. Vacancy or any other.

According to Article 36 of the BPT Law, the basis of assessment of the net annual revenues of the property (in case the annual rental value is not specified or ascertained) is deduced by comparison with similar properties taking into consideration the space, the location, the region, the type of the property, building accessories (heating/cooling systems, elevators, interphones, etc.) or any other elements, provided that the built property generates to the owner an income (annual rent) not inferior than 5 per cent of its value. Depending on the location of the property, the department of BPT at the Lebanese MoF determines each year the rental yearly value of the property which is the basis for the levy of the BPT and issues relevant tables for taxpayers (Article 74 of the BPT Law).

Considering the acute financial crisis in Lebanon and the depreciation of properties values and rents, the Minister for Finance issued on 15 January 2020 a circular letter requesting all financial units in charge of collecting the BPT to extend a reduction by 20 per cent of the estimations of the

BPT decided for the years 2015–2018, to estimations of BPT for the year 2019 on all units occupied by other than lessees or vacant.<sup>8</sup>

The annual rental property value of a taxed property is determined by committees established within the BPT department at the Lebanese MoF. The MoF should prepare a report that includes all required information in Article 32 of the BPT Law, the status of the building and its annexes, the estimation of the real rental value of the property and, if needed, the value of the building property. Owners have the right to contest their property valuation within 60 days from notification of the value by lodging an appeal at the relevant financial department. The head of the income department at the MoF is empowered by Article 37 of the BPT Law as amended by Law No. 27 of 2018 to finally decide appeals of contested property valuation.

The ECs, set up by a decree for each governorate, carry out valuation of expropriated property and determine the amount of compensation pursuant to the Expropriation Law No. 58 issued on 29 May 1991 as amended on 8 December 2016. The ECs comprise:

- A committee of the first instance composed of a chairperson (a judge or magistrate of at least the 10th degree), and two members (an engineer and an assessor),
- One or more AECs, consisting of a magistrate of at least the 6th degree as chairperson, an engineer and an expert in land law and valuation, and
- A chairperson and two other members named as alternates in case of absence (Article 9 of the Expropriation Law).

The ECs are not allowed to be assisted by external experts for the valuation of the expropriated property (land, building, trees, etc.), but may use external expertise only in highly technical matters clearly exceeding their competence or with respect to a dispute regarding the evaluation of the amount of compensation (Article 17 of the Expropriation Law). Article 22 of the Expropriation Law No. 58 of 1991 as amended, requires, in determining the compensation, that the EC takes into account any factor that might affect the value of the loss resulting directly from the expropriation based on location, size and shape; the topic of investment; loss of customers; and loss of profits. However, it does not have clear provision for restoring loss of income sources or means of livelihood.

The amount of the actual compensation rate will be determined by the EC upon the receipt of approval on expropriation decree, based on the prevailing market prices at the time of actual expropriation. The decision of the EC may be appealed by aggrieved persons (landowners or any other) within 30 calendar days from the decision's notification. The decision of the AEC is considered binding, however, the aggrieved party may appeal the decision of the AEC within the legal period before the Shura Council in case the AEC has reduced the initially awarded compensation by the EC, by more than 25 per cent, or by the expropriating party if the AEC has increased the initial amount of compensation by more than 50 per cent (Article 20 of the Expropriation Law).

<sup>&</sup>lt;sup>8</sup> Circular letter of the Minister for Finance, No.105 dated 15 January 2020 published in the official gazette issue 4 of 23 January 2020, 401–402.

Property valuation under Law No. 2 issued on 28 February 2017 (the amendment of the Rental Law No. 159 of 1992) which governs lease contracts for built premises concluded before 23 July 1992<sup>9</sup> determines the rent of residential property by 4 per cent of the sale value of the property in the existing condition, if it were empty (Article 20 of Law No. 2 of 2017). The valuation of the property and the determination of the rent on the above basis is done, at the request of either the lessor or the lessee or both, by two experts: a civil engineer or an architect and a listed assessment expert (Article 18 of Law No. 2 of 2017).

The following matters, inter alia, should be taken into account by the valuation experts under the penalty of invalidating their report: the date and means adopted in the valuation; the space of the property; the type of building; an estimate of the average construction cost (popular, medium to popular, average to luxury or luxurious); effects to the unit if the ground floor is commercial; an estimate of the price per square metre of free construction and rented building; the appreciation resulting from the location and the view, etc. (Article 19 of Law No. 2 of 2017). The appraisal system and the assessment process will be improved if selection of appraisers/experts is done from one body only which is the Syndicate of Real Estate Appraisers in Lebanon.

An improved assessment of property — valuation system — will increase market transparency and reduce banking sector's mortgage risks as well as enhance the recurrent property tax.

There is lack of access to land and property values in Lebanon, which has implications for revenues, sustainable land management, affordability of properties and beyond. Specifically, the transaction (value) for the registration process to the land registry leaves room for subjectivity. The process is vulnerable to corruption and results in registration of lower-than-market values. Therefore, the current process impacts available market information and, together with non-harmonized valuation practices, equitability of property, taxation and, for example, State property lease levels. Property tax revenues are also impacted by exemptions, such as on vacant properties. The way forward in the short term, which will allow quick return on investment, is to improve property value information that is used as the benchmark for property transaction registration and as basis for recurrent property tax valuation (IBRD, 2018).

Work is in progress now to introduce new valuation methodology and the creation of a zoning valuation system which will: 1) synchronize the appraisal values between all parties, which should lead to an increase in revenues; 2) simplify the adoption of the registration values; and 3) create a more just and equitable value towards all taxpayers (Maarrawi, 2020).

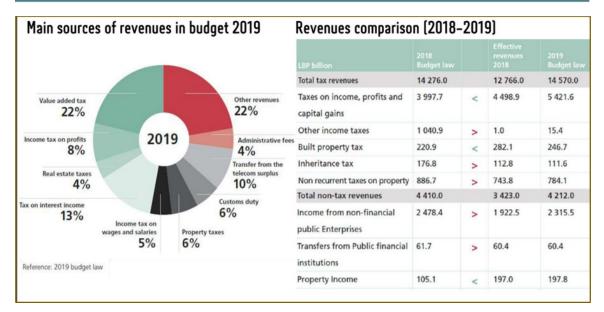
# 2.3.2. Land Taxation

The budget revenues for 2019 were estimated to be up to LBP 18,782.9 billion<sup>10</sup> of which 78 per cent are tax revenues (i.e., the amount of LBP 14,570.4 billion) and 22 per cent are non-tax revenues (i.e., the amount of LBP 4,212.5 billion). The real estate fees contributed 4 per cent to

<sup>&</sup>lt;sup>9</sup> Law No. 159 of 1992 regulates lease contracts concluded after 23 July 1992.

<sup>&</sup>lt;sup>10</sup> Due to the current devaluation of the Lebanese Lira (LBP) started in 2019, and the discrepancies between the different official and unofficial rates of LBP against USD, it is not possible to establish an accurate value in USD.

the year 2019 budget and the property tax contribution for the same year was 6 per cent.<sup>11</sup> The BPT effective revenues for year 2018 were LBP 282.1 billion and it was estimated to generate the amount of LBP 246.7 billion in the Budget Law of year 2019 (MoF, 2019).



# Budget revenues for 2019 are estimated to 18,782.9 billion of LBP

Figure III: 2019 Budget Revenues. Source: MoF – Institut des Finances Basil Fuleihan 2019 (Citizen Budget).

The main tax legislation in Lebanon — the Income Tax Law — is the Legislative Decree No. 144 dated 12 June 1959 as amended. The amendment of Article 45 of the Income Tax Law by Law No. 64 dated 20 October 2017 increased <u>the capital gains tax</u> derived from the disposal of tangible and intangible assets from 10 per cent to 15 per cent for property sale, or disposal, taking place after 27 October 2017. The gain is assessed based on the difference between the property's price at the time of ownership and its price at the time of disposal or sale. Capital gains tax on the sale of real estate owned by non-taxable individuals is phased out at a rate of 8 per cent annually from the date of acquisition. Moreover, gains from the sale of a primary residence up to two residences, and from properties owned for a period exceeding 12 years, is exempt.<sup>12</sup> Additionally, Article 2 of Law No. 64 of 2017, amended Article 18 of (the stamp duty fee law) Legislative Decree No. 67 dated 5 August 1967, and determined the new rate of 4 per thousand stamp duty which is levied on all contracts, property sale contracts included. Law No. 63 of 2017 imposed, as well, a value

<sup>&</sup>lt;sup>11</sup> The real estate fees are mistakenly called real estate taxes in the Citizen Budget of 2019 chart below. The Arabic version of the chart is correct in the source.

<sup>&</sup>lt;sup>12</sup> Article 13 of Law No. 64 of 2017.

added tax of 11 per cent.<sup>13</sup> A fee of LBP 6,000 per tonne was imposed on the production of cement.<sup>14</sup>

With respect to property tax in Lebanon, it is governed by the law issued on 17 September 1962 as amended by Law No. 366/94 and Financial Laws Nos. 107/99 and 173/2000 which applied the BPT to all buildings and their supplements such as land, gardens and other spaces forming part of the plot provided they do not exceed 2,000 square metres. It is also applied to roofs and facades of the building if used for commercial, industrial or advertisement purposes as well as pipes, central equipment and installations permanently fixed to the buildings, elevators, heating and airconditioning installations, etc.<sup>15</sup> In general, if the building is not generating any return because it is vacant, and provided a relevant application is filed to the MoF in this regard, no BPT shall apply. Additionally, new buildings that have been completely finalized and have not yet been leased or occupied, are deemed vacant and accordingly no BPT applies thereon, provided the owner files an application in this regard to the MoF within one month as of the completion of the building. Article 8 of the BPT Law provides for exemptions, among others, for buildings owned by municipalities and buildings within agricultural lands used for land investment purposes. The BPT is levied on rental income (rental value of the property) from Lebanon real property at the progressive rate ranging between 4 per cent and 14 per cent as per the table following (MoF, 2007):

BPT Rate <sup>16</sup>	Taxable Revenues Portion	BPT on Each Portion	BPT Total
4 per cent	Over the portion of revenues between LBP 1 and LBP 20,000,000.	LBP 800,000	LBP 800,000
6 per cent	Over the portion of revenues ranging between LBP 20,000,001 and LBP 40,000,000.	LBP 1,200,000	LBP 2,000,000
8 per cent	Over the portion of revenues ranging between LBP 40,000,001 and LBP 60,000,000.	LBP 1,600,000	LBP 3,600,000
11 per cent	Over the portion of revenues ranging between LBP 60,000,001 and LBP 100,000,000.	LBP 4,400,000	LBP 8,000,000
14 per cent	Over the portion of revenues exceeding LBP 100,000,000.		

#### Table I: The BPT rates

Source: MoF (2007) citizens guide to BPT

 $<sup>^{\</sup>rm 13}$  Article 1 of Law No. 64 of 2017.

<sup>&</sup>lt;sup>14</sup> Article 4 of Law No. 64 of 2017.

<sup>&</sup>lt;sup>15</sup> Vehicles and ships set on a fixed location and used for residential, commercial or industrial purposes are also deemed as a built property (Articles 4, 5 and 6 of the BPT Law of 1962).

<sup>&</sup>lt;sup>16</sup> The rates are valid as of the year 2004.

#### (1 USD = LBP 1,500 before the currency crisis starting in September 2019)

Agricultural land and urban non-built property are exempted from any tax on property. Additionally, upon registering the property ownership transfer, a 6 per cent of the purchase price is levied in terms of property transfer tax, in addition to other applicable municipal fees and taxes such as the tax on the construction license,<sup>17</sup> and the stamp duty on contracts at the rate of 4 per thousand (Deloitte, 2020), but profits from real estate speculations are not taxed in Lebanon. In fact, taxation on this sector is limited to property registration (Abdo, 2017). It is worthwhile to note that the law in Lebanon requires the registration of all lease contracts with the municipalities for the assessment of the BPT and imposes fines for non-registration. Exceptions are applied where contracts are by law considered registered with the municipalities, if for instance they were recorded at the notary public, or the lessor is a public agency.<sup>18</sup>

Each year, the MoF establishes the estimated value of land and immovable property in the various regions of the country which serves as the minimum threshold for the application of taxes and levies payable at the time of their transfer.

It is also worthwhile to mention that <u>the taxes on the transfer of property</u> are applied on the net value of the share of heirs when the movable or immovable property is transferred through inheritance, testacy, gifts or other methods (Abdo, 2017). The tax is progressive according to six brackets and there are varying rates ranging between 12 per cent and 45 per cent depending on the degree of relationship between the inheritor and the legator (inheritance tax) (Deloitte, 2020).

Another direct tax on property is <u>the re-evaluation fee on the appreciation of the value of</u> <u>property</u> as a result of public works. It is applied in case public works lead to the increase in the property value. Nevertheless, it does not apply if public works consist of drainage systems and sidewalks. The fee is levied only if the size of the appreciation of the property is at least five times the monthly minimum wage, and it ranges between 10 per cent and 40 per cent on a proportional basis and not a progressive one (Abdo, 2017).

# 2.4. Land Use

# 2.4.1. Land Use and Land Classification

Land use is the function of land — what it is used for. It includes processes such as control of land use by adopting planning policies and land-use regulations at the national, regional and local levels and enforcement of land-use regulations.

Lebanon is a highly urbanized country. In 2020, 78.4 per cent of the population — over 5.35 million people — lived in urban areas (with a density of 667 per square kilometre), concentrated in and around the main cities and the inter-connected coastal towns (Worldometer, 2020). This

<sup>&</sup>lt;sup>17</sup> Articles 69–77 of the Law No. 60 of 1988 as amended by Law No. 583 of 2004, the Law of "Municipal Fees and Allowances".

<sup>&</sup>lt;sup>18</sup> Article 6 of the Law No. 60 of 12 August 1988 as amended by Law No. 583 of 2004, the Law of "Municipal Fees and Allowances".

urbanization was not regulated by any State policies or plans, which turned much of the urban fabric into a single uninterrupted urban sprawl characterized by the lack of basic services and amenities, transportation problems, traffic congestion and deterioration of the natural environment (UN-Habitat, 2013).

After the end of the civil war, Lebanon witnessed an unprecedented urbanization while lacking control and regulation mechanisms, which resulted in:

- Random urbanization along the main axis and in the suburbs of large cities
- Negative influence on natural and archaeological sites
- Expansion of quarries
- Deterioration of the water quality and pollution of rivers and groundwater
- Infringement upon agricultural land coastline, and important tourist sites (CDR, 2013).

Today, the urban encroachment on green areas continues, going well beyond the classified land, which does not exceed 10 per cent of the country,<sup>19</sup> and continues with the urban encroachment on rangelands and forests, leading to land degradation and further depletion of water resources (Masri, Khawli and Faour, 2002). This mismanagement of land use indicates that legislation relating to land-use planning, protection and zoning must be updated and their application must be effectively enforced to protect the non-renewable land resources in the country.

Non-classification of land in many areas of the country where spatial planning has not been done yet has created a situation whereby plots are large and co-owned by many landowners, each of whom does not own a specific and well-defined area, but rather a number of shares of the whole plot. This has caused a high number of co-owners for each plot, and the total and ground exploitation coefficients are now low and consequently there are a high number of construction infringements which happen, when one co-owner builds on commonly owned land without a construction permit, which could not be obtained for lack of consent of the other co-owners.

The following classification was developed by the CNRS in Lebanon. It consists of seven main categories (Atlas du Liban):

- Build up areas: 650 km<sup>2</sup>, 6 per cent
- Agricultural use: 3.300 km<sup>2</sup>, 32 per cent
- Forest and other woodland: 2.600 km<sup>2</sup>, 25 per cent
- Shrubs and vegetation cover: 3.200 km<sup>2</sup>, 31 per cent
- Wetlands: 5 km<sup>2</sup>, 0 per cent
- Open land and rocks: 500 km<sup>2</sup>, 5 per cent
- Water bodies: 15 km<sup>2</sup>, 0 per cent.

<sup>&</sup>lt;sup>19</sup> Classified lands are areas included in the planning and non-classified lands are areas where no specific planning is done yet.

# 2.4.2. The MoA Strategy 2015–2019

The MoA in Lebanon has developed its strategy for the years 2015–2019. The strategy's specific objectives are three-fold (MoA strategy, 2014):

- To provide safe and quality food
- To improve the contribution of agriculture to the economic and social development of the country
- To promote the sustainable management of natural and genetic resources.

Course of action 3 of the MoA strategy includes:

- Adopting good governance and promoting sustainable use of forests and pasture lands
- Improving management of medicinal and aromatic plants and wild fruit trees sectors
- Promoting investment in the fisheries and aquaculture and improving sustainable management of the sector
- Modernizing the irrigation system in Lebanon and encouraging the use of alternative sources of water and energy in agriculture.

# 2.4.3. The Ministry of Agriculture National Forest Programme 2015–2025

The MoA is the lead government agency charged with the protection and management of forest resources. The Rural Development and Natural Resources Directorate at the MoA is the national authority responsible for the development of national strategy for the protection and management of forests and rangelands. The MoA has adopted a National Forest Programme (NFP) for ten years (2015–2025), financed by German Development Agency (GIZ) with technical help from Centre Tecnologic Forestal de Catalunya. The NFP objective is to restore degraded lands and increase Lebanese forest cover while meeting the ecological, social and economic needs of sustainable forest management at regional scale. The State-owned forestlands account for 27.3 per cent of the total forest cover while communal lands constitute 11.6 per cent. The highest occupancy, 60 per cent of forestlands, is privately owned and includes the religious owned land (MoA, 2015–2025).

