Lebanon partnership paper
Conference document

The present document was prepared for the Brussels II Conference.

The document was jointly developed by the Government of Lebanon, the EU and the United Nations.

1. Supporting the resilience of local communities and Syrian refugees\(^1\) in Lebanon has been at the centre of the partnership between the Government of Lebanon and its international partners in 2017.

2. The international community recognises and commends the enormous efforts made by the Government of Lebanon and the Lebanese citizens hosting more than 1 million refugees from Syria over the last seven years. The crisis has had an enormous impact on the country. The international community maintains its position of solidarity towards Lebanon, to help it alleviate the burden that it is shouldering.

3. As illustrated by the recent meeting of the International Support Group for Lebanon, the Rome II "Conference in support of Lebanon's Armed Forces and Internal Security Forces" of 15 March and the Paris "Economic Conference for Development through Reforms with the Private sector" (CEDRE) of 6 April, the international community cares deeply about the stability of Lebanon. Throughout the Syrian conflict, the international community has sought to assist Lebanon in handling the impact of the crisis, including through support to refugees and Lebanese communities affected by the crisis as illustrated by the large scale support pledged at the London Conference in 2016 and Brussels I in 2017. This extensive engagement has enabled the implementation of a wide-ranging response, jointly with the Government of Lebanon to support hundreds of thousands of vulnerable people. In 2017, as part of the response, the international community has sought, where possible, to re-orient available financial instruments towards the strengthening of Lebanese institutions, at central and local levels, and the provision of public services and infrastructure, within the wider perspective of economic recovery.

4. However, overall, the assistance in Lebanon remains largely focused on the short-term emergency response, and there remains room for improvement in terms of refocussing international support on longer-term projects and on durable support to host communities while maintaining assistance for urgent humanitarian needs.

5. The Brussels II Conference seeks to further elaborate on how international support to Lebanon, framed within the context of the Syrian crisis, can better align to this transition from humanitarian to

\(^1\) The UN characterises the flight of civilians from Syria as a refugee movement, and considers that these Syrians are seeking international protection and are likely to meet the refugee definition. The Government of Lebanon considers that it is being subject to a situation of mass influx. It refers to individuals who fled from Syria into its territory after March 2011 as temporarily displaced individuals, and reserves its sovereign right to determine their status according to Lebanese laws and regulations.
development outcomes, while maintaining a strong emphasis on the protection and welfare of refugees from Syria.

6. In the past year, the Government of Lebanon and its international partners have joined efforts to overcome the common challenges. This document takes stock of the past pledges and commitments made by the donor community and Lebanon in Brussels in 2017, sets out the mutually agreed policies requiring more work, and outlines areas for further financial support in 2018 and beyond.

PART I – Implementation of Commitments

7. At the Brussels I Conference, the Co-chairs, on behalf of the international community, and Lebanon agreed on several important financial and policy commitments. These commitments were reflected in the annex to the Co-Chairs Declaration 5 April 2017: "Supporting Resilience of Host Countries and Refugees in the context of the Syrian crisis".

1.1. Delivery on Financial Pledges

8. Overall, the donor community has upheld its commitments made at the London conference and reaffirmed at the Brussels conference in April 2017. This shows a continued and substantial level of external grant funding to Lebanon in 2017, though with a limited predictable multi-year component. Across different sectors, the implementation of humanitarian assistance and stabilization/development cooperation has been made possible through multi-stakeholders' partnerships, initiated by Lebanese authorities at central and local levels, international donors, UN Agencies, Lebanese and International Civil Society Organisations.

9. Donors have supported host communities and refugees, reporting a total of USD 1.37 billion disbursed in 2017, of which 1.24 billion received in support of the Lebanon Crisis Response Plan (LCRP). This represents 45 percent of the overall 2017 LCRP appeal. A broader donor base continues to be needed to augment funding levels.

