

Address by His Excellency Prime Minister Hassan Diab

**Speech marking 100 days since Government confidence
vote- Grand Serail - May 21, 2020**

Dear Fellow Lebanese,

One hundred days ago, the ship was riding up on high waves, with water infiltrating it through numerous and significant holes. Empty fuel tanks; powerless engines; command room door taken apart; broken compass. The ship was sinking fast and rescue boats were missing or unseaworthy.

One hundred days ago ,we had no choice but to take command of the ship. A bunch of adventurers stood on the top deck in front of scared and worried eyes and told passengers on board: let us try to rescue the ship.

The adventurers hastily rushed towards the command room and every one of them started plugging holes and fixing faults... they have built a sail with their bodies and with a steady hand on the rudder ... the ship began the journey.

One hundred days ago, we were searching for a horizon amid fogs and storms, and we were trying to cushion waves so that the ship won't go down.

Since we took the reins of government, the country has been plunging at record speed. Could any government have stopped this dramatic collapse?

Would it be possible for those who have caused the collapse and then left it the moment it plunged to stop the downfall?

Let us put aside the inventory account of the government's work over the first 100 days since confidence vote and let us be quite open and clear, with the maximum degree of honesty, transparency and realism.

When the Lebanese took to the streets on October 17, it was an opportunity for the beginning of a historic turn in Lebanon. That uprising- revolution was about to achieve the Lebanese people's desired aim of building a real state that would throw away the corrupt system and establish the rule of law.

Revolution has opened a large hole in the wall of antagonism as well as sectarian, denominational and political interests and line-ups. Thus, the current government has been formed, has decided to take up the challenges and has developed an ambitious, realistic and objective action plan.

We have quickly found out that the state treasury was empty, and that arrogance used to prevent the ruling power from telling the truth to the people. We have dealt with the truth in a realistic way and we were not reluctant in declaring our incapacity to pay Lebanon's maturing Eurobonds.

Only ten days after the confidence , vote, on the eve of the difficult historic decision of debt and interest payment suspension, and as we were trying to carefully manage risks related to such decision, Coronavirus cyclone hit our ship, tried to deflect it, imposed itself as a priority in fighting challenges and topped our everyday life. However, we were not discouraged nor frustrated and we moved with our action plan.

Our bold decision and sound choice have saved the country. If we had paid 2020 Eurobonds worth 4.6 billion dollars, our already weak financial capabilities would have become vulnerable and unable to cope with financial, health and social implications of Coronavirus epidemic.

Dealing with the epidemic attack has drained our efforts, time and capabilities.

It is up to the people to assess the Cabinet's performance and to the world which was amazed by our achievement.

Nevertheless, the scale of the problems in the country and the accumulation of crises extend well beyond any government's ability to control, especially in light of the international confusion and states' self-imposed isolation. This has kept the government from implementing a plan to seek different forms of financial support with a view to easing the stifling financial crisis hitting the country and from launching a rescue plan.

What have we achieved and what have we failed to achieve?

In our ministerial statement, we committed to a 100-day plan since confidence vote. Despite the suspension of all timelines in Lebanon, we did not suspend our timeline.

Let us review our commitment to this timeline.

We have launched a workshop to implement Lebanon's commitment to the CEDRE Conference recommendations. The workshop was attended by ambassadors of relevant countries, who have felt our seriousness in implementing these commitments. Today, we are on the right path towards operationalization of the CEDRE Conference decisions, so that Lebanon can quickly benefit from the financial rescue plan launched by the government, in parallel with the negotiations that were launched with the International Monetary Fund to assist Lebanon, based on the government's financial reform plan.

I have started from the last achievements, because what has been achieved in the last two weeks constitutes the starting point for the advancement path.

The government's plan is a solid ground we can build on to restore Lebanon's financial and economic infrastructure. The plan will be complemented, within days, with an integrated economic plan for various sectors, so as to finalize the first of its kind financial economic plan for Lebanon. The plan is based on studies and objective understanding of the reality; it sets a clear and developable vision for harnessing Lebanon's capabilities in

the process of economic and financial recovery by investing in human and natural resources .We are committed to a free economic system, and we are determined to shift our economy from a rentier one into a productive one.

Today I can confidently announce that the government has fixed the railroad and is in the process of putting the train on track, with the siren announcing the start of the rescue journey.

I can announce today as well that the government has accomplished 97% of its pledges set in the ministerial statement for the first 100 days and about 20% of its pledges included in the one-year plan.

I can declare today that the government has asked the ministries to reduce operational costs by 15 to 20%. This will lead to a reduction in public expenditure by 4 to 5% in 2020 budget, despite the fact that the budget is already austere.

Despite the Coronavirus global outbreak, the danger it poses to Lebanon and its constant threat to people's lives, our work on various tracks has not stopped.

We have succeeded so far in securing the maximum protection for Lebanese people in the face of Coronavirus epidemic, while the world was falling apart due to the virus outbreak which superpowers failed to withstand, despite their huge capabilities. We hope to overcome this sensitive phase with minimal

infections, especially as reported images from the streets are not encouraging.

The Coronavirus epidemic has forced us to freeze our strained economy and has generated difficult social and financial repercussions. Nevertheless, we have strived to contain some of these repercussions on the neediest families and we will continue to distribute social aid to those families. It is worth mentioning about a million Lebanese will directly benefit from such assistance, in addition to other aid being distributed through municipalities, associations and institutions, which raise the number of beneficiaries to about two million Lebanese.

