

Joint statement of the International Support Group for Lebanon

Beirut, Lebanon
13 September 2019

The members of the International Support Group (ISG) for Lebanon met today and welcomed the economic meeting of 2 September convened under the leadership of President Aoun as a catalyst for political leaders to address the economic challenges Lebanon faces in light of its own economic assessments and in line with Lebanon's economic vision and its commitments at the Conférence Economique pour le Développement, par les Réformes et avec les Entreprises (CEDRE).

Noting with concern the implications of these economic assessments and those of the credit rating agencies and the IMF, the ISG welcomes the commitment by Lebanon's leaders to complete its annual accounting of its expenditures and adopt the 2020 budget within the timeframe stipulated in the Constitution and with the stated intent to further reduce the deficit. Towards that end, the ISG welcomes the referral of the draft 2020 budget along with critical reform legislation to the Council of Ministers on 12 September.

In line with the Constitutional leaders' call for action within six months to address these economic problems and to set the country on the path for sustainable growth, the ISG urges Lebanon's leaders to promulgate a transparent plan for reform and to act expeditiously to adopt fiscal, structural and sectoral reforms so as to improve the government's fiscal position, enhance the overall business environment, and support the development of productive sectors, infrastructure and basic services, including through privatisation. In parallel, it is crucial that Lebanon implement governance reforms on anti-corruption and transparency measures, which it has identified as essential for its economic recovery and growth and in line with its commitments at CEDRE and the President's economic blueprint presented at the 2 September meeting.

The ISG welcomes progress between the Government of Lebanon and the international community regarding the follow-up mechanism for the implementation of the CEDRE - funded projects and reforms and encourages the full implementation of its components. As reform of the electricity sector is critical to addressing the deficit, the ISG urges continued progress in the implementation of this plan, the establishment of an independent regulatory body and the appointment of an effective and technically qualified EDL Board of Directors, and other measures for efficiency, transparency and accountability.

Finally, the ISG reiterates its support for Lebanon's sovereignty, stability and economic recovery and its hope for a prosperous, vibrant economy for the benefit of all its citizens in the near future.

Note to Editors

The International Support Group has brought together the United Nations and the governments of China, France, Germany, Italy, the Russian Federation, the United Kingdom and the United States, together with the European Union and the Arab League. It was launched in September 2013 by the UN Secretary-General with former President Michel Sleiman to help mobilize support and assistance for Lebanon's stability, sovereignty and state institutions and to specifically encourage

assistance for the Lebanese Army, Syrian refugees in Lebanon and host communities and government programs and public services impacted by the Syrian crisis.