1.2. Key Policy Developments

10. In the process of implementing the London and Brussels conferences, the Government of Lebanon and its international partners pledged to deliver both on financial contributions and policy reforms that would contribute to mitigating the impact of the Syrian crisis on Lebanon. Despite the challenging domestic and regional political and economic context, the following key policy developments can be reported since the Brussels conference in April 2017

1.2.1. Reforms for Economic Growth and Development (including Livelihoods)

11. As presented in the joint statement of the "Economic Conference for Development through Reforms with the Private sector" (CEDRE) hosted by France on 6 April 2018 in support of Lebanon development and reforms, Lebanon continues to face important vulnerabilities and mounting challenges despite recent favourable developments. The conflict in Syria and the resulting displacement of population and mass influx of refugees and displaced into Lebanon have affected the Lebanese economy, its infrastructure and social services. Unemployment, which was already high particularly among the youth, has sharply increased. More than 200.000 Lebanese have been pushed into poverty. These are important challenges for Lebanon, which, by hosting displaced populations, provides a global public good on behalf of the international community.

12. Fundamentally, the economic recovery and long term development of Lebanon are hindered by structural problems: high fiscal deficit (around 10% of GDP) and high level of public debt (around

---

2 Germany, Kuwait, Norway, Qatar, the United Kingdom, the European Union and the United Nations
150% of GDP), resulting in a major drop in capital expenditures to less than 1 percent of GDP per year. The GDP growth rate remains low.

13. At the CEDRE conference, the Government of Lebanon presented its “Vision for stabilization, growth and employment”, which was welcomed by all participants. This vision is based on four pillars: (1) increasing the level of public and private investment; (2) ensuring economic and financial stability through fiscal adjustment; (3) undertaking essential sectoral reforms and cross-sectoral reforms, including fighting corruption, modernization of the public sector and public finance management; (4) developing a strategy for the reinforcement and diversification of Lebanon’s productive sectors and the realization of its export potential. Moreover, participants emphasised the need to increase investment and expenditure in social sectors, including health and education, to improve resilience.

14. The Government of Lebanon also presented its ambitious Capital Investment Program (CIP), which is mainly focused on infrastructure development and rehabilitation. The total cost of the 1st phase of the CIP (covering 6 years for preparatory works and implementation) is estimated at US $10.8 billion (including expropriation costs), of which around 35 % could come from private investment. Participants encouraged the private sector to participate in the financing of the CIP, which should be facilitated by the implementation of the recently adopted Public-Private-Partnership Framework.

15. Taking into account the scope and ambition of this Programme, and the overall positive assessment by the World Bank Group, participants decided to contribute to the 1st phase of the Programme, while, in parallel, supporting the Government’s implementation of reforms and institutional strengthening, which are critical to the Programme’s successful delivery and Lebanon’s macroeconomic stability.

1.2.2. Education and Youth

16. Access to quality learning is a fundamental right of all children and youth who are among the most vulnerable beneficiaries of public services as well as humanitarian and development assistance consistent with Sustainable Development Goal 4.

17. Progress was made in the education sector where the Government of Lebanon committed to the provision of access to certified education for all children and youth, regardless of their registration status or nationality through the RACE 2 strategy\(^3\) that has shown a positive trend of 13% increase in the overall enrolment of refugee children, with a peak of 19% in the Bekaa Governorate, in formal education. Demand for education in Lebanon has increased significantly since the London 2016 Conference with a total population of 631,209 (3-18 age group) non-Lebanese children now requiring education (up from 488,000). Currently a total number of 220,842 refugee children (3-18 age group) are enrolled in public schools, in addition to 67,515 in private and subsidised schools, and 92,303 are enrolled in Non-Formal Education programs that are mainly regulated by the Ministry of Education and Higher Education. The majority of refugee children attending school are between the ages 4-14 years of age. While the initial focus was to expand the education system to enable additional children to go to school, additional focus now is on the quality of education.

