

**Speech by Ambassador Angelina Eichhorst
Head of the Delegation of the European Union to Lebanon
10th Anniversary of the Economic and Social Fund for Development**

**Hotel Le Bristol
11 July 2012**

CHECK AGAINST DELIVERY

Mr. Nabil el Jisr, President of the Council for Development and Reconstruction,

Mr. Haitham Omar, Director of the Economic and Social Development Fund,

Excellencies,

Ladies and gentlemen in charge of cooperation agencies,

Ladies and gentlemen in charge of the programmes, and partners of the Economic and Social Fund for Development,

Ladies and Gentlemen, dear friends,

As this is an anniversary celebration, it is customary to start by congratulating the main persons concerned, as well as all their supporters and friends who are gathered here today.

Allow me to congratulate the entire team of the Economic and Social Fund for Development and their partners for all the work they have accomplished.

Let us take a moment to look at the accomplishments of the Fund.

The Economic and Social Fund for Development was created by the Lebanese Government in 2002, thanks to an initial grant from the European Union.

As years have gone by, activities have intensified and the total amount of European Union funding has now reached more than 31 million Euros.

This loyalty shows the sustainable commitment of European support to Lebanese institutions and in particular to this unique national tool in the fight against poverty.

In 2004, the Fund was able to conduct the first Poverty Map of the country at the local level. This mapping has been instrumental in guiding the interventions of the principal actors of national and international development.

On the basis of this mapping, the Economic and Social Fund for Development chose to focus its resources on the pockets of poverty that were identified across the country, and in particular in providing these areas with basic services.

Today, the Fund is closely involved in the implementation of a new grant of 18 million Euros from the European Union programme for local development in the North of Lebanon.

Beside all the concrete achievements of the Fund which serve thousands of people from all over Lebanon, I wish to laud the participative approach the Fund has adopted. It is this approach which is able to help communities to better analyse their needs and identify their development priorities. This is part of a genuine effort to strengthen institutions and to support good governance at the local level, which is in accordance with the principles of subsidiarity and complementarity between local and national actors that are so dear to the European Union.

During its ten years of work, the Fund has proven to us the commitment and the reliability of municipalities and elected representatives to implement community development projects. On this matter, I think that Lebanon has all the assets and competences needed for widespread decentralisation to serve its citizens.

The Economic and Social Fund for Development has prepared a national strategy to combat poverty. It is more than ever the duty of Lebanese leaders to put in place a strategy that will enhance the economic and social autonomy of citizens and will furnish

them with their needs today and protect them from the uncertainty of tomorrow.

In the context of its cooperation with Lebanon, the European Union will always be willing to ensure that this country benefits from our expertise in the fields of social dialogue, access to basic services and economic development, particularly in the poorest and most rural regions, in order to promote social and regional equality and the emergence of robust political stability. These priorities should be reflected in the new EU-Lebanon Action Plan of the European Neighbourhood Policy which is currently under discussion with the government.

The action of the Fund, which also intervenes in an innovative and efficient way in terms of job-creation amongst small and medium-sized businesses, is, as a matter of fact, fully coherent with the will of the European Union to enhance a balanced and sustainable development across the entire country.

But the Fund also provides public and private investors with the assurance that the funding will be well spent, in particular thanks to the transparency with which decisions are taken and the rigor with which funding is managed, and importantly the certainty that these interventions will have a direct and evident impact on people in need.

These thousands of small traders and entrepreneurs, of which about 10% are women, would not have had access to credit from the normal banking system. One of the best indicators of how relevant this intervention is, is the fact that now six commercial banks have become active partners in this project.

I would like to warmly thank the Council for Development and Reconstruction, and particularly its President, Mr. Nabil el Jisr, for their constant support.

I wish to reiterate my gratitude to Mr. Haitham Omar, Director of the Economic and Social Fund for Development, and to all his team who constantly reminds us that development is first of all an act of sustained commitment for the poorest, before any consideration of macro-economic equations. Development is first and foremost an act of human investment.

I thank you all for your attention.