The following are the most important legislations relating to forest and range management:

- The Forest Code of 1949 relating to the management and protection of forests: it regulates forest activities including grazing, pruning, coppicing, thinning and charcoal production. Several amendments to the Forest Law dealt with penalties on illegal operations and acts (Law No. 195 of 2000). Penalties are in the form of fines (between LBP 50,000 and LBP 2,000,000) and/or imprisonment (from three months to three years).
- Law No. 85 dated 7 September 1991: it imposes severe restrictions on forest activities and a total ban on harvesting and cutting resinous trees. It stipulates that all cedar, fir, cypress, oak, juniper and other forests in Lebanon are protected.
- Law No. 558 dated 24 July 1996: it considers all coniferous forests protected, State-owned and municipality-owned forests.

• Decisions No. 705/1 of 11 August 2012, No. 731/1 of 22 August 2012 and No. 322/1 of 15 April 2014 set several rules and procedures to organize cutting and exploitation of forests, and of other wooded lands and trees outside the forests.

# 2.4.4. Ministry of Agriculture National Action Programme to Combat Desertification June 2003

Lebanon signed the UN Convention Counter Desertification (UNCCD) in September 1995 and ratified it in December 1995. The National Action Programme (NAP) serves as an umbrella, a guiding framework for the long-term implementation of the UNCCD in Lebanon. The purpose of NAP in Lebanon is to combat desertification, mitigate the effects of drought and alleviate poverty (MoA-GTZ, 2003).

The main causes for desertification in Lebanon can be summarized in the following factors:

# 1. Natural causes

<u>Typography:</u> Lebanon is a much-dissected country with steep slopes, which makes land very susceptible to erosion in the absence of proper land management practices. Deforestation and unsustainable agricultural practices on slopes have caused accelerated land degradation, especially on the eastern slopes of Mount Lebanon and the western slopes of the Anti-Lebanon.

<u>Climate:</u> Lebanon has a relatively favourable position as far as its rainfall and water resources are concerned, but constraints consist of the wide variations in average annual rainfall per region. Average annual rainfall is estimated at 840 mm, varying from 600 to 900 mm along the coastal zones to 1,500 mm on the high mountains and decreasing to 400 mm in the eastern parts with less than 200 mm in the north-east of Lebanon. Moreover, there are large seasonal variations with 80–90 per cent of the annual rainfall falling between November and March and less than 5 per cent falling between May and September. This leads to limited water availability during the dry summer months where evapotranspiration may reach up to 200 mm per month, resulting in a large water deficit, severing vegetation, encouraging forest fires and exposing the soil to wind erosion.

<u>Soils of Lebanon</u>: The soils of Lebanon are relatively young and highly fragile and prone to desertification, especially on the mountain and hilly lands, which form around 70 per cent of the country. Relief, rainfall intensity and run-off quantity contribute to the intensification of water erosion, especially where the protective vegetative cover is lost.

<u>Natural vegetation</u>: Much of the vegetation today consists of a mosaic of patches or remains of natural forests once covering the Lebanese Mountain chains. In recent years, the deforestation rate was accelerating so that the forest cover reduced by 33 per cent between 1963 and 1990. According to the Food Agriculture Organization of the United Nations (FAO) in 1990, dense forests covered only 7 per cent of the total Lebanese area and are under permanent threat from forest fires. The remaining natural vegetation is increasingly threatened by intensive agriculture, urban sprawl and pollution (MoA, 2003). This leaves large areas exposed to desertification processes with little protection.

2. Human activities. Human activities that cause desertification in Lebanon are mainly:

- Agricultural encroachment and cultivation of soils that are fragile or exposed to erosion by wind or water
- Overgrazing often selectively of shrubs, herbs and grasses
- Deforestation and overexploitation of woody resources, in particular for fuelwood and charcoal
- Uncontrolled use of fire for agricultural and forest clearing
- Unsustainable agricultural practices
- Poor irrigation practices and inefficient water use
- Chaotic urban sprawl on fertile lands and forests
- Pollution (solid waste dumping, wastewater effluents and industrial wastes).

The MoA NAP to combat desertification by projects' proposals and includes action plans on the following channels: the institutional framework, the legislative framework, the land-use planning, socioeconomics frame conditions, water management, forest management, sustainable agriculture, rangeland management, soil conservation and protected areas, among others.

Desertification risk of the various <i>cazas</i> and the entire country (as percentage of total <i>cazas</i> )						
CAZA*	Urban/ unproductive	Very low	Low	Moderate	High	Very high
Zgharta	7.3	0.0	9.1	44.3	35.8	3.5
West Bekaa	5.8	0.0	2.8	31.0	59.4	1.0
Jezzine	7.3	0.0	13.3	60.5	18.3	0.6
Nabatieh	14.2	0.0	0.5	5.2	60.6	19.5
Beirut	99.8	0.0	0.0	0.0	0.1	0.1
Metn	25.1	0.0	18.8	46.5	7.9	1.7
Kesrouan	18.6	0.1	34.2	43.0	3.9	0.3
Jbeil	11.8	0.1	22.6	59.1	6.0	0.4
Batroun	12.9	0.0	17.2	59.7	9.6	0.6
Tripoli & Dannieh	13.3	0.0	12.6	48.8	21.9	3.4
Akkar	4.5	0.0	0.1	19.9	55.0	20.5
Hermel	3.4	0.0	0.5	19.0	60.6	16.5
Baalbeck	3.9	0.0	0.1	5.7	67.5	22.8
Zahle	7.0	0.0	0.4	22.9	60.4	9.3
Rachaya	1.8	0.0	0.2	19.7	77.7	0.6
Marjayoun	7.0	0.0	0.1	6.7	75.5	10.7
Bint Jbeil	7.3	0.0	0.0	6.3	61.0	25.4
Sour	6.6	0.0	0.1	10.6	62.7	20.0
Saida	15.2	0.0	0.3	5.7	63.3	15.5
Chouf	12.8	0.0	8.8	52.8	23.8	1.6
Aley	19.8	0.0	11.4	55.2	12.4	1.2
Baabda	23.2	0.0	17.4	31.9	22.7	4.8
Koura	12.6	0.0	3.2	45.5	36.4	2.3
Bcharre	10.8	0.0	14.1	60.2	14.7	0.2
Hasbaya	2.0	0.0	2.7	34.1	60.7	0.5
Lebanon	8.6	=00	5.7	26.4	48.1	11.2

#### Table II: Desertification risk of the various cazas and the entire country

Source: MoA-GTZ National Programme to Combat Desertification, June 2003.

## 2.4.5. Land Degradation Neutrality Target Setting Programme Report 2018

Lebanon land degradation report 2018 assesses baseline trends in land cover/land use, land productivity and soil organic carbon stocks using geo-processing tools, maps exposure to land degradation and sets national voluntary targets (Target Setting Programme — TSP) for land degradation neutrality (LDN). In the report, 39 per cent of the Lebanese territories was classified as very high exposure to land degradation. The Kadaa of Baalbek comprised the largest area (i.e.,

50,251 ha) with high exposure to land degradation followed by Sour (with an area of 28, 552 ha) and Akkar (with an area of 25,717 ha) (MoA-LDN/TSP, 2018).

On a voluntary basis, the Government of Lebanon decided to adopt higher LDN targets that the minimum targets required to reach LDN by 2030. To combat desertification and land degradation, Lebanon has set the following voluntary national LDN targets:

- Improve land productivity and soil organic carbon stock in forests, croplands and grasslands.
- Improve the mosaic of the landscape, including forests, other wooded lands, grasslands and croplands and limit their conversion to other land covers.
- Enhance the role of forests in urban and rural areas in providing sustainable products and services.

Lebanon will adopt the following measures to achieve the above objectives and to reach LDN by 2030:

- Restore forest landscapes through reforestation and afforestation on at least 10,000 hectares.
- Implement sustainable forest management practices on all public forests and promote the sustainable management of private forests, thus reducing the occurrence of forest fires and the conversion of forests into other land uses.
- Restore and manage grasslands in mountain areas on at least 1,000 hectares.
- Promote sustainable agricultural practices on at least 80,000 hectares.
- Enhance the sustainability of cities and towns through the development of urban and peri-urban forestry and the implantation of agro-sylvo-pastoral practices.
- Leverage LDN into land-use planning.
- Leverage LDN into sectorial policies and strategies.
- Develop financial incentives for the implementation of sustainable land management practices in line with mitigation and adaptation of strategies on climate change and conservation of biological diversity.
- Promote research on sustainable land management.
- Develop partnership with local, national and international organizations for the promotion of sustainable land management practices and LDN (MoA-LDN/TSP, 2018).

# 2.5. Land Development

Land development includes the following land administration processes:

- Building new physical infrastructure and utilities
- Planning constructions
- Acquiring land for public use
- Expropriating land
- Changing land use by granting planning permissions, and building and land-use permits
- Distributing development costs

In Lebanon, the rapid and unplanned urban expansion at the expense of agriculture, forestry and natural resources is causing land degradation as a result of the mild deterioration of the green

cover. Therefore, there is a definite and urgent need for land-use planning based on continuous upgrading of the changes occurring in land cover and land use, in order to select and adopt the best land-use options that meet the needs of the people while safeguarding resources for the future (Darwish, 2012).

Lebanon is still lacking national planning policies and frameworks that guide the planning process. At the institutional level, there is no single public entity entrusted with planning responsibilities since the Ministry of Planning was dismissed in the 1960s. The outbreak of the civil war has exacerbated the overall situation. During the war period, the role of State institutions was limited to providing basic and essential services responding to emergency needs only. To date, planning matters are handled by several ministries and public agencies, with mandates that partially overlap, notably the CDR, the DGU, the HCUP and in certain cases the municipalities.

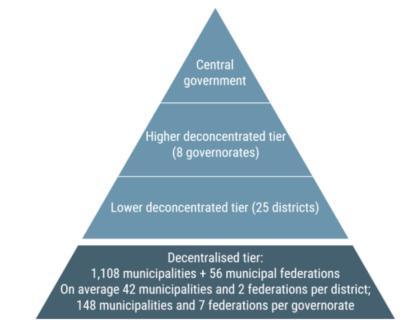


Figure IV: Government tiers in Lebanon. Source: Democracy Reporting International (DRI). Briefing Paper No. 80, April 2017.

The main available tools relating to planning and planning frameworks in Lebanon are the NPMPLT, the Physical Master Plans and the Strategic Plans.

## 2.5.1. The National Physical Master Plan of the Lebanese Territory

The NPMPLT marks a turning point in the action of the public administrations in Lebanon and of all public administrations in charge of territorial policies. The NPMPLT is a comprehensive landuse plan for the entire Lebanese territory. It was published by the CDR of Lebanon in 2004 and voted in the Council of Ministers in June 2009. It focuses on the territorial organization and equipment of the country, and it governs documents of planning (UN-Habitat, 2013). The plan aims to achieve unity, rationalized expenditures, and a balanced development on national level to include cities and villages. The NPMPLT was developed based on the following general guidelines:

- Structuring the territory along main urban centres
- Developing an inclusive economic plan
- Providing public facilities in an efficient and effective strategy
- Developing the territory's transportation network
- Urban development respecting the specificities of each area
- Developing a strategy to preserve the natural wealth in the territory
- Managing the water resources and
- Solving the problem of wastewater, quarries and solid wastes.

## 2.5.2. The Physical Master Plan

The DGU under the MoPWT is responsible for developing regulations and arranging urban planning. It illustrates the urban master plans and issues building permits for municipalities that do not have a municipal council or an engineering department (this covers most of municipalities in Lebanon except Beirut, Tripoli, and Federation of Municipalities of Jbeil, Keisrouan and Metn). According to the Urban Planning Code No. 69/1983, there are three categories of urban tools relating to three scales of planning:

**A. The Territorial Land-use Plan** — **Plan d'Aménagement du Territoire (PAT):** according to Article 4, all local urban plans and regulations should be in conformity with its content, and as such it should also serve as the main framework for the other two categories. However, no subsequent article defines explicitly its content nor the implementation mechanisms or the authority in charge of its application. This absence of any explanation of the nature of the relations with other types of planning reflects probably the power structure in place since the 1980s.

**B. The Master Plan (Article 7):** this plan is solely legally binding for the public authorities. It promotes the public interest by defining the major land-use orientations and deciding on key issues of planning. In this regard, the Code mentions urban extensions, balancing between urban settlements and natural and agricultural domains, delimitation of historic centres, delimitation of industrial zones and spaces dedicated to public infrastructure and the definition of traffic zones. Though ambitious, this type of plan was never implemented and, whenever implemented occasionally, it failed. In fact, master plans were, in practice, never legally binding for public administrations as all infrastructure projects were approved and implemented independently from master plans.

**C. The Detailed Master Plan (Article 8):** this plan is conceived at the scale of the plot and it is legally binding for all citizens. It is the equivalent of the classic land-use plan; it defines the final zoning regulations, exploitation ratios, construction norms, street wall controls and servitudes related to hygiene in conformity with the master plans (defining the main land uses). However, in real terms, detailed plans are very remote from the considerations mentioned in Article 8 of the Code. In fact, they are reduced to zoning maps with tables of construction conditions and regulations. Certain detailed plans date back to forty years ago, and they are still enforceable and legally binding, ignoring totally the deep transformations which occurred in due course, thus

reinforcing the idea that the right to build is eternal and opening the door for building infraction on grounds of economic and demographic needs (UN-Habitat, 2013).

# 2.5.3. Strategic Planning

The government has instigated strategic regional planning on a number of occasions, such as the Master Plan for the metropolitan region of Beirut (1983–1986), the Socioeconomic Programme for Post-conflict Development for Southern Lebanon (1998–1999) and the Schéma Régional d'Aménagement et de Développement Durable du Territoire (STRADDT) for the Union of Municipalities of Tripoli — Alfayhaa. The latter was inspired by the French model of regional planning and it tries to overcome the ambiguity of the use of Master Plans in Lebanon. This was followed by other initiatives, notably for the Jezzine area and presently for Tyre and Saida regions. However, in spite of their value, strategic plans of this kind are encountering many challenges in the implementation phase according to members and presidents of the Unions of Municipalities. The main challenges are the absence of formal approval by the Council of Ministers and therefore a lack of commitment to financing them, the absence of a programming phase following the drafting of the plan and the management by a public body without the budget required for the implementation or even without the appropriate decision-making power (UN-Habitat, 2013).

# 2.5.4. Urban Planning Regulations

There are several laws and regulations which govern urban planning in Lebanon. The multiplicity of legislation and the regulatory proliferation tend to blur the transparency of the framework of legislative planning and, in some cases, they can create ambiguities which inhibit the respect of these requirements and prescriptions, encouraging the non-respect of the rules and regulations.

# 2.5.4.1. The Urban Planning Code

The main urban planning regulation is the Urban Planning Code issued by Legislative Decree No. 69/83 dated 9 September 1983 which is composed of three parts:

- Urban planning, which focuses on plans and regulations, relevant planning conditions and possibilities (Articles 4 to 17).
- Urban planning operations in relation with operational arrangements that the government can use when undertaking a development project (Articles 18 to 24).
- The planning permissions, which focus mainly on building permits and land subdivision (Articles 25 to 44), knowing that most of the provisions relating to building permits are within the Building Code.

In addition to the Urban Planning Code, a large number of rules and regulations relating to land rights and planning procedures are also addressed and scattered in various laws. The absence and lack of proper referencing to other laws and legislations within the Urban Planning Code denotes a legal and theoretical blur and uncertainty as to the relationship between the Urban Planning Code and the other diverse legislations having an impact on the territories.

Below is a listing of the most important urban planning legislations in Lebanon:

**The Municipal Law (Decree 118/77)** has devoted much of the planning competencies to the municipalities. However, the Planning Code, in particular its Article 11, has considerably restrained the power of local authorities by granting them only a consultative role in the implementation of their urban policies. Article 11 clearly stipulates that according to Municipal Law; the master plans and regulations should be submitted to the concerned municipalities for their respective review. The municipal councils have a one-month period to express their opinions. If not expressed within a one-month period, they are effective and consequently will be submitted to the HCUP that has the authority to amend them. On the other hand, Article 49 of the Municipal Law clearly stipulates that an urban plan has to be jointly approved by the DGU and the concerned municipality. In case of disagreement, it is up to the Council of Ministers to decide.

Article 11 was cancelled in 1996 following a petition by the Federation of Municipalities of Kesrouan, denying the Council of Ministers the right to statute on municipal legislation as the parliament did not provide the council with such authority. The contradiction between these two legislative documents has been resolved by a court decision. However, it is still in practice. This shows the absence of clear mechanisms in the management and mediation processes between central and local authorities.

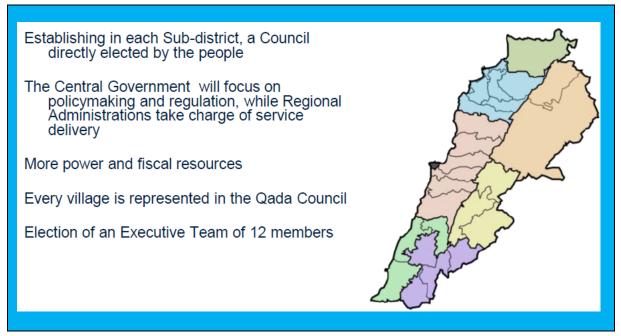


Figure V: Draft of the new administrative decentralization law. Source: "Territorial governance and its implementation in Lebanon" By J. ABI AKL – Lebanese University Webinar, June 2020.

**The Environmental Protection Code No. 444 of 29 July 2002:** the Code of the environment is increasingly applied in the formulation of urban planning projects and joint actions with administrations involved in the planning process. Some provisions of the Code of the environment concern a large number of urban operations and actions and also construction practices. These

are Article 21 which provides that "any person, be it from private or public sector, has to undertake an environmental impact study of projects that threaten the environment due to their size, nature, impact or their activities" and Article 22 which defines the term "project" as "any implementation of construction works or infrastructure; any intervention in the natural environment, notably which entail extraction of natural resources; any program proposal, study, investment or planning covering an entire Lebanese region or any entire activity sector; or any alteration, addition, enlargement, rehabilitation or closing of activities already mentioned in the above-mentioned points".

