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To all MEPs signatory to the letter about the current situation in Lebanon

Honourable Members of the European Parliament,

Thank you for your letter of 13 May 2020 regarding the current situation in Lebanon.

Recent developments in Lebanon deserve our attention and engagement as the economic and financial crisis in the country, which became increasingly apparent at the end of last year, is now compounded by the COVID-19 pandemic.

Let me recall that the EU and Lebanon enjoy a strong partnership based on the Association Agreement and the Partnership Priorities 2016-2020¹. Our common goal is the development of Lebanon into a stable, democratic and prosperous country. Our partnership is underpinned by our financial assistance, which is worth EUR 2 billion since 2011, including EUR 1.6 billion in response to the Syrian crisis. The EU has been supporting reforms in Lebanon in a number of areas such as socio-economic development, good governance, social protection, environment and security, and will continue doing so.

We have been monitoring events in Lebanon very closely, especially since protests erupted in October last year, and have often expressed the EU views on the developments publicly. Recently, the 13 May 2020 statement of the International Support Group to Lebanon (ISG), of which the EU is a member, encouraged the Lebanese Government and Parliament to work together in creating the necessary conditions for timely implementation of the needed structural reforms and to ensure full transparency and accountability.

I spoke to Foreign Minister Nassif Hitti on 23 March, and discussed the regional impact of the coronavirus outbreak, the current economic and financial situation in Lebanon and how the EU can support in response to the crisis.² The European Commission's Executive Vice-President for an Economy that Works for People, Valdis Dombrovskis, also held a call with Foreign Minister Hitti on 30 March.

¹ Decision No 1/2016 of the EU-Lebanon Association Council agreeing on EU-Lebanon Partnership Priorities, 11 November 2016: <https://www.consilium.europa.eu/en/press/press-releases/2016/11/15/eu-lebanon-partnership/>

² HR/VP phone call with the Foreign Minister Hitti of 23 March 2020: https://eeas.europa.eu/delegations/lebanon/76384/lebanon-high-representative-josep-borrell-spoke-minister-foreign-affairs-nassif-hitti_en

The European Union is already engaged in helping Lebanon address the double challenge of the country's economic crisis and the COVID-19 pandemic. Under the European Neighbourhood Instrument (ENI), the annual bilateral envelope for 2020 for Lebanon is foreseen to be worth EUR 47 million. Under the EU Trust Fund in Response to the Syrian Crisis (EUTF), total funding for Lebanon as adopted at the December 2019 and March 2020 Boards meetings amounts to EUR 358 million to support both Syrian refugees and vulnerable Lebanese in the crucial sectors of health and sanitation, social protection and education, among others. Moreover, the EU will increase its support to SMEs, the backbone of the Lebanese economy, by providing liquidity and credit lines, and will allocate an amount of EUR 25 million to expand the existing EBRD Trade Financing Facility for Lebanon, with the specific intention of financing imports of essential goods such as medicines and medical equipment. An ongoing EUR 1.9 million facility is providing technical assistance to modernise the private sector and boost the economy. The EU humanitarian assistance allocation for 2020 amounts to EUR 50 million, plus an additional EUR 1 million from the Emergency Aid Reserve.

Specifically on the COVID-19 response, ongoing³ projects funded by the EUTF in the health, water, sanitation and hygiene sectors are being adapted to address the crisis with purchase of protective equipment, training of staff on infection prevention and control, and provision of equipment to public hospitals. EUTF supports interventions implemented by UN agencies such as UNICEF, World Food Programme, and World Health Organization but also by international NGOs and the Lebanese Red Cross to ensure that crucial services are timely delivered to Syrian and Palestinian refugees and to the most vulnerable part of the Lebanese population. In addition, new substantial projects tackling directly the sanitary crisis are currently being planned.

Regarding the EU support to combating corruption in Lebanon, the EU provides assistance to simplify procedures and increase transparency and accountability in the Lebanese public administration. In addition, the EU has launched a EUR 2.5 million programme in 2019 to promote transparency and combat corruption at national level, and supports the implementation of the National Anti-Corruption Strategy; further support will be provided in 2020.

With regard to our support to human rights protection, the EU is a major donor in Lebanon and promotes a rights-based approach to cooperation efforts. In 2019, a portfolio of 22 human rights related projects has been implemented by local civil society organizations and UN agencies for an overall value of EUR 25 million. The projects focused on human rights and democracy needs related to children's and prisoners' rights, access to justice, the right to vote, freedom of expression, women's and youth' rights and empowerment as well as inter-cultural and religious dialogue.

At the 2018 Economic Conference for Development through Reforms, with the Private Sector (CEDRE), the EU pledged through its External Investment Plan up to EUR 150 million in grants and loans that could be used to generate further concessional lending for investment in Lebanon over the next years. Unlocking those funds is however conditional upon implementation of the necessary structural reforms, putting into place a Follow-up Mechanism and a prioritisation of relevant projects by the Lebanese Government.

³ Programmes adopted by the December 2019 and March 2020 EUTF Board.

Finally, you might be aware that the Government of Lebanon has formally requested financial assistance from the International Monetary Fund (IMF). Negotiations between the IMF and the Lebanese Government have recently begun. The EU can provide Macro-Financial Assistance (MFA) as a form of financial aid extended to our partner countries experiencing a balance of payment crisis. It is only available to countries benefitting from a disbursing IMF programme and meeting political preconditions. If Lebanon were to enter into such a programme with the IMF, it could also request MFA from the European Union. EU MFA is subject to the approval of the European Parliament and the Council.

The EEAS, in coordination with the European Commission and the EU Member States, will continue to work with the Lebanese authorities and the Lebanese people.

Yours faithfully,



Josep Borrell Fontelles