

Address by Prime Minister Hassan Diab to the Lebanese

Beirut - Grand Serail - April 16, 2020

Good evening,

Since I believe in a just State.

A State where there is no place for personal and factional score-setting.

A State where the logic of institutions prevails and the independence of the responsible judiciary is strengthened.

I have signed today the Decree of judicial appointments of judicial magistrates.

Since I believe in the State that grants people their rights and requires them to fulfil their duties.

The state that respects competency.

The State where the rule of law prevails... the State that fulfils its obligations to the public.

I have also signed today the notaries' appointment decree, in fulfilment of their long-awaited right after nearly a year and a half.

I have also signed the trained treasurers' appointment decree for the Ministry of Telecommunications staff.

I have signed as well the trained forest guards and fishermen' appointment decree in the Ministry of Agriculture staff.

I have also asked the Director General of the Presidency of the Council of Ministers to enlist the item relevant to the appointment of successful candidates having sat for the Civil Service Council exams, to fill the position of associate inspector at the General Educational Inspectorate of the Central Inspection Department.

In addition, I will be successively signing appointment decrees relevant to various Civil Service Council exams that do not incur additional payroll expenses for the State.

This decision stems from the faithful adherence to my convictions explicitly declared since day one, that the State's logic shall prevail, since the State preserves people's rights and protects its nationals, regardless of sectarian or factional affiliations.

I will pursue this course of action to do justice to other Lebanese youth who have been waiting for many months, taking into account the State's financial situation.

But all of this does not relieve the State from its responsibility to create job opportunities for Lebanese youth who have been suffering abroad after reaching a desperate situation internally, with job opportunities turning into a lost treasure.

Therefore, we must focus on how to create job opportunities for those young people, so that the country does not lose their competencies, and so that frustration does not become a push factor for migration that offers no more incentives but the quest for a decent life. I do not know if migration is still appealing in light of the global lockdown aiming at combating the epidemiological invasion.

Dear fellow Lebanese,

As the pandemic threat sweeps across the globe, we are faced with increased social and financial pressures, imposing its own tone on our everyday life, controlling our lifestyle and confining us to our homes.

However, this seems easy compared to the real risk of losing our loved ones, including parents, children and friends.

The equation here requires no explanation and tolerates no further diligence:

Either we sacrifice some of our freedom by observing the measures and actions taken by the government, or we lose ourselves and the people we love.

I assure you that protecting you is our top priority, in order to protect our society from the devastating spread of the Coronavirus, and we are focusing all our efforts on saving lives.

Most infected people are either asymptomatic or reporting mild symptoms; that is what makes the virus so dangerous.

From the outset, we have built our strategy on combating the virus swiftly and decisively. Measures taken aimed at controlling this health crisis, and our efforts focused on containing and slowing the spread of the virus so as to prepare our healthcare system in Lebanon and increase its absorptive capacity and its ability to respond to the needs of citizens.

Lebanon has done much better than many other countries, despite its very limited financial capacity.

Indications show that we have been able to contain the spread of the disease so far, but we are still in the eye of the storm.

We have repeatedly stressed, on a regular basis, on the necessity to stay home, and we have imposed the most stringent social distancing measures in the history of Lebanon. Today, I urge you to have patience, because the exceptional resilience of the Lebanese people constitutes the main pillar of our success.

Unfortunately, such measures will have significant economic costs; thus, we have started discussing a plan for restarting our economic and gradually easing the lockdown; however, I assure you that we will not rush things at the expense of your health.

The Lebanese have demonstrated a strong commitment, and we have managed, together, to curb, as far as possible, the rapid spread of this epidemic. As for the government, we do not see it

as an achievement but rather a duty towards the people, providing them with the most basic protection and hospitalization rights.

Of course, we did not forget the Lebanese expatriates; we have arranged for their safe return, while preserving the safety of their families and of Lebanese communities. We have also taken all logistical, medical and security measures for their safe repatriation. We are currently assessing the first repatriation phase, with the second phase resuming on the 27th of this month.

1.3 percent of the 2 656 Lebanese who were repatriated tested positive for Covid-19, and out of the 16 000 tests conducted in Lebanon, the proportion of confirmed cases has reached 4.5 percent.

This epidemic has hit global economies around the world. In Lebanon, the decades-old economic, financial and social crises have worsened and made the situation more difficult and critical.

As a result, the government put in place lists of families most in need of emergency aid. Despite limited capabilities and some errors in the lists, we are seeking to complete them hastily for aid distribution to begin in the coming days.

Today, I am announcing a social stimulus and security plan worth 1,200 billion Lebanese pounds, which will be disbursed to cover the cost of the additional burden generated by the Coronavirus epidemic, help daily-workers in the public sector, support the health sector and farmers, and give small industrial enterprises subsidized loans to stimulate the national industry.