The two articles cited above clearly indicate that any planning operation, land pooling/subdivision and construction has to be the subject of impact assessment. However, these articles are yet to be transformed into decrees, and consequently have no bearing on urban planning projects. Hence, the project, as defined above, and having a direct impact on the environment, is still merely a virtual project.

**The Building Code No. 646 of 11 December 2004** repealed and replaced old construction Code issued by Legislative Decree No. 148 on 16 September 1983. Some of the provisions of the Code contribute to blurring the separation line between the urban planning and construction legislations in Lebanon.

The Building Code includes provisions relating to public health and safety, easements, etc. and also several provisions dedicated to urban planning such as the procedure to obtain construction permits, the certificate of conformity, height and numbers of floors, works exempted from the permit, rules relating to parking areas, large complexes, etc. Opposing urban norms are contained in the Code provisions relating to the request for the construction permits and derogations to urban regulations when, for example, the nature of the projects is touristic. A certain number of rules relating to urban planning are also contained in the legislation on public domain, the Forest Code, the legislation and laws on historic sites and monuments, the special legislation on expropriation, etc.

Although the Building Code stipulates that illegally constructed buildings must be destroyed, in reality this is not enforced and the Code, which was originally enacted to stop illegal construction, did not stop construction for commercial ends and uses all over the national territory. However, since 2005, a decision taken by the HCUP has reduced the exploitation ratios (coefficients) of lands not covered by urban plans. These ratios were decreased from 40 to 25 per cent for floor areas and from 80 to 50 per cent for the total built up areas.

It is worthwhile to note that the regulations pertaining to the construction of lands not covered by urban plans are not responsible for the evolution and transformation of non-planned territories. The increased use of private land pooling and land subdivision operations, in both rural and distant areas, favour and lead to generalized constructability of the territories. This crucial problem has its origin and roots in the lack of coherent land and territorial policies. This adds to the failure of the planning authorities to avail a coherent urban policy on the actions of individuals (UN-Habitat, 2013).

#### 2.5.5. Land and Housing Market

Before the civil war of 1975, the real estate sector in Lebanon was witnessing a boom and prices were relatively stable. During the period of the war, the country was in a state of stagnation and construction activity was limited and restricted to safe areas only where prices increased. After the war ended, the country witnessed a construction boom in all its areas, especially in Beirut. This was initiated by incentives provided by banks and by the Lebanese Government. Interest-subsidized housing loans were offered by the Public Corporation for Housing (PCH) through a protocol of cooperation with the banking sector, under the overall supervision of the central bank, to encourage households to purchase apartments. This lending model lasted until 2018 and it has stopped since.

In the late 1990s, the real estate sector experienced a crisis represented by a pause in market activity. However, this was followed by a 32 per cent annual growth in the value of real estate sales transactions characterized by a real estate boom (2005–2010). According to a research done by Bank Audi (June 15, 2012), Lebanon's real estate market activity has been witnessing a slowing down on recent performance, with the ongoing domestic political bickering and regional political tensions weighing on buyer sentiment. Lebanon's real estate market has gone through some tough times but has never crashed (CIPE/IRPF, 2013).

As of 2020, the Lebanese property market remained depressed. There were too many new buildings on the market, depreciating in value. Properties in Beirut seemed overpriced, yields were low, demand was falling sharply, economic growth was anaemic and the construction sector was weak. The stimulus of the influx of Gulf money in 2008–2010 still haunted the market. House prices in several areas of Lebanon doubled from 2008 to 2012, after the oil price surge, but these high prices seemed at risk of crashing due to the paralyzed real estate activity.

According to the General Directorate of Real Estate and Cadastre, during the year 2018 to the first quarter of 2019, the average value of property transactions in Lebanon fell by 5.05 per cent to LBP 202.84 billion (USD 134,676) with respect to the previous year. When adjusted for inflation, property prices actually declined by 8.78 per cent quarter-on-quarter, property prices rose by 2.8 per cent (1.6 per cent inflation-adjusted) during the latest quarter (see Figure VI below).

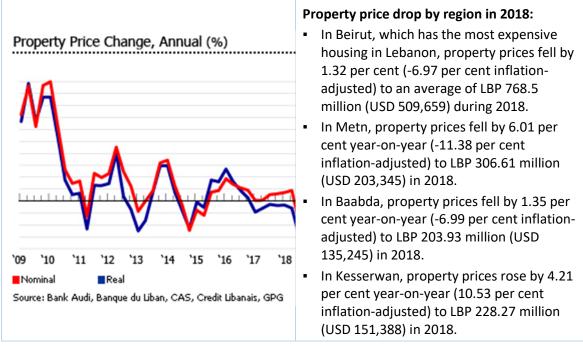


Figure VI: Property price drop by region in 2018. Source: De Guzman, M. "Lebanese property market".

Construction activity remained down. During the first two months of 2019, the surface area of construction permits issued plummeted by 24.4 per cent from a year earlier, following declines of 23.11 per cent in 2018, 4.12 per cent in 2017, 0.86 per cent in 2016 and 8.92 per cent in 2015 (De Guzman, 2019).

In the first quarter of 2020 compared with the same quarter a year earlier, real estate sales transactions increased by 17 per cent in numbers and 43 per cent in value, but this was not a sign of a real recovery of the real estate market. The increase in real estate purchases was due to the banks' crisis and the sharp devaluation of the Lebanese pound against the US Dollar. Buyers were looking to free funds deposited in bank accounts through real estate purchases. Moreover, the MoF allowed a reduction in registration fees from 5 to 2 per cent for properties valued at below USD 250,000. This encouraged the recordation of transactions concluded in previous years, but not registered by their owners, according to the general manager of the GDRLC (Khalaf, 2020).

Table	III: Value	of real	estate sales	
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	Number of transactions	Change compared to previous year	Value of transactions (million USD)	Change compared to previous year
Q1 2020	14,068	+16.5%	2,336	+43.7%
Q1 2019	12,067	-15%	1,625	-19.2%

Source: Land Registry Cadastre

	Number of transactions in 2018	Value of transactions in 2018 (million USD)	Number of transactions in 2017	Value of transactions in 2017 (million USD)
North	9,300	529	11,500	775
Baabda	12,000	1,600	15,400	2,100
Beirut	4,800	2,400	5,300	2,700
South	7,100	577	7,900	738
Zahle	7,500	323	8,500	392
Kesrouan	5,800	885	7,500	1,000
Metn	6,900	1,400	8,400	1,800
Nabatieh	5,300	229	6,700	293
Courts	1,800	98	5,500	77
Total	61,000	8,100	74,000	9,900

Table IV: Number and value of transactions according to caza 2017-2018

Source: Land Registry Cadastre

#### 2.5.6. Housing and Informal Constructions

There is no public or social housing in Lebanon and housing is only available through the private market. Since its independence in 1943, the Lebanese State has rarely engaged in the production of public housing or introduced measures to protect or secure affordable housing for low-income groups. National housing policies have not included measures commonly found in similar countries. There are very few social housings sponsored by the Lebanese State.<sup>20</sup>

Furthermore, despite the fact that many other countries have engaged in property regularization and neighbourhood upgrading, Lebanese policymakers continue to perceive such informal settlements as strictly undesirable and criminalize their population. Finally, even pro-poor policies — such as rent control introduced in the period preceding the civil war — have been lifted. In 1992, rental agreements were liberalized, allowing rental prices to be set by the market.<sup>21</sup>

Since the late 1990s, housing policy has aimed to facilitate the operation of the housing market through incentives and until the end of 2017, Lebanon was offering interest-subsidized home loans through a central bank financing mechanism that made cheap credit available to the country's commercial banks, on the understanding that savings would be passed on to home loan borrowers. It is worthwhile mentioning that the Central Bank of Lebanon funds the housing loans through the PCH, the Housing Bank (HB). It also funds the interest subsidy of housing loans directly

<sup>&</sup>lt;sup>20</sup> For example, the Taamir Project in Saida (now part of the Ain el Helweh camp adjacent areas) built in the 1960s in the aftermath of an earthquake, it was not completed and was later squatted/occupied; the fishermen social housing project in Tyre and the Qobbeh social housing project in Tripoli, and few others.

<sup>&</sup>lt;sup>21</sup> The rent control law was actually the only measure that was introduced to secure affordable housing. The rent control law and its amendments were issued and maintained from 1940 until 1992. Since 1992, all rental contracts signed post July of that year have been deregulated, and all contracts signed prior to that date remained, which resulted in the creation of a huge rent gap. Since 2014, amendments to deregulate pre-1992 contracts were issued, which was the start of a nationwide controversy on the right to housing for old tenants.

provided by commercial banks, although those loans had a higher threshold and responded to a different segment of the market than the one that the PCH and HB responded to. This was the general nature of a multi-sided subsidy programme that made up around USD 2 billion of housing loans per year. When this financing mechanism was discontinued (in 2018), it effectively ended subsidized loans to which many Lebanese low- and middle-income families did not have access. Since 2018, the country started experiencing a real estate crisis affecting low-income households looking to buy starter homes.

Low-income families and individuals in Lebanon typically access urban housing within low-income neighbourhoods and (Palestinian) refugee camps. Distributed mostly within the peri-urban areas of large cities (e.g., Beirut, Saida and Tripoli), these neighbourhoods were estimated to accommodate 30 per cent of the Greater Beirut population before the current Syrian crisis. Constructions in these areas typically combine several forms of illegality, such as violations of building and construction codes, urban regulations and property rights. Many of these neighbourhoods first emerged during the 1950s and 1960s (industrial zones) but their composition and population profile changed dramatically during the civil war that witnessed a large influx of internally displaced population, and the post-war reconstruction period. Informal settlements during the civil war were primarily localized in the southern district of Beirut and today they constitute most of the irregular neighbourhoods in Lebanon.

Over the last two decades and owing to the large demand for affordable rent by migrant workers (before the Syrian conflict of 2011) and refugees (since 2011 to date), many of these neighbourhoods have become primary areas for (informal) rental accommodation. This serves as a form of income generation and capital accumulation for owners and responds to the housing needs of an exceptionally large number of migrant workers from Syria and elsewhere.

Informal settlements in Lebanon are overpopulated and many of their structures constitute a threat to inhabitants. The buildings constructed before the year 1970 are especially vulnerable to collapse as they were built without compliance with building and construction regulations, namely the amended Code of Construction of 2004.

In 1995, the Lebanese Government and political parties adopted a project to absorb the informal settlements in the southern suburb of the capital Beirut and to locate their 80,000 inhabitants into 14,500 housing units. A public agency for the planning and the development of the southern suburb of the capital Elyssar, the first of its kind, was set up to implement the Elyssar Project. However, the project was not fully implemented, and no other policy was adopted since then to regularize the informal settlements in the southern suburb of the capital and their urban administration remained managed by municipalities of the capital southern suburb.

In 2011, the MoSA adopted, in its national strategy for social development, the objective of improving the living conditions in informal settlements which included, among others, the granting of housing loans equally allocated to different regions and slum rehabilitations through the improvement of the basic infrastructure, sewage systems and buildings' physical conditions.

With respect to rentals, a new rent law enacted in 1991 relaxed rent control and gave the property owner the right to repossess the property at the end of the contract. Rent Laws prior to 1992, however, permitted tenants to automatically renew their contracts and capped rent increases, granting tenants lifetime tenure security. Moreover, tenants could sub-lease the property to third parties with only minor increases in the rent at the signing of each new contract. As a result, rent contracts signed after 1991 favour the property owner and those signed previously favour the tenant. Where expropriation causes loss of tenancy, expropriation commissions divide their awards between property owners and tenants taking into consideration the economic value of the tenancy, enabling tenants to secure alternative housing by rental or down payment against purchase (World Bank, 2014).

# 2.5.7. Land Expropriation for Public Use

The Lebanese Constitution guards and protects the right of private property, including landed property and the rights associated with it. According to Article 15 of the Constitution, "no one's property may be expropriated except for reasons of public utility, in the cases established by law and after fair compensation has been paid beforehand". In Lebanon, the exercise of eminent domain for expropriating private property in the public interest is governed by the Expropriation Law No. 58 dated 29 May 1991 amended on 8 December 2006.

According to the Expropriation Law, the State in Lebanon may only expropriate land rights when it is in the public interest, and against payment of a prior and equitable compensation. The Expropriation Law establishes general provisions for prior compensation of expropriated assets, and easement fees for other restrictions imposed on property. All compensation is a financial award through legal assessment by ECs. The decisions of the ECs may be appealed to the AECs by the directly affected party and the decisions of the AECs are binding on both parties.

The Expropriation Law provides for the following legal processes: i) expropriation is effected after compensation has been determined and paid; ii) prior warning and public disclosure is made; iii) full judicial compensation is independently awarded; iv) payment is transferred to a special account in a bank and citizens can retrieve their payments; and v) citizens have the right to appeal. Where there is an appeal, at least 65 per cent of the compensation is paid in advance and if no structures are found to be existing within expropriation limits, additional 25 per cent is paid and the expropriation party reserves the right (only if it wishes so) to hold the remaining 10 per cent until the decision of takeover is issued. The process of expropriation cannot be halted unless the validity of the public interest decree itself is challenged.

The Lebanese law of expropriation only compensates those with legal rights. However, mechanisms exist that protect various forms of customary rights made on a case-by-case basis to the EC (World Bank, 2014).

## 2.6. Land Disputes Resolution

As in most countries, land-related disputes are quite common in Lebanon. One major reason for land ownership disputes is the non-surveyance of large areas. Plots in non-surveyed areas, such

as North Bekaa and East Mountains, have no officially defined boundaries and are not registered in the cadastre (Darwish, 2012). According to the Director General of GDLRC, 65 per cent of the Lebanese territories are surveyed and 35 per cent are not surveyed (Maarrawi, 2020). Another major cause of land-related disputes is unresolved inheritance issues. Additionally, some of the most common land issues faced by humanitarians in South Lebanon, as reported by UN-Habitat, relate to post-conflict security of tenure, housing and shelter (UN-Habitat/GLTN, 2009). In the absence of a regulatory framework to manage and control the reconstruction process, and since most of the villages had not been surveyed prior to the conflict, there was a lack of wellestablished urban planning rules and regulations. Moreover, the inaccurate documentation on housing caused problems in determining and verifying the original size, location and ownership of destroyed houses.

Even with registered properties, encroachment and illegal occupation of private property as well as State-owned properties represent a major source of land disputes in the country. In 2012, the report of the MoPWT documented, in figures and names, the occupancies of the seashore which amounted to over 5 million square metres of the total sum of sea filling, construction and area of occupied water surface, 54 per cent of which infringed on maritime public property. This number is far from accurate. It does not include the sea filling of downtown Beirut, the Metn Coast (the Marina Dbayeh), or the Lebanese army installations. A recent study on the transformation of the coast prepared by the Institute of the Environment of the University of Balamand showed that the sea filling alone amounted to 8 million square metres. This has catastrophic consequences for the public, i.e., about 20 per cent. According to the report, the Lebanese State issued 73 decrees authorizing occupancy of public maritime property while violations reached 1,068. Consequently, the ministry prepared a list of paid and unpaid fines. The result was surprising: only 9 fines were "paid and the violations removed" while 106 imposed fines remained unpaid. The report concluded with a draft law to settle violations of public maritime property (Bou Aoun, 2018).

Attempts of seizing State-owned lands, through political interference with the judiciary, constitute a real challenge to the rule of law in the country and to the independence of the judiciary in general and to the security of tenure in particular. This was demonstrated in the case of the "Fictitious Real Estate" where a private party tried to grab a State-owned land at the port in the North Governorate through the interference of a government minister with the real estate judge and the cadastre (Sagieh, 2019).

The formal justice system is the main mechanism for resolving land-related disputes in Lebanon. In addition to the Decision No. 186 dated 15 March 1926 as amended which determines the jurisdiction of the real estate judge, the Ordinary Judiciary Law issued by Decree-Law No. 150/83 dated 16 September 1983 as amended by Law No. 389/2001 enacted on 21 December 2001 regulates the jurisdiction and the work of the court system in Lebanon — *Al-Kadaa'a Al-Adli*.

The following are the main institutions in charge of resolving land-related disputes in Lebanon.

# 2.6.1. The Single Real Estate Judge and Additional (Assisting) Real Estate Judges

The Single Real Estate Judge is appointed by a decree issued by the President of the Republic (Article 3 of Decree No. 186 of 1926 as amended). The scope of work and jurisdiction of the Single Real Estate Judge is determined by Article 2 of the Decision No. 186 of 1926 as amended by Law No. 392 dated 8 February 2002. This is surveying and determining the rights to real property in districts and governorates in addition to receiving complaints (objections) thereof regarding land ownership until the closure of the planning and surveying works.<sup>22</sup>

While the Single Real Estate judge is considered part of the judicial system and subjected to judicial supervision, coordination of the work governing the delimitation of real property is under the administrative authority of the Land Department in the MoF. Moreover, the Single Real Estate Judge is assisted by a surveyor and a clerk who are appointed by the manager of the cadastral affairs. If the Single Real Estate Judge is unable to carry out assigned work, Additional (Assisting) Real Estate Judges may be appointed to assist. Additional or Assisting Real Estate Judges may also, at the request of the Real Estate Registrar, exercise the function of interpreting decisions issued by the Single Real Estate Judge taken during the land surveying and determination, which have acquired the *res judicata* effect.

