Statement

of

The President of the Council of

Ministers of Lebanon

H.E. Dr. Hassan Diab

The IVth Brussels Conference

on

"Supporting the Future of Syria

and the Region"

June 30, 2020 (Virtual Format) Distinguished co-chairs of the IVth Brussels conference Mr. Josep Borrel Fontelles, Mr. Mark Lowcock,

Excellencies, Ladies and Gentlemen,

I am delighted to participate in the IVth Brussels Conference. The invitation is particularly important as it emanates from the European Union and the United Nations Organization, two leading World Bodies that demonstrate outstanding commitment to alleviate the distress of peoples and strive to bring about peace, security, stability and livelihood to countries which continue to suffer from the scourge of wars and crises. As I thank the organizers for extending the invitation to Lebanon, I would like to assure you of Lebanon's determination to further our cooperation with all of you to mitigate the plight of the Syrian displaced and refugees and to strengthen the capacities of their Host Countries.

Mr. Chair,

The Brussels conference convenes at a time of upheaval and tensions in international relations, not least the lack of a political solution to the Syrian conflict and the outbreak of Covid-19 pandemic. "It is a common enemy which attacks all relentlessly" including "the most vulnerable and the displaced" as highlighted in the "UN Secretary General's Appeal for Global Ceasefire. The impact of Covid-19 pandemic did not spare Lebanon. Yet, due to the Government effective and timely measures, Lebanon has been listed early on during the pandemic among the first 15 countries that have won over the virus.

Mr. Chair,

As you know, Lebanon hosts the highest number of refugees and displaced persons per capita in the world. The cost of the Syrian displacement in Lebanon exceeded 20 billion dollars according to the Lebanese Ministry of Finance in 2015. It is estimated that the number exceeds at present 40 billion dollars. I wonder about the ability of countries to withstand such constrains had they faced concurrently many challenges like Lebanon. It is indeed a heavy legacy and a monumental task for a relatively new government that distanced itself from narrow sectarian and political considerations to save a country, floundering in socio-economic and financial crises. The latter problems turned its citizens into vulnerable communities which account for a high percentage of the Lebanese population while almost 30% live under the extreme poverty line.

Moreover, 55 percent of the Syrian displaced in Lebanon live under the extreme poverty line according to UNHCR.

From the beginning, the Government trajectory was set to redress the economy and address protracted problems through reforms by applying the rules of Law, of sound governance, transparency and accountability. Two main decisions illustrate the Government's approach:

- 1- The adoption on April 30, 2020 of a recovery plan aimed at resolving deep-seated macro-economic, financial and institutional problems, restoring confidence, boosting economic growth, promoting a healthy financial system and achieving debt and financial sustainability.
- 2- The official launching of the negotiations with IMF on May 13, 2020 to develop a comprehensive program of assistance to Lebanon.

Urgent financial and technical support remain however mostly needed to ease the impact of adjustment on the population and more specifically on the most vulnerable Lebanese and displaced Syrians for the following reasons:

1-Lebanon's real GDP has contracted by 7% in 2019 and is expected to decline by over 13% year-over-year in 2020 which will raise the percentage of the debt to GDP ratio. Furthermore, "Lebanon's debt – to–GDP ratio in 2019 – before the outbreak of the pandemic would have been 23 percentage points lower than the actual one", as elaborated in the World Bank report "the Fallout of War" in Syria.

- 2- Due to the economic crisis in Lebanon and Covid-19 outbreak, the Lebanese and non-Lebanese became united in poverty instead of sharing the blessings of welfare and decent living.
- 3- The lockdowns due to Covid-19 pandemic have exacerbated the economic crisis, led to the closure of many institutions, factories and the dismissal of their workers while employment opportunities became a scarcity. It is feared that tension between the Syrian refugees and the Lebanese host communities and even within the same communities would increase due to the economic downturn.

- 4- Public schools are overcrowded, as the number of Syrian students has nearly reached half of the Lebanese, at a time when many schools need to be urgently rehabilitated and maintained. Moreover, the pressure on public schools is expected to grow as more parents enroll their children in public school due to financial hardship.
- 5- Given the dire economic conditions more Lebanese as the Syrian displaced resort to public health services, widening, thereby, the financial gap in the health sector.
 - 6- Substantial increase on demands for subsidized flour, bread, electricity and fuel oil are other consequences of the Syrian displacement in addition to compounding environmental problems. There is no doubt that investing in the environment and in other sectors such as rural development and agriculture will enable many vulnerable Lebanese and Syrians to meet their needs and sustain their families.

Mr. Chair,

As we face an unprecedented and acute multifaceted crisis, we are fully aware that the primary responsibility of recovery rests on Lebanese themselves. Nevertheless, preserving international peace and security, against the backdrop of ongoing turmoil in the region and the creation of a growth-enabling environment, is a shared global responsibility.

Therefore, I call on the United Nations, the European Union and friendly Nations to shield Lebanon from the negative repercussions of any sanction that may be imposed on Syrians, particularly in the context of Caesar Act and to ensure that these repercussions do not disrupt our foreign commercial and economic activities, thus jeopardizing our ongoing efforts to get out of the present crisis that the country is in.

Furthermore, it is worth noting that "economic ... trajectories of the Machreq Countries [are] intertwined [and] future developments in Syria will continue to affect other Machreq economies" according to the findings of the recent World Bank report titled "The Fallout of War" in Syria. To conclude, while the Government of Lebanon reaffirms its commitment to and solidarity with the people displaced by the war in Syria, it wishes also to reiterate that the durable solution for the displaced Syrians lies in their safe, dignified and non-coercive return to Syria in accordance with International Law and the principle of non-refoulement. The latter return should not wait for the political settlement of the Syrian conflict.

Finally, allow me to express my deep appreciation to donor countries, international and regional organizations, funds and civil society for their pioneering partnership to assist the Syrian displaced and refugees and for their indefatigable efforts to enhance the sustainability of the Host Countries, including Lebanon.

In echoing late U.N. Secretary General Dag Hammarskjold, I hope we come closer to such a day when "their joy is great, and their sorrow is small".

Thank you.