Dear fellow Lebanese,

Today, we can confirm that the government has taken the realistic decision to suspend Eurobonds payment, not because it did not honour its obligations, but because, as I said when the first instalment was due for this year, we will not pay external creditors whilst the Lebanese cannot get their money from their

bank accounts, nor let our hospitals run out of medical, food and fuel supplies.

Dear Lebanese,

As the government promised in its ministerial statement, we have put together a financial rescue plan. The document that has been circulated in the media is only a draft under discussion. We are working with you. We hear you and your comments matter to us. For that reason, we have launched a wide discussion in cooperation between the Ministry of Information and other relevant ministries to listen to specialists from civilian, economic, trade union and educational bodies.

Losses have occurred, and we have worked to identify the root causes of the illness, determine its scale and depth and seek to reach the most appropriate solution.

All proposed solutions are on the table, and we will be taking into account the interests of the Lebanese and depositors first, in order to relieve people who are bearing today the price for the wrong decisions, indebtedness and financial engineering of the past.

Let me be clear: the situation is difficult and complex, but people's livelihoods have their own peculiarity and immunity, and no one has the right to touch their money.

Therefore, we must work as a team, not only the government, but all State actors as well, including the Central Bank of Lebanon and banks, to preserve the interests of the Lebanese.

By the way, as a prelude to maintaining international confidence in Lebanon and restoring hope for its people, the Ministry of Finance has embarked on a communication process with the International Monetary Fund from which we have heard positive feedback on the draft financial plan, taking into account, first and foremost, the best interest of the Lebanese in order to receive international support.

We have presented our first draft of the financial recovery plan to the Cabinet on April 6, 2020 for open discussion. The initial plan outlines the following objectives:

First, we presented this initial plan 1 month earlier than promised by the cabinet's statement on February 11, 2020. This plan is now open for discussion within the Cabinet and with various economic and financial experts across the country.

Second, this is a first stage plan that presents a series of fiscal measures aimed at turning the budget deficit into a surplus and drastically reducing the government's debt, which over the years has reached an unsustainable level of 176 percent of our GDP.

Third, the plan outlines the losses that have already accumulated in Lebanon's financial system for the first time in Lebanon's history. We present these figures in the name of full transparency, which is a main feature of this cabinet, and to provide the Lebanese people with a complete picture of our financial affairs and why we should unite as one people and work together to overcome the financial difficulties that have accumulated over the years.

Fourth, we continue to work on ways to alleviate the burden of these accumulated legacy costs and losses on all depositors, particularly medium and small depositors; and we will provide a defined outline of how we can achieve that over the coming weeks. Here, I stand by my promise that no less than 90 percent, and I repeat, no less than 90 percent of depositors will see no impact on their deposits. However, in light of thorough studies and February 2020 figures, I can announce today that 98 percent of the depositors will not be affected.

Fifth, we remain focused on flagging and repatriating the stolen assets and monies and holding those who perpetrated this injustice at the expense of the Lebanese accountable. I have personally requested that the investigation and audit go back to several months before the October 17 uprising. Such monies will

be placed in a special fund that will be used in a fair and transparent way to compensate the Lebanese who have been slighted by this injustice.

In terms of injustice, the reaction toward the draft financial reform plan has revealed that some deal with things on the basis of the "flying goat" principle. This means that some are acting against a backdrop of personal interests, unleashing political, class, sectarian or partisan feuds against an enemy that does not exist.

From the outset, I have distanced myself from political debates, because the deep, inherited and emerging crises require a great effort to deal with its repercussions. Also, I will not be induced into uncovered fictional battles that use crooked smoke bombs that no longer conceal the desire of some parties to pursue their course of feuds, nepotism, and personal and banking interests.

We badly need to increase national mobilization and restore the logic of the State that is above all considerations.

Nothing equals the State for me. It is irreplaceable, indivisible, and allows no various interpretations.

The state is all umbrella for everyone. The Lebanese people have an overwhelming desire to see the State regain its role, place and position in their lives and daily life. The State has proven that it possesses the capabilities, and that the Lebanese have regained their confidence in their State after being shattered by conflicting interests until it lost its authority in favor of the scattered interests that exhausted the State's resilience.

Dear fellow Lebanese,

I can assertively say that your confidence in the State provides you with immunity, that the State's authority protects us all, and that the country needs, today more than ever, to silence hatred,

bury personal interests, nurture citizenship, foster belonging and stimulate solidarity.

Today, Lebanon needs all those who believe in it as a homeland for all of us and as a country tailored to our collective needs.

Dear fellow Lebanese,

Lebanon is stronger with you. Thanks to your efforts, Lebanon is capable of overcoming deep crises, because the structure of the state is built on the pillars of belonging, honesty, transparency, cooperation, dedication, selflessness and abolition of partisan interests ... I am confident that the State will rise stronger, owing to your decisions and efforts, and to the rejection of political and economic cacophony.

Long Live Lebanon!