Additional or Assisting Real Estate Judges can also carry out land annexation work or, in case of disagreement of land co-owners, may determine the number of shares of each partner in co-ownership properties which are registered by the Single Real Estate Judge in the minutes of land surveying and the delimitation of real property, in the names of multiple partners without specifying the number of shares of each co-owner (Article 3 of Decision 186 of 1926). The planning and surveying work of the real estate judge allows the ownership of the land to be identified and to be registered in the real estate records, facilitating the transfer of land ownership in the real estate records (Article 22 of Decision 186 of 1926). The Real Estate Judge is also in charge of supervising the creation of RER and correcting any substantive errors therein as outlined in the Decision No. 186 of 1926 as amended and relevant court's decisions.<sup>23</sup>

## 2.6.2. First Instance Courts Ruling on Real Estate Matters

In 1950, Peace Courts were abolished in Lebanon by the Judicial Organization Law issued on 10 May 1950. Since then, the jurisdiction and powers of Peace Courts were passed to the Single Judge who is considered as part of first-degree courts. According to Article 86 of the Code of Civil Procedure issued by Decree-Law No. 90 dated 16 September 1983 as amended, the jurisdiction of Single and Real Estate Judges covers the following land and property related disputes.<sup>24</sup>

<sup>&</sup>lt;sup>22</sup> After the closure of planning and surveying works, ordinary courts are in charge of disputes regarding land ownerships and border delimitations as decided by the ruling of the Court of Cassation No. 72 dated 25 May 1999, available at: <u>http://www.legallaw.ul.edu.lb/RulingRefPage.aspx?id=151513&SeqID=1671&type=2</u>

<sup>&</sup>lt;sup>23</sup> Lebanese University Database. Decision of the Civil Appellate Court No. 53 dated 2 February 1973, available at: <u>http://www.legallaw.ul.edu.lb/ArticleRelatedRulRef.aspx?Pid=1&LawID=165637&articleId=666372</u>

<sup>&</sup>lt;sup>24</sup> Ministry of Justice, Republic of Lebanon, Legal texts (2020), available at: <u>https://www.justice.gov.lb/index.php/court-details/6/2</u>

- Lawsuits and disputes relating to immovable goods with a value less than LBP 100 million
- Land possession lawsuits
- Lawsuits and disputes concerning lease contracts
- Lawsuits and disputes relating to the right to irrigation
- Lawsuits and disputes relating to easement rights
- Lawsuits and disputes relating to border demarcation
- Urgent matters land-related lawsuits.

Land cases which are not within the jurisdiction of the Real Estate Judges and other land cases with a value more than LBP 100 million are heard by the competent First Instance Civil Court of the land or property location. It should be noted that First Instance Civil Courts are composed of a president and two associate judges. Both the above single and three judges courts are represented in each of the six Lebanese regions. The law determines decisions of the first-degree courts which are open for appeal before one of the Appeal Courts in each of Lebanon six districts or the Court of Cassation. The Court of Cassation is Lebanon's highest court and looks into appeals based exclusively on law instead of facts.

According to the World Bank Doing Business Report of 2020, there are no publicly available statistics on the number of land disputes at the economy level in the Frst Instance Court (World Bank, 2020). It takes between 2 and 3 years to obtain a decision from the First Instance Court in a land case (without appeal) and the law in Lebanon requires that all property sales transactions be registered at the immovable property registry to make them opposable to third parties.<sup>25</sup>

## 2.6.3. The Conseil d'État (Majlis al-Shura)

The *Conseil d'Etat* includes six chambers and hears cases filed by individuals against the State, municipalities or any public institution. It is the only administrative tribunal in the country and its judgments are binding to the State.

Legislative Decree No. 119 of 12 June 1959 as amended determines the jurisdiction of the *Conseil* d'État. With respect to land matters, the *Conseil* d'État has jurisdiction in cases governing occupancy of the public domain (Article 61). It also has a limited jurisdiction in expropriation cases, following the promulgation of the present Expropriation Law No. 58 of 1991 as amended. Article 20 of the Expropriation Law permits the aggrieved party from decisions of the AECs to appeal their decisions before the *Conseil* d'État within the applicable legal period, in case the AEC has reduced the initially awarded compensation by the EC by more than 25 per cent, or by the expropriating party if the AEC has increased the initial amount of compensation by more than 50 per cent. Moreover, the *Conseil* d'État has jurisdiction to decide petitions for award of interests

<sup>&</sup>lt;sup>25</sup> The Code of Real Estate Ownership (1930) and Article 11 of the Decision of the Establishment of the Land Registry Number 188 dated 15 March 1926.

on delayed payment of expropriation compensation because it is not within the exclusive jurisdiction of the ECs as determined by Article 21 of the Expropriation Law.<sup>26</sup>

The Conseil d'État also has jurisdiction to decide cases challenging the validity of the "public interest" in the expropriation decree (Madah, 2020). In one case, it rejected a demand for the annulation of a decree of expropriation of 30 years ago where the landowners were expropriated by the State "for public utility", i.e., for the extension of the Beirut airport. After the expropriation and the payment of compensation to the owner, the original extension project did not proceed as planned and the government leased the land to a private venture. The Conseil d'État considered that the law of expropriation was not violated and that the State was entitled to redefine the purpose of expropriation. For the rest, it declared that its competence was limited and that expropriation fell under the jurisdiction of civil courts (Cotran and Mallat, 1994). In another case, it decided that disputes arising from the relinquishment of expropriation were within the jurisdiction of the administrative judiciary, as were the cases of public benefit related thereto.<sup>27</sup> On the other hand, based on Article 65 of its Regulation issued by law enforcing Decree No. 10434 of 14 June 1975 as amended by Law No. 144/2019 (Nizam Majlis Al-Shura), the Conseil d'État has jurisdiction to decide cases and receive petitions relating to the invalidation/annulment of implementing and individual decrees and regulatory works of ministers because of abuse of authority. In its ruling No. 1162 of 2018, the Conseil d'État annulled the decision of the Minister for Energy and Water, who considered legal the occupation of a private expropriated land by the Ministry of Energy and Water (MoEW). It considered the occupancy of the private property illegal terming it a violation of Article 41 of the Expropriation Law for lack of renewal of the temporary property occupation decision within the legal period. The *Conseil d'État* ordered the ministry to pay compensation to the defendant in the case. It justified its decision based on the role of the Conseil d'État as the guardian of liberties and private property.<sup>28</sup>

## 2.6.4. The Judicial Committee Ruling on Housing Law Disputes

Article 12 of the Housing Law No. 58 of 1965 provides for the establishment of a committee with a judicial capacity to look into disputes arising from the implementation of the Housing Law. The committee is composed of a judge — chairperson of the committee — and at least two employees of the General Directorate of Housing — members. The committee is appointed by a decree issued based on the recommendation of the Ministry of Labour and Social Affairs.<sup>29</sup>

The jurisdiction of the committee includes the following:

• In case of a breach by the buyer of one of the buyer's contractual or legal obligations, the seller has the right to request the annulment of the housing sale contract; the recovery of the property from its occupant; and its resale at the responsibility and expenses of the breaching buyer. Final accounting with the breaching buyer will be done after conclusion of the resale.

<sup>&</sup>lt;sup>26</sup> Decision of the Shura Council No. 82 dated 25 November 1999.

<sup>&</sup>lt;sup>27</sup>Shura Council Decision No. 888 dated 16 July 1964.

<sup>&</sup>lt;sup>28</sup> Shura Council Decision No. 1162 of 2018.

<sup>&</sup>lt;sup>29</sup> Its name currently is the Ministry of Social Affairs (MoSA).

• In case of a breach by the tenant of any of the lease contract terms or any of the tenant's legal obligations, the property owner has the right to request the restitution of the leased premise.

All exceptions stipulated in the Housing Law shall be observed. The restitution decision issued by the committee is final, expedited and not open for review. It can be executed immediately by the concerned person through the enforcement department of the place of concerned leased premise.<sup>30</sup>

# 2.6.5. The Expropriation Committees

The Expropriation Law No. 58/91 provides that a First Instance EC and an AEC shall be designated for each governorate by a decree issued based on the recommendations of competent ministers. The ECs resolve disputes over the division of compensation between shareholders. Additionally, they determine all compensation for any economic predisposition resulting from the expropriation, decide on requests by owners for total expropriation and full compensation, and determine the value of small portions of land which cannot be exploited. They settle serious disputes between property owners and the rights holders or between rights holders themselves regarding these rights or the rights to the property. The ECs estimate the amount of compensation and suspend its payment until the dispute is resolved either by the parties' agreement or by a final ruling from the competent court. They also settle disputes arising from the concept of the real estate unit and about the number of successive deductions that affect the real estate. Appeal and review of their decisions is regulated by the Expropriation Law.<sup>31</sup>

# 2.6.6. Alternative Land-Related Disputes Resolution Mechanisms

Despite the considerable lack of data on land disputes resolved through ADR mechanisms (arbitration, conciliation or mediation), the Lebanese law does not ban resolution of land disputes through ADR mechanisms. On the contrary, the legislative landscape in Lebanon is evolving positively towards encouraging recourse to arbitration and other ADR mechanisms in cases where disputes arise.

# 2.6.6.1. Arbitration

Lebanon does not have a special Arbitration Code, rather the provisions relating to arbitration (domestic and international) are imbedded in the second chapter of the Lebanese Code of Civil Procedure (LCCP), enacted by Decree Law No. 90/83, with amendments resulting from Law No. 440 dated 29 July 2002 (Articles 726–821).

According to Articles 762 and 765 of the LCCP on domestic arbitration, all disputes which may be subject to "compromise" may be resolved by arbitration if the parties agree. Therefore, disputes

<sup>&</sup>lt;sup>30</sup> Ministry of Justice, Republic of Lebanon, Legal texts (2020), available at: <u>https://www.justice.gov.lb/index.php/court-details/6/2</u>

<sup>&</sup>lt;sup>31</sup> Ministry of Justice, Republic of Lebanon, Legal texts (2020), available at: <u>https://www.justice.gov.lb/index.php/court-details/6/2</u>

that may not be subject to "compromise" are not arbitrable. Moreover, matters that are subjected to the exclusive jurisdiction of the Lebanese courts are deemed to be excluded from arbitration. Based on this, and since land-related disputes are not classified as non-arbitrable by the Lebanese law, they are arbitrable as long as the specific type of land disputes are not under the exclusive or imperative jurisdiction of courts in Lebanon (Comair-Obeid, 2019).<sup>32</sup>

There are many arbitration centres in Lebanon such as the Lebanese Arbitration Centre of the Chamber of Commerce and Industry and Agriculture of Beirut and Mount Lebanon, the Chartered Institute of Arbitrators (CIArb) Lebanon Branch and the International Chamber of Commerce (ICC).

# 2.6.6.2. Mediation

Tribal and religious leaders' mediations are common to resolve land disputes in Lebanon, especially in non-surveyed and unregistered land held informally by clans or local inhabitants and where the government structure is inexistent or inefficient.

In a case example, a research team in the Arsaal region, in the north-east of Lebanon, used an updated version of the traditional tribe council, combined with modern technologies such as videos and Geographic Information System (GIS) surveys, to resolve long-standing conflicts between owners of limestone quarry illegally operating on State-owned land in Arsaal and farmers worried about land and environmental degradation caused by the exploitation of quarries in their area. For inspiration, the research team turned to traditional tribal pasture management practices, which involved consultation, face-to-face negotiations, and consensus building within the traditional *majlis*, or community councils, to improve the sustainability of agricultural practices and reduce land-use conflicts as no other legitimate mechanism was available in the area to resolve the disputes (Stanley, 2010).

In recent years, sectarian clashes around the control of land and real estate have been registered in Lebanon. An example is the possible confiscation of collectively owned land from the State near the Lebanese village of Aqoura (Jbeil District). This happened in 2015 after the MoF notified local authorities of its intention to make operational a decree signed in 2015 which provides for the expropriation by the State of the shared use of land in Aqoura, a village inhabited mostly by Maronite Christians, and in other villages and towns of the district of Jbeil (Agenzia, 2016).

In 2018, in another land dispute between the Shia Muslim community and the Maronite Christians about land ownership and cadastral works in the Lasa region of Jbeil, religious leaders of both sides mediated to reach an amicable solution to the land dispute and to avert a confessional conflict (Assaf, 2018).

Considering the shortcomings of the court system to resolve disputes and backlogged cases, the Lebanese Parliament approved a new law, Law No. 82 dated 18 October 2018 on judicial

<sup>&</sup>lt;sup>32</sup> For a detailed list of disputes which are not arbitrable and are subject to the exclusive jurisdiction of the Lebanese national courts, please refer to: Comair-Obeid, N. "The Middle Eastern and African Arbitration Review 2019 – Lebanon" Global Arbitration Review, April 19, 2019. Available at <u>https://globalarbitrationreview.com/review/the-middle-easternand-african-arbitration-review/2019</u> (Last accessed on 22 March 2020)

mediation. The objective of the new Mediation Law is to promote ADR, to relief parties from long and cumbersome litigation procedures and to resolve disputes equitably and expeditiously. The new Judicial Mediation Law provides for the referral of the dispute by the court to mediation, with the agreement of the parties, after the filing of the lawsuit (Article 3). The court's decision to refer the case to mediation is not open for review (Article 4). Once the parties have reached a settlement agreement through mediation, the competent court — the court which referred the dispute to mediation — ratifies their settlement's agreement and grants it the exequatur on urgent basis (Article 20). The ratification decision of the competent court is final and not open for appeal by the parties (Article 21).

# CHAPTER THREE: LAND-RELATED LEGAL FRAMEWORK

In Lebanon, some laws and regulations relating to land tenure are old and referred to the *Medjelle* and Ottoman's laws,<sup>33</sup> while other laws exist in the Civil Code, and some are very recent, as the law for the protection of the environment (Law No. 444/2002). Complexity is in the definition of land which may include buildings and natural resources like water. The concept of sustainable land management includes, for example, water, soil, biodiversity, natural resources and so on, which is not found in the Lebanese regulations. Moreover, the legal rules on urban development are overlapping and are not contained in one legislation. The multiplicity of planning rules and regulations work against the idea of planning and there is no regulation on unplanned land use. Furthermore, there are no regulations that restrict land use, especially for protecting agricultural land.

The lack of land policy in Lebanon is affecting the relevance of some land-related legislations. For instance, multiple legislations on settlement of buildings violations were issued to maximize the State revenues and did not contribute to resolving citizens' housing problem which is the original reason for issuing them (Barjas, 2019). On the other hand, even when a legislation is issued to resolve a land-related problem, the State is unable to enforce it. For instance, despite that a legislation was issued since the era of the French Mandate to Lebanon to protect public properties including coastal areas against illegal occupation and use<sup>34</sup> (together with other relevant legislations), the Lebanese State is still unable to resolve the issue of occupied areas of the coastal public property.

The following is an assessment of property rights in the Lebanese Constitution:

## 3.1. The Lebanese Constitution

The Lebanese Constitution was promulgated on the 23 May 1926 and was amended several times. The preamble provides that Lebanon is a parliamentary democratic republic based on the respect of public liberties, especially the freedom of opinion and belief, and the respect for social justice and equality of rights and duties among all citizens without discrimination (Section C). It also provides that the Lebanese territory is one for all Lebanese. Every Lebanese shall have the right to live in any part thereof and to enjoy the rule of law wherever he or she resides (Section I). One of the basic national goals of the Constitution, which has not been achieved yet, is the abolition of political confessionalism (Section H). Article 1 of the Constitution determines the borders of Lebanon, while Article 2 states that no part of the Lebanese territory may be alienated or ceded. It is important to mention that unlike in most other Arab States, the sharia (Islamic law) is not upheld as the main source of legislation. Section B of the Constitution's preamble declares that

<sup>&</sup>lt;sup>33</sup> For example, the Decision No. 37 of the French High Commissioner dated 5 February 1934 relating to real estate improvement in agricultural lands still applies.

<sup>&</sup>lt;sup>34</sup> Decision No. 144/s of the French High Commissioner issued on 10 June 1925.

"Lebanon is committed to apply the Universal Declaration of Human Rights in all domains without exception."

## **Property rights**

The Lebanese Constitution of 1926 as amended provides for the right to private property, the sanctity of the house, the protection of property's ownership and disallows the monopoly of natural resources exploitations.

- Right to private property: Section F of the Constitution's preamble provides that, "the economic system is free and ensures private initiative and the right to private property."
- Right to respect of the residence: Article 14 of the Constitution provides that, "the place of residence is inviolable. No one may enter it except in the circumstances and manners prescribed by law."
- Right to protection of property: Article 15 of the Constitution provides that, "the property ownership shall be protected by law. No one's property may be expropriated except for reasons of public utility, in the cases established by law and after fair compensation has been paid beforehand".<sup>35</sup>
- Exploitation of natural resources: Article 89 provides that, "no contract or concession for the exploitation of the natural resources of the country or a public utility service or a monopoly may be granted, except by virtue of a law and for a limited period."

The Lebanese Constitution, however, does not provide for:

- The right to water
- The right to adequate housing
- The right to be protected from displacement.

#### Inheritance

Section C of the Lebanese Constitution's preamble guarantees equality before the law to all citizens without any discrimination. Article 7 of the Constitution asserts the equality of rights and duties for all citizens before the law, regardless of gender. However, Lebanese citizens are not subjected to the same inheritance rules. Inheritance laws differ between religious communities and between individuals of different sects within the same community. Non-Muslims are subject to the 1959 Civil Law of Inheritance, which imposes complete equality between men and women, both in terms of the right to inherit and the share of inheritance. Muslims abide by the inheritance

<sup>&</sup>lt;sup>35</sup> Lebanon scored 44 out of 100 in the Property Rights Index which measures the degree to which a country's laws protect private property rights, and the degree to which its government enforces those laws. Lebanon's Physical Property Rights Subindex decreased by -0.042 to 6.582 with scores of 5.272 in Perception of Property Rights Protection, 8.752 in Registering Property and 5.722 in Ease of Access to Loans. Lebanon's International Property Rights Index (IPRI) score increased by 0.044 to 4.386 placing it in the 14th position in the Middle East and North Africa region and the 113th in the world. Lebanon is classified by the International Monetary Fund (IMF) as part of the Middle East, North Africa and Pakistan group and by the World Bank as an upper middle-income country.