18. On youth’s technical and vocational education and training, work commenced in 2017 to develop a national strategy: stakeholder consultations are ongoing in order to ensure a shift towards a practice-oriented and modular system that responds to the needs and preferences of trainees and the labour market.

---

\(^3\) Reaching All Children with Education (RACE) 2 Strategy
1.2.3. Protection
19. The decision by the Government of Lebanon, announced in February/March 2017 to waive the residency fee was an important policy development towards enabling Syrian refugees registered with UNHCR before 2015 to renew their legal stay. While implementation is ongoing, the 2017 Vulnerability Assessment of Syrian Refugees in Lebanon indicates that 74% of Syrian refugees lack legal residency. This requires additional efforts in terms of processing capacity and coherent application of the decision across the country. Besides, the decision in its current formulation does not apply to all registered refugees in Lebanon.

20. The Government of Lebanon has also adopted important policy measures to make it easier for Syrian parents to register the birth of their children born in Lebanon, which is an essential step for preventing statelessness. Another key policy development is that only one Syrian spouse requires legal residency in order to register a marriage. Most recently, children having turned 15 years in Lebanon and not in possession of a Syrian ID or passport have been authorised to present a civil extract to secure their legal residency.

1.2.4. Health
21. The Ministry of Public Health elaborated in 2016 a national health strategy to respond to the essential health needs (primary, secondary and tertiary care) of Lebanese population and displaced Syrians, and to strengthen national institutions and capacities to enhance the resilience of the health system. This strategy is rooted in a partnership with international organizations, including the UN, and EU and World Bank, the private sector and the civil society sector. A key example of this partnership is the primary healthcare sector in Lebanon.

22. So far, the Ministry of Public Health has managed to maintain the high national overall vaccination coverage, and avoid the outbreak of major diseases such as Polio and Cholera. However, there remain sporadic outbreaks of measles and mumps and waterborne diseases, mainly in areas with the highest refugee concentrations. In addition, the increase in demand for hospitalization due to the presence of Syrian refugees has impacted hospital care.

PART II - Addressing Challenges Ahead in a Spirit of Partnership
23. The presence of a large number of refugees from Syria in the fragile context of Lebanon continues to impact the economic, environmental and social stability of Lebanon. After seven years of a predominantly short-term response, the Government of Lebanon and its international partners commit in the first instance to reviewing the appropriateness and impact of the current response model.

24. The Government of Lebanon and its international partners commit to foster stronger national leadership and ownership of response, based on a proper and comprehensive needs assessment through the development of coherent and integrated national development frameworks. In practice, this means reinforcing the workings of government and civil society, and utilising, as appropriate, national structures and services. The Government of Lebanon will continue to carry out reforms and investments in its own public service delivery structures, as well as to facilitate INGO activity through the issuance of work permits, entry visa, residency permits, and INGO registration in accordance with Lebanese law.

25. While moving towards a more developmental approach that is predicated on reinforcing the role of national structures and services, the Government of Lebanon and its international partners recognise, and will continue to meet, the needs of refugees living in Lebanon as outlined in the Lebanon Crisis Response Plan 2017-2020.
26. International partners will endeavour to provide sustained, predictable multi-year funding to strengthen Lebanon’s stability and development.

27. Building on the existing financial tracking system, the Government of Lebanon and its international partners commit to expand the tracking system as well as monitoring and evaluation under the LCRP Steering Committee to ensure the follow up of the commitments made at the Conference.

28. The Government of Lebanon and its international partners renew their commitment, for the implementation of former agreements not yet met, in the spirit of collective efforts taken by all sides.

2.1. Reforms for Economic Growth and Development (including Livelihood)

29. At the CEDRE conference the Government of Lebanon recognised that the implementation of structural and sectoral reforms is critical to attract new investment and put in place modern and strategic infrastructure. The Government committed to reforms, which are needed to address structural difficulties and loopholes, and foster public and private investment in a sustainable way.