As for the achievements, I can name few:

Launching the audit of the central bank's budget for the first time in Lebanon's history.

Inviting donors to identify and recover the looted funds.

Approving the national anti-corruption strategy, and adopting instant and immediate measures to fight corruption and recover the proceeds of corruption.

Requesting investigations into the funds that were transferred abroad before and after October 17, 2019 .

Drafting a bill aimed at lifting bank secrecy.

Taking back management and operation of the mobile phone sector and preparing a global tender.

Finalizing laws related to the independence and organization of the judiciary.

Establishing a general penal policy by excluding pre-trial detention, except when necessary.

Beginning negotiations to subcontract natural gas importation via floating storage regasification units (FSRU).

Ending the first stage of gas exploration in Lebanese waters and preparing for the second stage .

Preparing a draft law aiming at opening an additional credit line worth / 1200 / billion Lebanese pounds in the 2020 general budget, allocated to addressing emerging situations caused by the epidemic.

Dear Fellow Lebanese,

I am fully aware that much is required, that conditions are very difficult, that you have been suffering for too long and that you

have reached a point of despair regarding a possible reform that fulfils your dreams of a country where people are respected.

Our problem in Lebanon is that the authority, any authority, views the Lebanese as being bound with it, as it is considered indispensable.

The bigger problem is that human-beings are undervalued in Lebanon; in fact, the authority that is appropriating the state, its institutions and capabilities, protects itself first, before considering protecting human-beings in Lebanon.

Examples abound, but the result is the same: the Lebanese citizen feels exiled, even at home.

The first priority of this government is to restore the relationship between the state and the citizen .The state here is not an authority, but it is the guardian of its people, it protects them, keeps them safe from harm, grants them their rights and claims its rights, and provides them with the services they need.

The trust relationship between the citizen and the state cannot be set right if the state takes and does not give .The state collects fees and taxes, but what has it offered people? No electricity ! Contaminated water! Dirty streets! No free hospitalization ! Corruption in administration ! Corruption in politics ! Waste of public funds! Failed projects! Obscene brokerages! Impassable roads! Prohibitively high prices! Criminal manipulation of the Lebanese Pound!

Aren't these facts ? Isn't this enumeration enough to show the bad relationship between the state and citizens?

We want to change this relationship .We are making great efforts to this end . However, we are facing many obstacles, walls and defences, and minds are petrified . Nonetheless, we will continue to work, and we need the support of people to be able to change the state's stereotype.

We believe that the state, any state, can only be stabilized if its citizens feel safe. Unfortunately, the state did not provide its citizens with safety. But I assure you, with confidence, that there is great hope for achieving this transformation that makes people partners in building the state where human valued is respected, where citizens enjoy stability that reassures them of their present and the future of their children.

Dear Fellow Lebanese,

Half of the people are enemies of the ruler... that is if he upholds justice.

This government came from outside the box in terms of usual cabinet formation course in Lebanon .Therefore, the success of this government will mark the beginning of the shift in the paradigm of governance and power, as well as the adjustment of

the existing imbalance in the relationship between the state and its citizens.

We know that some are seeking to thwart the government, whether for political or personal interests, but we are determined to continue to offer a model in performance and work, despite the many difficulties we are face.

Some will ask: What did this government do ?What has it done to ease the crisis?

We know that some are trying to spread that the government makes unfulfilled promises.

But the truth is different. In just 100 days, we have accomplished many things and have addressed many challenges, boldly, openly and transparently. We have nothing to hide, we do not thrive on showing off and we do not want to be distracted by sterile political battles. Speak less, work more is our motto, because we realize that the Lebanese do not trust words anymore and are tired of delusional verbal fights that try to stir fanaticism to serve personal or political interests.

We want to mobilize one fanaticism, which is fanatical patriotism.

The interest of the government and the interests of the Lebanese lie in reconfiguring the relationship between the state and the people.

We want the state, only the state, with its inclusive institutions, strong foundations, solid structure, and its cap that protects all citizens.

Dear Fellow Lebanese,

We have no choice but to unite and endure difficulties, because this spirit is will fuel momentum to cross the tunnel as quickly as possible.

We have crossed the first stage and we might face additional difficulties, but glimmers of hope are emerging down the tunnel.

Yes ,there is hope... We have great hopes that we will overcome difficulties with more flexibility. We will start seeing the buds of what we have planted over a hundred days, and it will not be long before we reap the fruits.

I am well aware of the suffering of the Lebanese people due to the rise in the US dollar exchange rate against the Lebanese pound, and the implications of such a surge on food and consumer goods' prices as well as other commodities. We are dealing with this issue thoroughly and carefully. I hereby announce that measures have already been taken, as I have been given a promise from the Governor of the central bank that the

central bank will intervene in the market as of today to protect the Lebanese pound and to curb the high dollar exchange rate.

I also announce that the import of basic food commodities will be subsidized according to fixed schedules and there will be a daily follow-up to reduce food prices and Lebanese people will soon be witnessing a decrease in relevant commodity prices.

Dear Fellow Lebanese,

Here is our pledge to you: we will continue working to make positive change in our country.

We rely on you to carry on the reform process we have launched and to push towards building the state that protects the present and future of its people.

Long Live Lebanon!