Source: Property Rights Alliance, 2019 International Property Rights Index, Lebanon. Accessed on 22 March 2020, available at: <u>https://internationalpropertyrightsindex.org/country/lebanon</u>

rules established under sharia provisions according to their respective sects.<sup>36</sup> Under such rules, a man generally inherits twice as much as a woman. In addition, Muslims can only inherit from and bequeath to other Muslims, meaning a non-Muslim widow of a Muslim man cannot inherit part of his estate. However, these inheritance rules do not apply to all Muslims; they vary between Sunni and Shia Muslims.<sup>37</sup> Members of non-Muslim denominations are free to leave their estates to whomever they see fit, regardless of religion. Although women are legally entitled to inherit land, they often cede their share to their brothers, as social norms dictate that land should be retained by the male line (Khalaf, 2010). In return, the brothers are expected to financially support their single sisters, although this trend is gradually subsiding as more women join the labour market. Moreover, the high cost of processing an inheritance claim is also one of the main deterrents of inheritors to seek finalizing their inheritance, which also creates disputes in the future and paralyses efficient land use. Inheritance laws cause land fragmentation and paralyse efficient land use in Lebanon (Darwish, 2012).

#### With respect to gender

Although the Lebanese Constitution guarantees equality before the law according to the Section C of the preamble and above-mentioned Article 7, there has not been any article or clause in the Constitution that explicitly prohibits sex discrimination. Land laws in Lebanon are gender neutral, but certain other laws explicitly deny the equality between women and men, such as the Nationality Law issued by Decree No. 15 dated 19 January 1925 as amended by Law of 11 January 1960 which violates women's rights by restricting matrilineal granting of Lebanese nationality. This means that Lebanese women married to non-Lebanese and who have land and housing do not have the right to pass this on to their children as the Lebanese law applies in this case the principle of international reciprocity. On the other hand, according to Article 7 of the Constitution, women (married and unmarried) should have the same rights as men to conclude contracts and own and administer property. However, in practice, male family members usually make decisions relating to property even if it is owned by women. Land is often registered under the name of a male family member, even if it contradicts the inheritance rules of the relevant religion, so as to keep wealth in the family. Women's limited access to land affects their access to loans, which limits their investment capacities. Personal status laws do not recognize a wife's contributions to the marriage, including the value of her unpaid domestic labour, or the concept of marital property, and therefore women are deprived of a share of family property upon divorce (UNDP, 2018).

Representation in elected bodies: Article 12 of the Constitution provides that "every Lebanese shall have the right to hold public office; no preference shall be made except on the basis of merit and competence, according to the conditions established by law". However, the Constitution

<sup>&</sup>lt;sup>36</sup> According to Law No. 553 dated 24 July 1996 which amended Annex 1 of Decision No. 60 L.R. of 13 March 1936, the recognized religious sects in Lebanon are Alawite, Armenian Catholic, Armenian Orthodox, Assyrian Church of the East, Chaldean Catholic, Copts, Druze, Greek Catholic, Greek Orthodox, Isma'ili, Jewish, Maronite, Protestant, Roman Catholic, Sunni, Shia, Syriac Catholic and Syriac Orthodox.

<sup>&</sup>lt;sup>37</sup> For example, Law No. 0 of 1 January 1990 relating to the "Inheritance according to *Ja'fari* jurisprudence, Distribution of Inheritance among Shiites". Please refer to Legislation No. 47 in the Annex (table of legislation).

neither mentions nor guarantees women's representation in elected bodies and this affects landrelated decisions.

#### With respect to decentralization

Studies of decentralization of land reform administration in the late 1960s and early 1970s concluded that, if properly carried out, decentralization increases officials' knowledge of local conditions, motivates community leaders to take an active role, creates better communications between local residents and leaders and between local and national officials, and increases community solidarity and interest in land reform projects (Rondinelli, Nellis and Cheema, 1983). Section C of the Lebanese Constitution's preamble provides that Lebanon is a parliamentary democratic republic, but the constitution does not mention administrative decentralization.

Following long years of failed centralized administration, several draft laws on decentralization have been introduced since 1995 to promote democracy, good governance and to strengthen the role of municipalities in the management of their localities' affairs and free them from the tutelage of the Ministry of Interior and Municipalities (MoIM). More recently, on 7 November 2012, the Lebanese Prime Minister issued Decision No. 166/2012 ordering the setting up of the committee in charge of preparing a draft law for the implementation of the administrative decentralization in Lebanon. However, the slow review process of the draft law has resulted in a weaker attention to the issue of decentralization by the successive governments, the parliament and the political parties. This led to the non-issuing of the law to date.<sup>38</sup>

- Division of Lebanon into 33 regions with regional councils that are granted a wide scope of work, and suppression of the lower deconcentrated tier (districts);
- 2. Elections on the basis of proportional representation instead of the so far adopted first-past-the-post system;
- 3. Improved transparency and mandatory use of ICT and e-government;
- 4. Institutionalised participation mechanisms and civic oversight at the local level;
- 5. Promotion of Public-Private Partnerships in local governance;
- 6. Adoption of a gender quota in the electoral law;
- 7. A sustainable fiscal and financial system.

Figure VII: The 2014 Administrative Decentralization Bill. Source: DRI. Briefing Paper No. 80, April 2017.

<sup>&</sup>lt;sup>38</sup> Decentralization Lebanon (2014): The Commission, available at: <u>http://www.decentralization-lb.org/</u>

## 3.2. Land-Related Laws, Decrees and Decisions

Lebanon is a parliamentary republic and the legislative power is vested in the Chamber of Deputies only. The President of the Republic does not have the right to legislate. He or she promulgates the laws after they have been approved by the Chamber in accordance with the time limits specified in the Constitution.

Despite the lack of provision in the Constitution allowing the Chamber of Deputies to delegate its power to legislate to the government, since 1930 the Chamber of Deputies delegated the power to legislate to the Council of Ministers in specific matters and to a limited term. Based on this, the Council of Ministers issued about 382 legislative decrees which have the force of law. Since 1992, this practice discontinued after the Chamber of Deputies stopped delegating its legislative power to the Council of Ministers for lack of constitutional provision allowing it. The Council of Ministers in Lebanon issues decrees, decisions and circular letters. The President's decree issuing laws approved by the Chamber of Deputies must be countersigned by the Prime Minister. The President and the Prime Minister countersign all ministerial decrees.

A broad overview of the different legislations relating to land and property rights, land administration and management is provided in the annexed list (See Annex).

# CHAPTER FOUR: INSTITUTIONAL FRAMEWORK AND STAKEHOLDERS

# 4.1. The Lebanese Government's Land Sector Stakeholders

According to the most recent reformation of the government's structure (Law No. 247 of 7 August 2000), the Lebanese Government is organized into 21 ministries under the Prime Minister. Ten of these ministries are engaged in various land-related functions. These are the Ministry of Justice (MoJ), the MoIM, the MoF, the MoPWT, the MoD, the MoA, the MoEW, the MoE, the MoSA and the MoC.

# 4.2. Sectoral Sub-Entities Involved in Land Management

The above-mentioned 10 ministries exercise their land-related functions through their subentities as follows:

- The GDLRC is under the MoF.
- The GAD is under the MoD.
- The DGU and the DGRB are under the MoPWT.
- The Directorate General of Administrations and Local Councils (DGALC) is under the MoIM.
- The Real Estate Tribunals (RET), including First Instance Civil Courts and real estate judges, and the State Shura Council (SSC) are under the MoJ.
- The PCH is under the guardianship of the MoSA.
- The Directorate of Rural Development and Natural Resources (DRDNR), the Directorate General of Cooperatives (DGC), the Green Plan (GP), and the Lebanese Agriculture Research Institute (LARI) are under the MoA.
- The General Directorate for Investment (GDI) and the General Directorate of Water and Energy Resources (GDWER) are under the MoEW.
- The General Directorate of Environment (GDE) and its specialized units are under the MoE.
- The General Directorate of Antiquities (GDA) is under the MoC since its creation in 1994.

The table below summarizes the main functions of each of the above-mentioned sub-entities.

INSTITUTION	ROLE & FUNCTION
<b>GDLRC</b> General Directorate of Land Registration and Cadastre.	<ul> <li>The institution is in charge of land and property administration.</li> <li>The cadastre is mainly in charge of: (i) demarcation, land measurements and betterments; (ii) supervising works relating to optional demarcation; and (iii) monitoring the work of sworn surveyors or engineer.</li> <li>Property records are maintained in (1) registry books across 18 registry offices in</li> </ul>
	Lebanon; and (2) distributed databases. A database holds close to 3,000,000 properties and close to 24,000,000 title register records. It keeps records of State

#### Table V: Institutions and their roles and functions

	<ul> <li>private property too (about 66,000–70 000 State private property are registered at the GDLRC).</li> <li>GDLRC hosts the following sub-entities: <ul> <li><u>The Secretariat</u>: has three departments under it, namely (i) the administration department; (ii) the accounting &amp; supplies department; and (iii) the foreign ownership department.</li> <li><u>Private State Properties</u>: has two departments under it, namely (i) the investment department; and (ii) maintenance &amp; implementation department.</li> <li><u>Land Registries</u> (there are 18).</li> <li><u>The Cadastre</u>: has three departments under it, namely (i) the real estate improvement department; (ii) final drawing department; and (iii) cadastre offices (there are 18).</li> </ul> </li> <li>The GDLRC launched the first three publicly accessible electronic land registry services for: a) requesting title registry extracts, b) tracking transactions and c) fee simulation.</li> <li>In May 2018, the French General Directorate of Public Finances and the Lebanese MoF signed a technical cooperation agreement (FEXTE) relating to the project "French Lebanese Twining for Real Estate Affairs" financed by the French Development Agency (AFD). The objective of the twinning agreement is to modernize land legislation in Lebanon to increase revenues, for institutional development of the GDLRC, to improve land data collection and use.</li> </ul>
<b>GAD</b> Directorate of Geographic Affairs of the Lebanese Army.	<ul> <li>The GAD is the leading geospatial agency in Lebanon and handles all geographic and geodetic works, including,</li> <li>Maintenance of geodetic network and points throughout the entire Lebanese territory</li> <li>Measuring general heights, aerial photography, and aerial image processing for their investment in making maps</li> <li>Organizing and printing the standard map sizes 1/20,000 and 1/50,000 for all Lebanese lands</li> <li>Supplying the survey authority at the MoF with maps of 5000/1 and 50,000/1 for unsurveyed lands</li> <li>Producing topographical mapping and geospatial data for both military and civil purposes</li> <li>Implementation of the national geodetic infrastructure, the National Spatial Data Infrastructure (NSDI).</li> </ul>
<b>DGU</b> Directorate General of Urbanism	<ul> <li>It is the main urban planning agency in the country entrusted with the organization of national, regional and local territories.</li> <li>It is headed by a Director General and comprises two divisions:         <ul> <li>The Central Administration (Headquarters) and</li> <li>The Regional Offices.</li> </ul> </li> </ul>

	• Complementary to its main function, the DGU reports to HCUP headed by the Director General. The HCUP is the clearing and approving body for any master plan before its submittal to the Council of Ministers.
	• It is responsible for developing and reviewing master plans all over Lebanon.
	<ul> <li>It is also entrusted with supporting local authorities in the provision of building permits when they do not possess the required in-house technical means to conduct the tasks.</li> </ul>
	<ul> <li>The tools available to the DGU are limited (i.e., land-use master plans, land pooling and land readjustment projects) and the agency has been widely criticized for its lack of dynamism and innovation.</li> </ul>
<b>DGRB</b> Directorate General of Roads and Buildings	It is responsible for the design, execution and maintenance of roads, bridges, walls, water channels and the supervision of public buildings and assets maintenance. With the establishment of the CDR, the main reconstruction's actor, the DGRB was gradually marginalized.
	• It is responsible for matters of municipalities and their unions without prejudice to their independence decided by the law. The "Municipal Observatory" under the DGALC provides technical support to municipalities and suggest plans and projects to improve their performance.
	• The MoIM is the national entity mandated with the oversight of Lebanon's close to 1,000 municipalities and it does this through the DGALC.
<b>DGALC</b> Directorate General of Administrations and Local Councils	• The role of municipalities in land use and land-use planning cannot be overemphasized. Municipalities and their unions are responsible for several land-related tasks within their borders such as urban planning, managing State private land (transferring municipal public property to private municipal property), land-use zoning, roads management, taking environmental protective measures and enforcing land-related legislation. Municipalities fall under the auspices of the MoIM which controls the Independent Municipal Fund. This control has generally been seen as limiting the manoeuvrability and actions of municipalities. Lebanon has 1,038 municipalities, about 75 per cent of which cooperate within unions (also called "federations") of municipalities that pool and coordinate resources to deliver public services, such as infrastructure, strategic planning, economic development, health, environmental protection, solid waste management, public safety, etc. The number of unions has grown considerably: from 13 unions in 1998 to 57 in 2017 (DRI, 2017).
	• The RET are responsible for resolving certain land disputes specified in the law.
<b>RET</b> Real Estate Tribunals	<ul> <li>Single Real Estate Judges are responsible for surveying and determining the rights to real property in districts and governorates in addition to receiving complaints (objections) thereof regarding land ownership until the closure of the planning and surveying works.</li> </ul>
<b>SSC</b> The State Shura Council	• The SSC has jurisdiction in certain land matters such as appealing certain land expropriation committees' decisions relating to valuation of the property or challenging the "public interest" concept of an expropriation decree.
	<ul> <li>It also plays an important role in the work of different departments of the MoE.</li> <li>This is because the Decree No. 2275 of 15 June 2009 regulating units of the MoE</li> </ul>

	and defining its functions and cadre mandates that its departments should consult the Shura Council before determining binding environmental conditions applicable to their various functions as determined by the law.
<b>PCH</b> Public Corporation for Housing	<ul> <li>The main role of the PCH has been to facilitate access to housing for low-income groups; facilitating interest-subsidized housing loans for middle-income groups through partnerships with commercial banks under the guidance of the central bank.</li> </ul>
	• The DRDNR is responsible for the forests and rangeland conservation and development. It includes three agencies or services under it, namely:
	<ul> <li>The Forestry and Natural Resources Service</li> <li>The Agricultural Industries Service</li> <li>The Rural Engineering Service.</li> </ul>
	Several specialized departments work under each of these Services. The most relevant is <b>the Forestry and Natural Resources Service</b> which
DRDNR Directorate of Rural Development and Natural Resources	<ul> <li>includes:</li> <li>The Forestry and Investment department</li> <li>The Rangeland and Public Parks department and</li> <li>The Land and Marine Fishing department.</li> </ul>
	• The Forestry and Natural Resources Service, through its above-mentioned three departments, performs the following tasks, among others:
	<ul> <li>Setting up public parks, afforestation and decorating the gardens of official buildings and afforestation work in all State, communal and private lands.</li> </ul>
	<ul> <li>Providing assistance for the implementation of afforestation and soil conservation, water conservation and investment, forest investment, the improvement of pastures, the enforcement of water and land hunting laws, and undertakes fish-related researches.</li> </ul>
	<ul> <li>Protecting forests from encroachments, surveying forests, and counting their assets.</li> <li>Developing necessary maps, drawings and preserving them, and establishing natural reserves and zoos.</li> </ul>
<b>DGC</b> Directorate General of Cooperatives	It promotes and supervises the work of housing cooperatives to improve living conditions of low-income individuals. The DGC has undertaken only a few housing- related initiatives, yet with limited success. Housing cooperatives have failed so far to become a major player in social housing in Lebanon due to lack of technical expertise and lack of human and financial resources.
<b>GP</b> The Green Plan	• The GP is a public institution established in 1963 by Decree No. 13785.
	<ul> <li>It is the government ecological body under the MoA.</li> <li>It is organized into three central services, namely cabinet/administration, accounting and technical. The GP has eight regional offices covering the five provinces with their 26 districts (<i>cazas</i>). Its role includes:</li> </ul>
	<ul><li>Preserving greenery in Lebanon</li><li>Engaging in environmental projects</li></ul>

<b>LARI</b> The Lebanese Agriculture	<ul> <li>Improving agricultural roads and building new ones</li> <li>Building water irrigation concrete tanks and earth reservoirs</li> <li>Constructing stone retaining walls and terraces</li> <li>Installing farm irrigation systems and providing fruit trees and plants.</li> </ul> The GP is implementing a one-year project to develop a GIS unit in order of elaboration of a master infrastructure plan development of the <i>cazas</i> . The LARI is the leading national agricultural research institute. It is a self-governing institution under the MoA. The institute conducts research projects that interest Lebanese farmers and aim to enhance the productivity and the sustainability of the agricultural sector in Lebanon.
Research Institute	<ul> <li>The institute maintains several centres across the country with its headquarters being in Tel Amarah, the Bekaa.</li> <li>To date, LARI has managed to collect samples from over 1,500 native species of plants from across the country.</li> </ul>
<b>DGI</b> Directorate General of Investment	<ul> <li>It monitors water quality and water concessions.</li> <li>It enforces laws and regulations relating to stone quarries and stone crackers.</li> <li>It provides consultation on the licenses of mines and quarries in terms of their impact on water resources.</li> <li>It also participates in the planning for the protection of water resources.</li> <li>The Department of Mines and Quarries was attached to the DGI (the Concessions department) after it had been separated from the Ministry of National Economy and attached to the MoEW.</li> </ul>
<b>GDWER</b> General Directorate of Water and Energy Resources	<ul> <li>The GDWER is in charge of developing and updating the MoEW 10-year water strategy designed to promote integrated water resources management, including:         <ul> <li>Controlling unlicensed wells</li> <li>Updating antiquated distribution mechanisms such as exposed canals that lose water to evaporation</li> <li>Addressing the lack of wastewater treatment facilities for water reuse.</li> </ul> </li> <li>The 10-year work plan contains plans, strategies and policies relevant to potable water, irrigation and wastewater, and was endorsed by the Lebanese Government and Parliament.</li> </ul>
<b>GDE</b> The General Directorate of Environment	<ul> <li>The GDE is composed of the central administration and the regional office. The central administration includes the following services:         <ul> <li>The Registrar Service</li> <li>The Environmental Guidance Service</li> <li>The Residential Environment Service</li> <li>The Natural Resources Service</li> <li>The Environmental Technology Service</li> <li>The Planning and Programming Service</li> <li>The Regional Departments and the Environmental Control Service.</li> </ul> </li> <li>There are several departments affiliated to each of these services. The ones most relevant to land are under the Residential Environment Service:</li> </ul>

	<ul> <li>The Department for the Protection of the Residential Environment is in charge of planning and preparing programmes and studies, the protection of the residential environment from pollution and defining binding environmental conditions in cooperation with other relevant ministerial agencies relating to land classification by the GDU for the classification of industrial zones for classified establishments in cooperation with the MoPWT, and the investment licenses of industrial and non-industrial classified establishments.</li> </ul>
	<ul> <li>The Department of Residential Environment Pollution Control lays down strategies, plans and undertakes activities relating to the protection of the residential environment from pollution namely in relation to waste management and defines binding environmental conditions for waste management. It also defines binding environmental conditions relating to license applications for major complexes, annexation and land annexation and classification projects, including gardens, parks, public pools and graveyards on public or private properties of municipalities.</li> <li>Under the Natural Resources Service:</li> <li>The Department of Preservation of Natural Resources is in charge of protecting, against pollution, all non-living terrestrial natural resources in ecosystems such as mountain peaks, headsprings, lakes, swamps, valleys, riverbeds, marine shores, and surface and underground waters from all sources. It regulates the use of all types of lands and properties in respect to the management of non-living natural resources and maintaining the quality of the land by combating its erosion due to desertification, soil erosion and pollution.</li> <li>The Ecosystems Department is in charge of defining and classifying natural areas of all types which are suitable for protection, such as natural reserves, natural sites and setting environmental binding conditions for these areas.</li> </ul>
	<ul> <li>It is responsible for the protection, promotion and excavation activities in all sites of national heritage.</li> </ul>
<b>GDA</b> General Directorate of Antiquities	• It is responsible for the historical buildings general record where the following are recorded: (1) State-owned immovable ancient monuments and (2) immovable antiquities that are the property of individuals, or endowments, or moral persons, or communities, or groups, and of which the preservation is of artistic or historic public interest.
	• The GDA performs its tasks through the following three sub-units:
	<ul> <li>The Directorate of Archaeological Monuments and Built Heritage</li> <li>The Directorate of Archaeological Excavations</li> <li>The Directorate of Movable Archaeological Property.</li> </ul>

# **4.3. Other State Institutions Involved in the Land Management**

**The CDR** was established through Decree No. 5 dated 31 January 1977. It does not report to any line ministry. It directly reports to the Prime Minister's office. In the institutional hierarchy, the CDR is the main flagship of the Council of Ministers that complies with their instructions and coordinates with the concerned ministries.