30. Recognising that sound fiscal management is central to improving the confidence of international investors, both private and public, the Lebanese Government, supported by the donor community, committed to a fiscal consolidation target of five percentage points of GDP over the next five years, through a combination of revenue measures (including improved collection of taxes) and expenditure measures, such as a reduction of transfers to Electricité du Liban (EdL), allowing for a primary budgetary surplus.

31. Regarding structural reforms, the Lebanese Government stressed that fighting corruption, strengthening governance and accountability, including public finance management, modernising procurement rules, reforming customs and improving public investment management are of utmost importance. In addition, Lebanese authorities will continue to strengthen their anti-money laundering efforts and to take steps to counter the financing of terrorism in line with international standards.

32. Regarding sectoral reforms, the Lebanese Government commits to tariff reform alongside increased power generation in the electricity sector; in the water management field, to implementing the new Water Code; and in the field of waste management to implementing the new strategy, based on decentralization.

33. The Lebanese Government, with the support of donors and investors, intends to streamline procedures for clearance, approval and implementation of externally-funded projects. Streamlining the process will help to build trust with key stakeholders. In this regard, participants welcome the Lebanese government's commitment to strengthen implementation capacity, with international support, ensuring it meets international standards on transparency, accountability, anti-money laundering and combating the financing of terrorism.

34. The Government of Lebanon agreed that an inclusive approach that takes into account effects on women would bolster international support. The Government of Lebanon and the international community will also support the development of Lebanese social protection systems, with a particular emphasis on reforming and expanding the National Poverty Targeting Programme, drawing from the experience of humanitarian social safety nets, and emphasising a graduation approach into active labour market participation.
35. Partner countries look forward to working with the new Government of Lebanon on the implementation of the CIP and of the reform agenda, including developing a concrete timetable for reforms. In that context, a coordination mechanism between donors and authorities, informed by a continuous dialogue with the private sector and the civil society, will be set up in Beirut. Regular follow-up meetings of senior officials from capitals and headquarters will be organised. A dedicated web-site will be designed to ensure transparency on project financing and implementation.

2.2 Education and Youth
36. The Government of Lebanon and its international partners reaffirm their commitment to the London Syria conference goal of every child having access to a quality education, and the objectives of RACE 2 reaching all children and youth with education, while strengthening the public education system for an improved quality of education. Both agree on a continued and renewed effort to address barriers to education, bring down the number of children outside any form of learning, and retain children who are already in the formal system.

37. Building on RACE 2 achievements and with support of the international community, the Government of Lebanon is to develop and implement a long-term vision on the education sector set out in annual operational plans. The Government of Lebanon, through its various interventions, takes into account inclusivity and the learning needs of children and youth, focusing on the most vulnerable so as to improve quality of public education services and related learning outcomes. The Ministry of Education and Higher Education regulated Non-formal Education taking into consideration the children’s age, academic abilities, and period of dropout for a possible reintegration into formal education. Specific attention should be given to tracking the quality of education and the number of children who drop out, as well as improving literacy and numeracy for all children. The Government of Lebanon and its international partners will seek to strengthen the system on the basis of sound performance measurement, cost-efficiency, and transparency of financial and delivery data.

38. The Government of Lebanon also commits to engaging a wide range of stakeholders, including the private sector in the development, finalisation and adoption of a draft National strategy and action plan for technical and vocational education and training. Furthermore, the Strategy will endorse a system for technical and vocational education and training that is efficient, innovative, practice-oriented, modular and adaptable to the needs and preferences of trainees and the labour market, whilst ensuring that it addresses all population groups, in addition to youth.

39. International partners agree to support the development of the Lebanese technical and vocational education and training system, including aligning externally-financed skills development projects and skills training to the national framework.

40. The Government of Lebanon commits to utilising the support of its international partners to complete the finalisation of an accompanying Action Plan to the Lebanese Youth Strategy adopted by the Council of Ministers in 2012.