The responsibilities of the CDR were specified into three main tasks:

- Compliance of a plan and a time schedule for the resumption of reconstruction and of development
- Guarantee the funding of the projects presented
- Supervise the execution and utilization by contributing to the process of rehabilitation of public institutions, thus enabling it to assume responsibility for the execution of a number of projects under the supervision of the Council of Ministers. Since the 1990s, the CDR has articulated and coordinated several large-scale planning interventions (physical, infrastructural and social) including the National Master Plan of Lebanon (approved in 2009). The CDR also plays a key role in the interface between national authorities and international donors and lending agencies.<sup>39</sup>

**The Central Fund for Displaced Persons (CFDP)**, established by Law No. 193 dated 4 January 1993 as part of the reconciliation efforts following the civil war in the country, encourages squatters to return to their villages. The CFDP is a public independent legal institution with financial and managerial independence under the direct authority of the Prime Minister. The goal of the CFDP is to finance projects for the return and housing of displaced persons in all Lebanese regions and to fortify their social and economic conditions by establishing or repairing housing, or by granting aid and in-kind or financial loans for this purpose. The CFDP intervened in Tripoli, Beirut and a number of villages in the mountain.<sup>40</sup>

**The CNRS** was established by a law dated 14 September 1962 as the central public institution in charge of science policymaking under the authority of the President of the Council of Ministers, and it was granted administrative and financial autonomy. The CNRS advises the government on all science and technology issues. The CNRS conducts research through its specialized four centres (marine, geophysics, remote sensing and atomic energy) and supports research projects having an impact on the socioeconomic development of the country. The CNRS has two major functions:

- Advisory function: it draws the general outline of the National Science Policy and formulates proposals and suggestions to the government and carries out surveys and inventories of ongoing research activities in private and public institutions in the country, and
- Executive function: it assists in the implementation of the National Science Policy.<sup>41</sup>

**The Central Administration of Statistics** (CAS) is a public institution under the Presidency of the Council of Ministers. Its mandate and institutional organization were determined by the Laws Nos. 1793/79 and 2728/80. Its mission is to collect, process, produce and disseminate social and

<sup>&</sup>lt;sup>39</sup> CDR, official website: <u>https://www.cdr.gov.lb/</u>

<sup>&</sup>lt;sup>40</sup> CFDP, official website: <u>http://www.cfd.gov.lb/Compensations/JulyAllowance.aspx?PID=1</u>

<sup>&</sup>lt;sup>41</sup> CNRS, official website: <u>http://www.cnrs.edu.lb/english/home</u>

economic statistics at the national level and to provide all users with evidence-based information for decision-making. The CAS is also in charge of the technical supervision of statistics produced by other ministries and public administrations, as well as improving methods and harmonizing statistics. One of its key activities is the Census of Buildings, Dwellings and Establishments (CBDE) which covers all parts of Lebanon with the results aggregated on the level of *cazas* (subdistricts) and *mohafazats* (governorates).<sup>42</sup>

## 4.4. Private Sector

#### Solidere

The Lebanese Company for the Development and Reconstruction of Beirut Central District was incorporated as a Lebanese joint-stock company — Solidere — on 5 May 1994. Its business is the reconstruction and development of Beirut City Centre. Its activities include subdivisions planning, urban planning, development, sites preparations, finance, marketing and sales.<sup>43</sup>

#### La Banque de l'Habitat

Banque de l'Habitat (BDH) was established as a Lebanese joint-stock company by virtue of Decree No. 14 dated 10 January 1977 amended by the Law No. 283. It is a mixed company between the Lebanese Government and the private sector (banks, insurance companies and individual investors). Its capital is owned 80 per cent by the private sector and 20 per cent by the public sector. Its main mission is to lend loans to individuals, especially those who have limited or average income, in order to buy houses, build their own homes, or renovate and accomplish, expand or ameliorate the homes, as well as to finance the housing cooperatives.<sup>44</sup>

#### **Private banks**

Private banks offer two types of housing loans:

- Ordinary private banks loans (non-subsidized)
- Housing loans subsidized by the PCH.

A list of private banks in Lebanon can be accessed using this link: http://www.bccl.gov.lb/publications/lebanese-bank-list/

#### ADR Centres

The Lebanese Arbitration Centre of the Chamber of Commerce and Industry and Agriculture of Beirut and Mount Lebanon and the CIArb Lebanon Branch.

#### Notaries public<sup>45</sup>

<sup>&</sup>lt;sup>42</sup> CAS, official website: <u>http://www.cas.gov.lb/index.php/79-english</u>

<sup>&</sup>lt;sup>43</sup> Solidere, official website: <u>https://www.solidere.com/corporate/about</u>

<sup>&</sup>lt;sup>44</sup> Banque de l'Habitat, official website: <u>https://www.banque-habitat.com.lb/</u>

<sup>&</sup>lt;sup>45</sup> The NP may be classified under the "Private Sector" land stakeholders. They are public/private partnership with public sector functions delegated to the private sector. They are associated with MoJ although they do not receive a salary from the state. They are closer to the private sector but are appointed by a competition under the supervision of MoJ.

The Law No. 337 of 1994 (The Regulation of Notaries Public (NP) and Notarial Fees) defines the notary public as being "a public officer who is associated with the MoJ and who receives remuneration for the services rendered from the clients, not from the Lebanese State." The scope of the notary public's functions include the following:

- Managing and certifying the execution of the documents set forth in the CoC and more generically, any document not prohibited by the law or not falling within the jurisdiction of another public employee, as well as keeping the original copies of such documents and handing the clients identical copies thereof (powers-of-attorney). The notary public is authorized by Article 47 of Decision 188 to notarize any kind of land contract if the property is registered in the RER.
- Approving and archiving documents
- Preparing protests and notifying the concerned person thereof
- Marking attestations and instruments with the proper dates
- Drafting and certifying wills of non-Muslims pursuant to the Inheritance Law of non-Muslims of 1959
- Delivering all notices and warnings.

In 2014, a Council for NP in Lebanon (le Conseil National des Notaires au Liban) was established. The notary public must be a Lebanese for not less than 10 years and should have a law degree. In 2000, there were a total of 226 NP in the whole of Lebanon.

# 4.5. Professional Organizations

- The OEA in Beirut and Tripoli: All building permit applications are processed through the OEA (in Beirut or Tripoli) and must be approved by either the Director General of Urban Planning and/or municipalities.<sup>46</sup>
- Real Estate Valuation Experts' Syndicate
- The Order of Surveyors Lebanon<sup>47</sup>
- The Real Estate Syndicate of Lebanon<sup>48</sup>
- The Real Estate Developers Association of Lebanon (REDAL)<sup>49</sup>
- Lebanese Contractors Syndicate<sup>50</sup>
- The Syndicate of Owners of Leased Real Estates and Buildings in Lebanon<sup>51</sup>
- The Bar Associations: The Bar Association of Beirut<sup>52</sup> and the Bar Association of Tripoli

<sup>&</sup>lt;sup>46</sup> OEA, official website: <u>https://www.oea.org.lb/Arabic/Default.aspx?pageid=7</u>

<sup>&</sup>lt;sup>47</sup> The Order of Surveyors Lebanon, official website: <u>https://www.ogtl.org/</u>

<sup>&</sup>lt;sup>48</sup> The Real Estate Syndicate of Lebanon, official website: <u>http://real.org.lb/</u>

<sup>&</sup>lt;sup>49</sup> REDAL, official website: <u>http://har-properties.com/news/redal-real-estate-developers-association-lebanon</u>

<sup>&</sup>lt;sup>50</sup> Lebanese Contractors Syndicate, official website: <u>http://lcsyndicate.com.lb/web/</u>

<sup>&</sup>lt;sup>51</sup> Established by the Minister for Labour's Decision No. 22 of 24/1/2014 to protect interests of leased property owners, especially owners of old leased property which was subjected to several automatic extension and determination of rents by subsequent Rental Laws in Lebanon.

<sup>&</sup>lt;sup>52</sup> The Bar Association of Beirut, official website: <u>http://www.bba.org.lb/en</u>

## 4.6. Civil Society Organizations

- The non-governmental organizations (NGOs) such as Merterre, Environment Friends Society,<sup>53</sup> Housing Cooperative Association of Monteverde-Beit Meri, the Society for the Protection of Nature in Lebanon (SPNL),<sup>54</sup> and many others.
- The committee to defend the old tenants' rights.

# 4.7. Academic Institutions

Academic institutions have a key role in strengthening land and property rights. They contribute to raising awareness of the public about the importance of good land governance to the economy and the people and supply the market with land professional graduates of various specializations.

The following academic institutions, among others, in Lebanon are active in land-related matters: The American University of Beirut, the Lebanese University, the Balamand University, University Saint Joseph and the Institut Français du Proche Orient (Ifpo) which established l'Observatoire Urbain de l'Ifpo. A postgraduate programme on land governance is currently being developed at the Lebanese University as an interdisciplinary programme involving several faculties. This initiative is supported by GIZ and GLTN in partnership with IAV Hassan II University Rabat.

## 4.8. Religious Communities

Muslim and Christian communities play an important role in the land market as they own about 30 per cent of the private land in Lebanon and offer many possibilities like land concession and rental (the Maronite Church).

# 4.9. Key Stakeholders' Interaction

Data availability and access to information are foundational constraints that impact governance and the effectiveness of public institutions in Lebanon and eventually hampers coordination between various land stakeholders.

Although the GDLRC operates a well-maintained digital land register and cadastre system (not yet completed), no direct access to digital land registry and cadastre is provided beyond some technical departments of the MoF and GDLRC (IBRD, 2018). For example, municipalities do not have access to cadastre databases which results in a lack of up-to-date information about properties within their jurisdiction. According to Article 15 of Law No. 60 of 1988, municipalities must hold a register (the equivalent of a local cadastre) in which are documented all existing real property within their jurisdictions and all built buildings, with their rental value and the persons occupying them. However, they are not directly involved in managing information on the sale or purchase of properties, although they charge fees relating to such acquisition and/or disposal, specifically pertaining to issuing attestation or surveying reports. The CoC mandates that the sale of property is effective only as of the date of its registration in the RER and not in municipal

<sup>&</sup>lt;sup>53</sup> Environment Friends Society, official Website: <u>http://www.envfriends.org.lb/index.php</u>

<sup>&</sup>lt;sup>54</sup> Society for the Protection of Nature in Lebanon – SPNL, official Website: <u>https://www.spnl.org/</u>

records. Accordingly, a mechanism should be designed to allow for the exchange of data between municipal administrations and the cadastre administration at MoF to assist municipalities in maintaining the accuracy of their databases and in managing properties within their borders (ICMA, 2011).

Concerning rural development, MoA is unable to meet the challenges resulting from the official State policy consisting of better utilization of lands to maintain soil fertility, reduce soil erosion, to prevent pollution and desertification and resolve land fragmentations. This is due to the weak coordination between the MoA and others involved in rural development, ministries and donors like the MoE, MoEW, GP, LARI, MoF, MoEC which results in overlapping responsibilities and fragmentation of development work (Darwish, 2012).

With respect to urban planning, there are several key actors involved to various degrees, often with overlapping functions. They include the local authorities (municipalities and unions of municipalities), the DGU, the HCUP, the CDR and other sector ministries. An assessment of their role carried out by UN-Habitat in 2013 showed that, arguably, each institution operates independently and, in many cases, unaware of the main planning projects that are taking place in the country due to a very weak system of coordination (UN-Habitat, 2013).

The DGU is the main planning actor at the local level. Its relations with the municipalities which have many planning competencies follow strenuous patterns. They both compete and sometimes clash due to the conflict between the political representation of the municipalities and the technical/legal representation of the DGU in the planning process. Moreover, the CDR is not only the governing reference concerned with norms and planning directives on national level, but also competes with the DGU as a provider of regional planning studies and projects, and specific ministries as providers of infrastructure, urban services and urban and environmental norms and criteria (UN-Habitat, 2013). The CDR, which reports directly to the Council of Ministers, has more important power over planning issues and matters than that of specialized agencies. Given its statutes, CDR can even substitute for ministries and State agencies, not only for financing matters, but also for the study and execution of development projects, even in the town planning domain.

The overlapping in the powers and functions between various urban planning key actors is also due to the multiplicity and dispersion of urban planning legislation. The Municipal Law (Decree 118/77) has devoted much of the planning competencies to the municipalities. However, the planning code, in particular its Article 11, has considerably restrained the power of local authorities by granting them only a consultative role in the implementation of their urban policies.

There is little or inexistent role for the public sector in urban development in the country. The State rarely intervenes in urban development or social housing operations (Solidere is a private company). Conversely, the private sector in Lebanon is active and can undertake large development operations (Clerc, 2013). The State and its public sector have recently passed the PPP law No. 48 of 7 September 2017 to increase their role in the construction of social housing for low and middle-income people, struggling to overcome the repercussions of the Lebanese pound depreciation on housing loans and the liberation of old lease contracts by the amendment of the Rental Law in 2014.

Finally, Lebanon scored very poorly in land matters in the 2009 Global Corruption Barometer (the Barometer) of the Transparency International (TI): 77 per cent of surveyed people think the problem of bribes paid to land authorities to obtain favourable decisions is a very serious problem and 79 per cent think the problem of grand or political corruption in land matters is a very serious problem in Lebanon (Transparency International, 2008).

# CHAPTER FIVE: CONCLUSIONS AND RECOMMENDATIONS

Land is one of the most sensitive political issues in most countries, including Lebanon. It is also overly complex, both in technical and legal terms. Land is linked to political patronage and the vested interests of elites, and it is often a politically explosive issue, and the source of many potential and actual conflicts. Land is highly technical because it involves skilled professions dealing with complex legal procedures in a complicated historical, cultural and economic context. Lebanon's Executive does not yet call for the State provision of a comprehensive land policy. This would require a government that is not biased against the poor but open for inclusive policy dialogue.

The legal framework in Lebanon provides for the protection of private property. Expropriation is only permitted for public benefit and against payment in advance of a fair compensation, and eviction must be mandated by a court decision. In addition, land laws in Lebanon are gender neutral and access to courts, and ADR mechanisms for land and property disputes is ensured only for formal rights owners. Informal land rights (not registered in the land registry) are not equally or properly protected.

Lebanon has a property rights index of 44 out of 100. The degree to which the country's laws protect private property rights and the degree to which the Lebanese Government enforces these laws are very low, mostly because the government fails to enforce these laws properly (CIPE/IRPF, 2013). Corruption of public institutions and weak rule of law are the main reasons for weak enforcement of the law.

Lebanon has an established legal system for registering and transacting land and property. Registered property rights are protected against adverse possession and the law forbids acquisition of property rights through the occupation of registered land. Moreover, any transaction (sale or lease) regarding unregistered property is not legally enforceable and not opposable against third party.

Informal land tenure rights are not recorded and are therefore not legally protected. However, the widespread prevalence of informality in land and property registration does provide a minimum, if uncertain, degree of security as systemic reforms do not seem imminent (UNHCR and UN-Habitat, 2014).

Residential and commercial land and buildings can be owned with limited government restrictions.

Reliable property registry exists, and it includes cadastral, title and mortgage lien information but the quality and availability of services provided for property registration still needs a lot of improvement. According to the World Bank Doing Business Report, Lebanon has seen a consistent decline in its Registering Property Ranking. Out of 190 economies, Lebanon improved from 112th place in 2014 to 105th place in 2019 before dropping again to 110th place in 2020 (World Bank, 2020).

Cadastral information is accessible to the public including zoning permitted use information, and regulations are respected and enforced.

#### Recommendations

Areas for improvement of land and property registration services to ensure sustainable land management include sharing digital geospatial data, record coverage, State land inventory and management and property taxation valuation. This can happen through the following actions, among others (IBRD, 2018):

- Modernizing land legislation in general. Old land legislation should be scrapped and new ones promulgated to allow full legal recognition of the Property Digital Records.<sup>55</sup> Property Digital Records should be used instead of the manual records to streamline the work of GDLRC, and increase efficiency of land and property registration and services offered to the public. As part of the modernization of the cadastral services in the country, GIS, including Global Positioning Satellite (GPS), should be used to create and update the registry. All legal restrictions on use of geographical data by GAD and in the cadastral work or on online access to geospatial data beyond the GDLRC and the MoF should be eliminated to allow freedom of access to all land stakeholders and the provision of modern land e-services to the public.
- Resuming the surveying of the remaining properties across the Lebanese territory as currently only 65 per cent of territories are surveyed. This will enhance land administration, increase security of tenure, improve clarity on land ownership and eventually will reduce land disputes.
- With respect to State property, the following are recommended: (i) To improve the management of State land property, all State public land should be demarcated and registered in the land registry and managed by one agency only, i.e., the State Property Department of the GDLRC so as to allow the State to identify and access all its property. (ii) Establishing a complete and up-to-date State land information system (private domain State land and public domain State land) based on systematic cadastral mapping of the whole country. (iii) Improving the existing registration of State private property through the standardization of their owners' designation.<sup>56</sup> (iv) Establishing an interinstitutional platform for classification, management, acquisition and disposal of private domain State land as well as a clear destination and protection of public domain State land. (v) Periodically updating valuation and monitoring the prices of State private properties. Pricing of State private properties should be carried out by special committees chaired by a judge. Additionally, improving procedures of State private

<sup>&</sup>lt;sup>55</sup> The recent promulgation of the Electronic Transactions and Personal Data Law Lo. 81 on 10 October 2018 should, from a legal viewpoint, pave the way for the full digitization of the cadastral records. Article 8 of the law provides that electronic official documents shall not produce any legal effects, until they are approved and regulated by a decree issued by the Council of Ministers based on the proposal of the Minister for Justice. The decree will regulate the special procedures relating to their issuance, scope and guarantees to the public.

<sup>&</sup>lt;sup>56</sup> Currently, there are only 70,000 properties of State private land registered with the State Property Department at the GDLRC.

properties' sale to obtain the highest possible price for properties that the State intends to sell.

- Enforcing the law to protect State land against encroachment and illegal occupation (e.g., the occupation of the maritime public domain is due to the weak enforcement of existing legislation).
- Harmonizing property valuation practices to improve available market information and equitability of property taxations. Specifically, reforming the current transaction (value) registration process (to the land registry) which leaves room for subjectivity and vulnerability to corruption and results in registration of land at a lower value than the market value.
- With respect to urban planning, there is no central body that plans, coordinates and oversees activities on the Lebanese landscape even though a national land-use master plan exists. The following, among others, is recommended to improve urban planning in the country:
  - Strengthen the institutional framework: building on the existing set-up of the key institutions involved in planning in Lebanon, namely the DGU, CDR, UoMs and OEA, to strengthen their institutional capacities and allow them to synchronize their efforts to better contribute to planning. Providing technical assistance to these institutions is important to make sure that they have the tools and capacities to channel planning efforts towards sustainable regional development. Improving the coordination between the key planning institutions in the country allows them to work closely together towards a common goal and thus allowing for more transparency, participation and consultation. In parallel to the intervention on the institutional level, legal implications should be identified and addressed.
  - Strengthen the Legislative framework: currently, urban planning rules are dispersed under many legislations, and responsibilities and duties of key urban planning, as determined by laws, are overlapping. Accordingly, a thorough review of existing planning legal frameworks is necessary to highlight key gaps in the legal system and to determine the required modifications on laws and regulations. The legal framework should be addressed in parallel to national consultations to address the laws that would impede the establishment and implementation of regional sustainable development. These steps would result in developing a plan of action, which clearly includes the proposed modifications (UN-Habitat, 2013).
- With respect to land governance and land policy:
  - Lebanon's system of land governance as it exists today leaves much to be desired. As can be seen from the previous chapters of this study, the subject of land governance in the country has multiple issues and challenges and the country needs considerable policy, and legal and institutional reforms as a matter of priority.
  - Creation of a platform for inter-institutional land policy dialogue.
  - Developing and applying measures for improved transparency and accountability in managing private and public land and holding public services accountable.

- Developing a strategy for linking strategic spatial planning with modern land administration and sustainable land management.
- Fostering evidence-based policymaking and effectiveness of public institutions by securing land data availability and access to information.
- Passing the draft law on administrative decentralization is key to the realization of full and efficient participation of local stakeholders in land administration and management. There are currently 1,108 municipalities in Lebanon, a very high number by any standard. Seventy-five per cent of them are members of 57 municipal federations that conduct joint projects of various municipalities. While they are, by law, granted a significant level of autonomy and a wide array of functions, municipalities are in reality hindered by conflicting legislative texts, the absence of a viable accountability mechanism, administrative and fiscal bottlenecks, and heavy central government control (DRI, 2017).
- Preventing land fragmentation caused by inheritance laws and the high transactional costs.
- Protecting agricultural lands, through better land-use planning, enacting efficient legislation against constructions' violations and enforcing existing legislation.
- Activating the role of the PPP in all functions of land management administration, especially regarding land development and towards resolving the issue of informal settlements.
- With respect to land-related disputes resolution:
  - The role of ADR mechanisms such as arbitration and mediation in resolving land disputes should be promoted and prioritized by legislation over the role of national courts.

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## ANNEXES

### Annex 1: Main Legal Framework Regarding Land and Property Administration and Management in Lebanon

	Annex <sup>57</sup> — Main Legal Framework Regarding Land and Property Administration and Management in Lebanon			
S/N.	Legislation Number	Legislation's name and reference	Summary of contents	
1	Decision No. 753 of 2 March 1921	Decision No. 753 of 2 March 1921 relating to <b>"Management and Monitoring of Islamic Waqf"</b> <sup>58</sup> .	This Decision is composed of 33 articles. It relates to the management and monitoring of Islamic waqf in Syria and Lebanon. The Decision established the Higher Council of Islamic Waqf and vested it with authority to revive Islamic waqf, develop it and improve its management.	
2	Decision of the High Commissioner No. 2192 of 21 September 1923	High Commissioner Decision No. 2192 of 21 September 1923 relating to <b>"Land and</b> <b>Property Acquisition by Moral Persons"</b> .	This Decision is composed of six articles. It regulates the corporate ownership of immovable property and determines its terms and conditions.	
3	Decision of the High Commissioner No. 144 of 1 June 1925	High Commissioner Decision No. 144 of 1 June 1925 relating to <b>"Public Properties"</b> .	This Decision is composed of 26 articles. It defines State-owned properties in the State of Greater Lebanon and Alawites State and decides it cannot be sold or acquired by adverse possession. It also lays down rules relating to its temporary occupancy by license. The State and municipalities can authorize temporary occupation of State public property, notably if such occupation was related to the undertaking of a project of public interest. The Decision fixed the duration of such authorization for one year in principle, with the possibility of renewal, provided that the occupant pays the relevant fees in advance, but the government may at any moment and for any reason reclaim the public property without paying any compensation.	
4	Decision of the High Commissioner No.	High Commissioner Decision No. 79 of 29 January 1926 relating to the <b>"Lease</b> <b>Contracts of Waqf"</b> .	This Decision is composed of six articles. It lays out rules pertaining to permissible lease of waqf land for a maximum duration of 99 years.	

<sup>&</sup>lt;sup>57</sup> Legislation list's order: oldest to newest. About 100 land legislations have been assessed but only 63 legislations are listed. Access to non-listed legislations is possible. <sup>58</sup> Classified under the category of "Decision" at the Lebanese University website: <u>http://legiliban.ul.edu.lb/LawView.aspx?opt=view&LawID=165959</u>

	79 of 29 January 1926		
5	Law No. 0 dated 30 December 1926	Law No. 0 of 30 December 1926 relating to the <b>"Lease"</b> .	This Law is composed of 12 articles. It regulates lease of property. It abolished, as of 1 January 1927, the jurisdiction of arbitration committees in lease disputes and refers all pending cases before them to Peace Courts. It also regulates terms and conditions for the restitution of leased properties by the landowner.
6	Decree No. 423 dated 8 September 1926	Decree No. 423 of 8 September 1926 relating to the <b>"Regulation of Land</b> <b>Offices"</b> .	This Decree is composed of 22 articles. It regulates the work of land offices and their jurisdictions. Land offices or Real estate departments include: (1) The ownership department, the RER Secretariat, the land registry department and the property registration offices in ancient Lebanon; (2) The State property department; and (3) The land surveying department. Land offices are managed by a registrar who is responsible before the Minister for Finance.
7	Decision of the High Commissioner No. 275 of 25 May 1926	High Commissioner Decision No. 275 of 25 May 1926 relating to the <b>"Management and Sale of the State</b> <b>Private Land"</b> .	This Decision is composed of 87 articles. It regulates management and sale of the State's immovable private property. The Decision defines the State private properties and relate their management to the State property department. The State private properties shall be registered in real estate registries. The Decision determines, among others, rules governing ways of selling State private property, rent of State-owned agricultural lands, grazing lands and sanctions for encroachment on State property. The Decree distinguishes between two main types of State private property: agricultural lands and state-owned properties located in cities. Agricultural lands can only be leased to farmers for agricultural purposes. Farmers may not sub-lease such lands without the prior authorization of the relevant administration, and in all cases such leases must be for agricultural purposes only. State-owned property located in cities, however, can be leased via a public auction or by mutual agreement with the eventual tenant if the public auction failed. (UNHCR and UN-Habitat, 2014).
8	Decision of the High Commissioner No. 171 of 10 March 1926	High Commissioner Decision No. 171 of 10 March 1926 relating to the <b>"Division</b> of Co-owned Property".	This Decision is composed of 12 articles. It considers co-ownership of registered or unregistered land (orchards and vineyards) and their repetitive division as bad for agriculture and are prohibited. The Decision lays out rules for mandatory division of land co-ownership through the survey committee.
9	Decision of the High Commissioner No.	High Commissioner Decision No. 188 of 15 March 1926 relating to the <b>"Law of the RER"</b> .	This Decision is composed of 102 articles. It is the most important legislation regulating the RER in Lebanon and Syria. It is also known as the "the Law of the RER". The Decision relates to the rules and organization of property registration, and the recording and cancellation

	188 of 15 March 1926		of real estate rights of individuals by the registrar. Public properties are not recorded in it unless they are encumbered or charged with third party's real estate rights. Likewise, the registration of any property is cancelled from the property registry when it becomes public property.
10	Decision of the High Commissioner No. 189 of 15 March 1926	Decision No. 189 of 15 March 1926 relating to the <b>"Executive Regulations of</b> <b>the RER Law"</b> .	This Decision is composed of 68 articles. It relates to the correct implementation of above- mentioned Decision No. 188 of 1926, "the Law of the RER".
11	Law No. 0 of 18 June 1929	Law No. 0 of 18 June 1929 relating to "Inheritance Between People of Different Nationalities".	This Law is composed of three articles. It regulates the inheritance of movable and immovable property between Lebanese citizens and foreign citizens based on the principle of reciprocity. The law also permits the inheritance of movable and immovable property in Lebanon between foreigners who are of different nationalities.
12	Decision of the High Commissioner No. 2576 of 24 May 1929	High Commissioner Decision No. 2576 of 24 May 1929 relating to the <b>"Optional</b> Demarcation of Unregistered Property or Property Located in Areas Not Yet Covered by the Land Registry".	This Decision is composed of 26 articles. It regulates the optional demarcation of unregistered lands by owners' initiative, in a special land registry, in accordance with the procedure defined in the Decision. The objective of this Decision is to protect the property of owners which were not registered yet in the land registry pursuant to the Decision No. 188 of 1926 and to facilitate landowners borrowing. Such optional delimitation of property has the same legal effects of mandatory delimitation.
13	Law No. 0 of 7 March 1929	Law No. 0 of 7 March 1929 relating to the <b>"Will for non-Muslims"</b> .	This Law is composed of seven articles. It regulates the permissible amount of the will for non-Muslim Lebanese, conditions of validity, revocation and registration.
14	Law No. 0 of 1 December 1929	Law No. 0 of 1 December 1929 relating to the " <b>Partition of Immovable Property"</b> .	This Law is composed of 15 articles. It regulates the mandatory partition of co-owned property even when there is an unlimited term co-ownership agreement between landowners. Each co-owner is entitled to request the partition of the co-owned property. The property's partition is done either through the division of the property between the co-owners when it is possible or through the property sale by public auction. Co-owners may, by agreement, delay the property's partition for 5 years and co-ownership is renewable.

15	Decision of the High Commissioner No. 3339 of 12 November 1930	High Commissioner Decision No. 3339 of 12 November 1930 relating to the <b>"Land</b> <b>Property Code"</b> .	This Decision is composed of 271 articles. The Decision is known as the Land Property Code or the Real Estate Property Law. It is the principal real property Code in Lebanon. It sets the legal procedures for the purchase of real property and defines real property categories. It regulates, among others, types of property and rights of property: right to ownership, right to dispose, right of surface, right of usufruct, joint beneficiaries of real rights; co- ownership rights, right of easement, right of mortgage, real privileges and securities, endowment (waqf), lease in perpetuity and long-term lease, promise to sell, and the right of registration in the RER.
16	Decree-Law No. 12 of 28 February 1930	Decree-Law No. 12 of 28 February 1930 relating to the <b>"Organization of Land</b> <b>Registration and Cadastral Offices"</b> .	This Decree-Law is composed of 33 articles. It regulates the work of land registration and cadastral offices and the registration or real property rights.
17	Decree-Law No. 3 of 31 January 1930	Decree-Law No. 3 of 31 January 1930 relating to <b>"Forests Conservation"</b> .	This Decree-Law is composed of four articles. It governs activities in designated forest lands and subject it to obtaining a special license from the MoA.
18	Decree-Law No. 45 of 13 October 1932	Decree-Law No. 45 of 13 October 1932 relating to <b>"Expropriation for Public</b> Interest".	This Decree-Law is composed of 50 articles. It sets rules for the expropriation, its procedure, compensation of landowners and rules and terms of temporary occupancy of properties.
19	Law No. 0 of 9 March 1932	Law No. 0 of 9 March 1932 also known as <b>"the CoC"</b> .	This Law is composed of 1,107 articles. The CoC is the Civil Law of Lebanon and is considered the general law that governs relations between individuals in all civil and commercial matters, for which no special private laws have been set forth by legislators. The CoC regulates matters like: the definition of rights, contractual and non-contractual obligations, the capacity of the physical person, the moral person, the definition of the real estate and rights that could be acquired over it, the basic rules governing contracts in general and the sale contract, in particular the gift, bankruptcy, lease rules, the loan rules, common rules on partnerships, certain labour relationship rules, the statute of limitations on certain rights, etc. The CoC also provides that the sale of land or any real right attached to it is effective only, even among the contracting parties, as of the date of registration of such sale in the RER.

20	Decision of the High Commissioner No. 166 of 7 November 1933	High Commissioner Decision No. 166 of 7 November 1933 relating to the <b>"Regulation of Antiquities"</b> .	This Decision is composed of 111 articles. It defines antiquities and decides that all immovable antiquities are considered State-owned property unless otherwise proven in accordance with the ordinary law. It also decides that State immovable antiquities are public property. The Decree lays down the rules for the protection of antiquities and their registration in a special registry as well as deregistration by a decree issued by the president based on the recommendation of the manager of Antiquities department.
21	Decision of the High Commissioner No. 253 of 8 November 1935	High Commissioner Decision No. 253 of 8 November 1935 relating to the <b>"Regulation of Stone Quarries"</b> .	This Decision is composed of 69 articles. It defines stone quarries and sets rules relating to investment of stone quarries located on State property, the use of explosives and overseeing stone quarries.
22	Decree No. 403 of 2 May 1936	Decree No. 403 of 2 May 1936 relating to the <b>"Regulation of the Forest</b> <b>Department"</b> .	This Decree is composed of 17 articles. The objective of the Decree is to protect forests through the appointment of guards under the supervision of the director of the forest department.
23	Decision of the High Commissioner No. 60 of 13 March 1936	High Commissioner Decision no. 60 of 13 March 1936 relating to the <b>"Regulation of</b> <b>Religious Communities in Lebanon and</b> <b>Syria"</b> .	This Decision is composed of 28 articles. It regulates religious communities in Lebanon and Syria and subject each of them to their special Personal Status Code. The Decision recognizes the moral personality of each of the recognized community and its ability to own movable and immovable property.
24	Decision of the High Commissioner No. 368 of 28 December 1940	High Commissioner Decision no. 368 of 28 December 1940 relating to the <b>"Extension of Rent Contracts &amp;</b> <b>Determination of the rent"</b> .	This Decision is composed of 10 articles. The Decision extended the term of rent contracts, at the same conditions, for 1 year until 31 December 1941.
25	Decree-Law No. 37 of 26 March 1940	Decree-Law No. 37 of 26 March 1940 relating to the <b>"Levy of Land Tax"</b> .	This Decree-Law is composed of 22 articles. It imposes a tax on all land and property save built property.
26	Decree-Law No. 121 of 19 November 1941	Decree-Law No. 121 of 19 November 1941 relating to <b>"Agricultural</b> <b>Cooperative Associations"</b> .	This Decree-Law is composed of 102 articles. It governs the setting up of agricultural cooperative associations to ensure agricultural land investment, ranching, purchase and sale of lands' products and credit.