2.3. Protection
41. The Government of Lebanon and its international partners reaffirm the need for an urgent political resolution of the conflicts in Syria. Recalling the outcome of the London conference, the Government of Lebanon and its international partners reiterate that the main durable solution for Syrian refugees in Lebanon is their safe, dignified and non-coercive return to their country of origin, in accordance with international law and the principle of non-refoulement. The international partners recognise that the stay of refugees in Lebanon is temporary and commit to continue to provide support to both host communities and refugees. The international partners expressed their support for UN-facilitated returns.
42. The Government of Lebanon with the assistance of its international partners commit to ensuring that all eligible refugees can renew their residency free of charge, by further upscaling the capacity of the offices of the General Security to process a higher number of applications, and by applying the waiver to all. Furthermore, international partners request the Government of Lebanon to consider measures to cover all categories of refugees in an inclusive manner through the expansion of the residency fee waiver to categories of refugees currently not covered. This measure will help mitigate a number of negative coping strategies currently developed by refugees who are not able to renew their residency. Syrian refugees without legal residency are not resorting to the justice system because of fear of arrest.

43. The international partners will continue to support the Government of Lebanon in increasing the number of persons with civil documentation, most notably birth and marriage registration, to ensure that refugee children born in Lebanon receive appropriate documentation and are not at heightened risk of statelessness. Support also needs to continue for outreach and legal aid activities by agencies to assist refugees in benefitting from the above Government measures.

44. Moving forward, the Government of Lebanon acknowledges the importance of having accurate data and statistics on the refugees present on its territory. The international partners’ support to the residency renewal system will assist in this regard. International partners furthermore underline that the resumption of registration by UNHCR would also contribute to generate updated statistics and would help facilitate solutions in the form of resettlement to third countries and the safe, dignified, non-coercive returns of refugees, when conditions permit. Accurate data will also allow UNHCR to carry out appropriate monitoring of refugees upon return to their country and assist in designing reintegration programmes by the international community.

45. The international partners commit to continuing to support vulnerable Lebanese communities, facing similar difficulties to access limited resources and public services and deserving decent lives.

46. The international partners recognise that competition over scarce resources is a source of tensions between refugees and Lebanese communities. The government of Lebanon and its international partners note the importance of supporting and upholding the rule of law so as to preserve a dignified stay for the refugees. They agreed that promoting preventive measures is needed to reinforce social stability.

47. Recognising that resettlement to third countries constitutes an important alternative solution for refugees, international partners commit to continue efforts to increase resettlement opportunities and to create complementary pathways, such as humanitarian admission programmes, accessible family reunification procedures, scholarships and work visas.

2.4. Health

48. The Government of Lebanon and its international partners reaffirm their commitment to support the health sector to maintain its resilience recognising the additional strain and demand for services and to prevent the deterioration of the health status of vulnerable populations in Lebanon. Access to a quality, affordable and predictable health care must be ensured for all displaced Syrians and the most vulnerable Lebanese as well as uninterrupted water, sanitation and hygiene interventions in "informal tented settlements" where the situation is particularly alarming.

49. The Government of Lebanon with its national and international partners have made major strides to ensure that affordable health care is accessible to those in need: in 2017, 46 percent of refugee households reported the need to access primary health care services in the last 6 months and of those, 89 percent reported being able to access needed care. The 2017 Vulnerability Assessment of Syrian Refugees indicates that displaced Syrians’ health expenditure remains high and
comprises 13 percent (up by 1 percent from 2016) of the total expenditures. However, 22 percent of displaced Syrian households in need of hospital care were not able to obtain it. Financial barriers were the main reason cited (56 percent). The increased demand for primary health care and hospital services due to the presence of the Syrian refugees requires investments to address large maintenance backlogs, the deterioration in quality of equipment, and costly repairs.

50. The capacity-building and the system strengthening of the health sector need to be reinforced and further enhanced in order to maintain its resilience.