27	Decree-Law No. 288 of 11 December 1942	Decree-Law No. 288 of 11 December 1942 relating to the <b>"Rental Law"</b> .	This Decree-Law is composed of 10 articles. The term of rent agreements was extended for 1 year until 31 December 1943. The rent was adjusted as per new rates specified in the Decree-Law. It also provided conditions of eviction of the tenant for multiple reasons, including retrieving property for demolition in sight of reconstruction.
28	Decree-Law no. 137 of 28 January 1942	Decree-Law No. 137 of 28 January 1942 relating to the <b>"Shura Council"</b> .	This Decree-Law is composed of 16 articles. It governs the composition of the Shura Council, its jurisdiction and appointment of its judges by a presidential decree.
29	Law No. 0 of 24 February 1948	Law No. 0 of 24 February 1948 relating to <b>"Druze Inheritance"</b> .	This Law is composed of one article only. It sets inheritance rules for the Druze community in Lebanon and excludes certain Druze inheritance rules from the application of the Hanafi rite, a Sunni Islamic school of jurisprudence ( <i>fiqh</i> ), as provided in Article 169 of the Druze Personal Status Code of 1948 as amended.
30	Law No. 0 of 7 January 1949	Law No. 0 of 7 January 1949 relating to the <b>"Forest Code"</b> .	This Law is composed of 151 articles. It regulates the management and protection of forests and administration of forest activities, including grazing, pruning, coppicing, thinning and charcoal production. Several amendments to Forest Law dealt with penalties on illegal operations and acts (Law No. 195 of 2000). Penalties are in the form of fines (between LBP 50,000 and LBP 2,000,000) and/or imprisonment (from three months to three years).
31	Law No. 0 of 7 May 1954	Law No. 0 of 7 May 1954 relating to the <b>"Rental Law"</b> .	This Law is composed of 18 articles. It extended the term of rent agreements for 1 year until 31 December 1954. The rent was not adjusted. For old buildings from before 1939, rent was decreased by 25 per cent for the year 1951, and 2 per cent for the later buildings, until 1949, on rents that had not been decreased yet. It also provided conditions for eviction of a tenant for multiple reasons, including retrieving property for demolition in sight of reconstruction.
32	Decree-Law No. 31 of 18 January 1955	Decree-Law No. 31 of 18 January 1955 relating to the <b>"Regulation of the MoA"</b> .	This Law is composed of five articles. It sets tasks of the MoA.
33	Decree-Law No. 18 of 13 January 1955	Decree-Law No. 0 of 13 January 1955 relating to <b>"Religious Casuistry and</b> Islamic Waqf".	This Law is composed of 86 articles. It regulates matters of casuistry and waqf of the Sunni Muslims in Lebanon.
34	Law No. 0 of 21 June 1956.	Law No. 0 of 21 June 1956 relating to <b>"Rental Law"</b> .	This Law is composed of 19 articles. It decided extension of rental agreements until 31 December 1958 in addition to the following:

			<ul> <li>For rent agreements made before 1941, rent increase of 15 per cent for the year 1956, 30 per cent for the year 1957 and 45 per cent for the year 1958.</li> <li>For agreements made during 1941, three-thirds of the above increase and on agreements between 1942 and 1943, half of the above increase, in the respective years.</li> <li>Rent decrease after a rent duration of 4 years, for agreements between 1943 and 1956, and rent decrease, if not decreased yet, of 25 per cent for buildings older than 1 January 1940, 20 per cent for buildings older than 1943 and 15 per cent for buildings older than 1956.</li> <li>It also provided conditions of eviction of the tenant for multiple reasons, including retrieving property for demolition in sight of reconstruction.</li> </ul>
35	Law No. 0 of 23 June 1959	Law No. 0 of 23 June 1959 relating to the "Regulation of Non-Muslims' Inheritance".	This Law is composed of 130 articles. It sets rules for the inheritance between non- Muslims and regulates wills.
36	Law No. 0 of 23 June 1959	Law No. 0 of 23 June 1959 relating to the "Regulation of Muslims' Inheritance Following the Promulgation of Regulation for Non-Muslims' Inheritance".	This Law is composed of 25 articles. It sets rules for the inheritance between Muslims and inheritance by wills.
37	Decree-Law No. 149 of 12 June 1959	Decree-Law No. 149 of 12 June 1959 relating to the <b>"Regulation of the State's</b> <b>Private Property Sale"</b> .	This Decree-Law is composed of two articles. It regulates the sale of the State's private property through public auction in accordance with rules of the General Accounting Law and based on experts' committee valuation.
38	Law no.10 of 25 March 1974.	Law No. 10 of 25 March 1974 relating to <b>"Rental Law"</b> .	This Law is composed of 25 articles. It decided increase of rents as follows: on rents made before 1943, increase of 10 per cent for 1974, 15 per cent for 1975, 20 per cent for 1976 and 25 per cent for 1977. On rents made between 1943 and 1953, increase of half the above in the respective years. For buildings made after 1967, on rents not exceeding LBP 6,000 in Beirut and LBP 4,000 outside of Beirut, increase made after 1974 was annulled and only applied 3 per cent to the rent of the said date. It also provided conditions for eviction of the tenant for multiple reasons, including retrieving property for demolition in sight of reconstruction.

39	Law executed by a Decree No. 10434 of 14 June 1975	Law executed by a Decree No. 10434 of 14 June 1975 relating to the <b>"Regulation of the Shura Council"</b> .	Law executed by a Decree No.10434 of 14 June 1975 is composed of 149 articles. It governs the Shura Council, rules applicable to its members, its jurisdiction in administrative, legislative and judicial matters, and the jurisdiction of administrative courts and legal procedure before the Shura Council.
40	Decree-Law No. 118 of 30 June 1977	Decree-Law No. 118 of 30 June 1977 relating to the <b>"Municipalities' Law"</b> .	This Decree-Law is composed of 140 articles. It regulates, among others, the following matters: municipalities' definition and creation, regulations of the municipal council members, work progress in the municipal council, municipal council's competence, executive authority, municipal finance, disciplinary and criminal proceedings.
41	Law No. 22 of 26 August 1983	Law No. 22 of 26 August 1983 relating to the <b>"Rental Law"</b> .	<ul> <li>This Law is composed of 41 articles. It decided the extension of all rent agreements concluded prior to its promulgation, until 31 December 1985. It also decided rent adjustment as follows: <ul> <li>Increase of 25–75 per cent, gradually from 1982–1985, on rents made before 1954.</li> <li>On rents made between 1954 and 1961, increase of 15–60 per cent over 4 years, from 1982 to 1985.</li> <li>On rents made between 1962 and 1966, increase of 40 per cent over 4 years, from 1982 to 1985.</li> <li>On rents made between 1967 and 1972, increase of 20 per cent over 4 years, from 1982 to 1985.</li> <li>Decrease of 15 per cent on rents made between 1 July 1975 and 31 December 1975; 20 per cent on rents made between 1 January 1976 and 31 December 1976; 25 per cent on rents made between 1 January 1977 and 31 December 1978 and 30 per cent on rents made from 1979 to 1983. No decrease if rent in 1975 is equal to fair market value.</li> </ul> </li> </ul>
42	Decree-Law No. 69 of 9 September 1983	Decree-Law No. 69 of 9 September 1983 relating to the <b>"Urban Planning Law"</b> .	This Decree-Law is composed of 45 articles. It sets up the HCUP, determines its functions and defines the process of issuing plans and regulations. It also regulates construction licenses, stone quarries and stone crackers.
43	Decree-Law No. 150 of 16 September 1983	Decree-Law No. 150 of 16 September 1983 relating to the <b>"Organization of the</b> Judiciary".	This Decree-Law is composed of 138 articles. It regulates the work of the judicial court system known as <i>kadaa' dli</i> which is composed of three court levels of general jurisdiction: the courts of first instance, the courts of appeal and the Cassation court. The courts of first instance are each divided into chambers composed of one presiding and two associate judges and chambers composed of only one presiding judge without associates. The courts of appeal are each divided into chambers of one presiding and two associates. The courts of appeal are each divided into chambers of one presiding and two associates. The courts of appeal are each divided into chambers of one presiding and two associate judges. The

			Cassation court is also divided into chambers of one presiding and two associate judges. The Decree-Law regulates, as well, discipline of judges, the judicial inspection department, and court's clerks (judicial assistants).
44	Decree-Law No. 90 of 16 September 1983	Decree-Law No. 90 of 16 September 1983 relating to the <b>"Code of Civil Procedure"</b> .	This Decree-Law is composed of 1,033 articles. It determines the rules applicable to litigation before civil courts in Lebanon, classification of lawsuits, tenure lawsuits, courts' jurisdiction, courts' representation, legal aid, enforcement of domestic and foreign judgments, legal review, arbitration (domestic and international) and attachment.
45	Law No. 20 of 19 June 1986	Law No. 20 of 19 June 1986 relating to "Endowments and Affairs of the Shiite Islamic Community".	This Law is composed of one article only. It provides that waqf of the Shia Islamic community is regulated by Law No. 67/72 of 19 December 1967 as amended which regulates affairs of the Shia community.
46	Law No. 62 of 12 August 1988	Law No. 60 of 12 August 1988 relating to the <b>"Municipal Fees and Surtaxes Law"</b> .	This Law is composed of 172 articles. It determines fees and surtaxes that municipalities collect directly and those that are collected for their account, as well as the rules for their realization and collection.
47	Law No. 0 of 1 January 1990	Law No. 0 of 1 January 1990 relating to the "Inheritance according to Ja'fari jurisprudence, Distribution of Inheritance among Shiites".	This Law is composed of 40 articles. It sets rules governing inheritance for Shia Muslim community in Lebanon.
48	Law No. 0 of 1 September 1990	Law No. 0 of 1 September 1990 relating to the <b>"Will for Non-Muslims"</b> .	This Law is composed of 34 articles. It regulates wills for non-Muslims and validity conditions.
49	Law No. 58 of 29 May 1991	Law No. 58 of 29 May 1991 relating to the <b>"Expropriation Law"</b> .	This Law is composed of 64 articles. It authorizes the expropriation of private property in the public interest but only after fair compensation has been made. The compensation is determined through an assessment by an independent judicial committee and is always a monetary award, comprising two components: (i) identification of damage or loss to improvements (buildings, trees, fences, etc.) and (ii) compensation for the value of the land. Expropriation under Lebanese law is considered final unless the public interest claim is itself challenged by the person directly affected.
50	Law No. 160 of 22 July 1992	Law No. 160 of 22 July 1992 relating to the <b>"Built Property Rental Law"</b> .	This Law is composed of 33 articles. It extended lease contracts of built property (residential and others) until 31 December 1995. It also decides different rates of rent increases depending on the date of rent agreements conclusion.
51	Law No. 216 of 2 April 1993	Law No. 216 of 2 April 1993 relating to the <b>"Establishment of the Environment Ministry"</b> .	This Law is composed of nine articles. It established the MoE in Lebanon to set laws and regulations regarding environmental issues such as deforestation and plant protection that had not previously existed. The preamble of this Law provides that the reasons for the

			setting up of the MoE is the decrease of forest space in Lebanon from 12 per cent to 5 per cent in few years only. Moreover, agricultural land and fertile plains space significantly decreased to cover 10 per cent only of Lebanon's total space.
52	Decree-Law No. 5246 dated 20 June 1994	Decree-Law No. 5246 of 20 June 1994 relating to the <b>"Organization of the MoA</b> and Identifying its Organogram and Recruitment Conditions in Some of its Positions and Salaries' Scale of the Technical staff".	This Decree-Law is composed of 133 articles. The Decree-Law regulates, among others, the organization of the MoA, its organogram, conditions for recruitment and salaries' scale of its technical staff.
53	Law No. 324 of 24 March 1994	Law No. 324 of 24 March 1994 relating to the <b>"Settlement of Construction Violations"</b> .	This Law is composed of 21 articles. For construction violations on State public property and third parties' land, the Law decides the mandatory demolition of construction violations. For construction violations on private property, it is possible to financially settle the violation, unless the landowner opts for the demolition and removal of the violation.
54	Law No. 558 of 24 July 1996	Law No. 558 of 24 July 1996 relating to the <b>"Forests Protection Law"</b> .	This Law is composed of 28 articles. It defines protected forests and their classification, sets up a department for the protection of forests and determines its powers and sanctions against violators.
55	Law No. 296 of 3 April 2001	Law No. 296 of 3 April 2001 relating to "Amending Certain Articles of the Law Implemented by a Decree No. 11614 of 01 April 1969 (Non-Lebanese Acquisition of Real Estate Rights in Lebanon)".	This Law is composed of three articles. The acquisition of real estate rights in Lebanon by foreigners, whether natural or moral persons, is regulated by Legislative Decree No. 11614 dated 4 January 1969. The Law has amended Decree No. 11614/1969 and decided the following rules for foreign acquisition of property in Lebanon: (a) The Law expressly allows foreign ownership by any one individual or entity of up to 3,000 m <sup>2</sup> of land in the aggregate (including built property) across the Lebanese territory. For the purposes of the Law, spouses and their minor descendants are considered as one individual. (b) Foreign acquisition of real property over and above 3,000 m <sup>2</sup> requires the grant of a license issued by a decree of the Council of Ministers upon the proposal of the MoF (the "License"). (c) An application for a License shall include a brief description of the purpose of the acquisition (e.g., personal use or project). (d) The Council of Ministers enjoys full discretionary power to accept or refuse an application for a License, the applicant should complete the purchase of the real property no later than one year; otherwise, the License shall become automatically cancelled. Moreover, a foreign individual who has been granted a License shall be required to erect a building on the acquired land no later

			than five years and a foreign entity which has been granted a License shall also be required to implement the project (in contemplation of which the License was granted) no later than five years. (f) Pursuant to Article 7 of the Law, no further License may be granted for foreign individual's acquisition of real property from a Lebanese individual or company when: 3 per cent of the total surface of the Lebanese territory has become owned by non- Lebanese individuals or entities (as defined by the Law); within the limits of a particular <i>caza</i> (a territorial district), 3 per cent of the total surface of the said <i>caza</i> has become owned by non-Lebanese individuals or entities; and within the limits of Beirut (the capital), 10 per cent of its total surface has become owned by non-Lebanese individuals or entities. (g) The Law provides for specific formulas to calculate the above percentages; which take into consideration the level of foreign shareholding in foreign companies owning real estate in Lebanon.
56	Law No. 444 of 29 July 2002	Law No. 444 of 29 July 2002 relating to the <b>"Environmental Protection Law"</b> .	This Law is composed of 68 articles. It regulates, among others, the protection of the environment, the setting up of the National Environment Council, financing of environmental protection, mechanisms for monitoring pollution and sanctions.
57	Decree No. 2366 of 20 June 2009	Decree No. 2366 of 20 June 2009 relating to the <b>"Comprehensive Plan for</b> Lebanese Territory Arrangement".	This Decree is composed of 12 articles. It defines the comprehensive plan for Lebanese territory arrangement and confirms that the plan is mandatory to all Lebanese ministries, public institutions and municipalities.
58	Law No. 0 of 9 May 2014	Law No. 0 of 9 May 2014 relating to the <b>"Rental Law"</b> .	This Law is composed of 58 articles. It introduced a major change to "old lease contracts" in built real property (i.e., lease contracts signed prior to 13 July 1992 as opposed to "new lease contracts" signed after 13 July 1992). The Law liberates old lease contracts, after a period of 9 or 12 years according to some terms. Meanwhile, the rents were increased to reach the fair market value, gradually, over 6 years. It also provided conditions for eviction of a tenant for multiple reasons, including retrieving property for demolition in sight of reconstruction. Regarding new lease contracts, Law No. 159 amending Article 543 of the CoC stipulates that the terms of new lease contracts are to be agreed on by the parties to the contract. Rent prices, however, may vary with every renewal. Nevertheless, the new contract provides security of tenure for the first three consecutive years of the contract. In fact, if any lease agreement between the parties has a duration of less than three years, the tenant is entitled to ask for an extension of the lease for a period of up to three consecutive years. (UNHCR and UN-Habitat, 2014).

59	Law No. 2 of 28 February 2017	Law No. 2 of 28 February 2017 relating to the <b>"Amendment to the Rental Law"</b> .	This Law is composed of 60 articles. It amended the previous Law of 9 May 2014, keeping the same mechanism of rent increase and eviction and retrieval of the property for demolition then reconstruction.
60	Law No. 48 of 7 September 2017	Law No. 48 of 7 September 2017 relating to the <b>"Regulation of PPP"</b> .	This Law is composed of 18 articles. The PPP Law regulates joint projects undertaken by the State, public institutions and other public entities under the supervision of the High Council for Privatization and PPP. Municipalities and their unions are not allowed to subject their projects to this Law.
61	Law No. 82 of 10 October 2018	Law No. 82 of 10 October 2018 relating to the <b>"Judicial Mediation Law"</b> .	This Law is composed of 25 articles. It regulates mediation as an ADR mechanism to reduce courts' workload. The Judicial Mediation Law provides for the referral of the dispute by the court to mediation, with the agreement of the parties, after the filing of the lawsuit and that the court's decision to refer the case to mediation is not open for appeal.
62	Law No. 77 of 13 April 2018	Law No. 77 of 13 April 2018 relating to the <b>"Water Law"</b> .	This Law is composed of 112 articles. Its objective is to regulate, develop, rationalize the exploitation of water resources and protect them from depletion and pollution. The Law also governs the rights of water users and the legal status of water and provides for the creation of a water registry in the MoEW to register rights acquired over water. It also provides for the creation of a national body chaired by the Prime Minister and the membership of the Minister for Energy and Water to be in charge of the organization and the management of water resources.
63	Law No. 139 of 9 July 2019	Law No. 239 of 9 July 2019 relating to "Settlement of Construction Violations".	This Law is composed of 22 articles. Its objective was to settle building violations on private property only occurring in the period between 13 September 1971 and 31 December 2018.

For more information please contact us:

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