



**Speech of Ambassador Angelina Eichhorst,
Head of the Delegation of the European Union to Lebanon**

“Launching of the Ministry of Agriculture Strategy 2015-2019”

Grand Serail
15 December 2014

CHECK AGAINST DELIVERY

Your Excellency Prime Minister Tammam Salam,

Your Excellency Minister of Agriculture Akram Chehayeb,

Representatives of syndicates and unions of farmers,

Representatives of diplomatic missions and international organisations,

Ladies and Gentlemen,

Thank you for inviting me to the launch of Lebanon’s Agriculture strategy 2015 – 2019. It is the result of very meticulous work based on a thorough sector

assessment, lessons learnt from the past and with an unprecedented participatory consultation of a broad range of stakeholders, line ministries, agricultural syndicates, unions and the private sector. This strategy should therefore be a dream for any Minister of Agriculture!

At the core of the thinking are safer and higher quality foods from local produce and imported products, combined with a greater competitiveness of Lebanese agricultural products. A comprehensive 'farm to fork' approach is foreseen covering crop production, harvesting, storage, processing, packaging, sales and consumption.

Whilst the challenges are manifold, often half of the work is done through proper coordination amongst all the stakeholders. In that respect, today's launching immediately followed by the donors' meeting, offers a good opportunity for information sharing and real coordination.

Dear friends,

The European Union supports all efforts on this collaborative work to restore confidence in the sector and help to break the glass ceiling that is limiting its

potential for growth. A healthy agricultural sector in Lebanon could help potentially generate direct or indirect income for approximately 200,000 families.

We know the challenges of water scarcity - the agricultural sector alone accounts for 70% of all water consumption in Lebanon - , the need for structural actions and coherent plans, as well as the need for a real master plan on segregating agricultural lands from building lands.

The agricultural sector in Lebanon contributes in an aggregate format to 5% of the country's GDP. In 2010 this was still at 3.85%. This is higher than the share of agriculture in the EU-28 GDP which is just under 3%; but in the EU the sector is the principal source of income for around 20% of our population, which live in predominantly rural regions that would be devastated without its contribution. Moreover, the combined agricultural and food sector forms an important part of the EU economy, accounting for 15 million jobs (8.3% of total employment) and a total 4.4% of GDP. As you know, the European Union is the world's largest producer of food and beverages, with combined production estimated at EUR 675 billion. But most importantly, the self-sufficiency of the European Union in basic agricultural products is vital, not only for the wellbeing of our citizens, but also for the political independence of our Member States. The economic, social and

political importance of agriculture is, therefore, much greater than its share in the GDP of the Union.

I would think there is some similarity in this for Lebanon. Although, as was said, the sector does not contribute to more than 5% of Lebanon's GDP, it is also here essential in rural areas, contributing up to 25% of employment and to 80% of GDP share.

Back in 2011 the Delegation of the European Union published a newsletter entitled *'Agriculture at the crossroads'*. At that time the prospects for the sector were gloomy. Almost three years later, it seems that despite the crises and chaos in the region, the growth of the agricultural sector continues to improve, albeit slowly but steadily. Already both the quantity and the overall value of exported agricultural goods increased faster than those imported.

It is my understanding the different EU and EU Member States initiatives conducted in the agricultural sector during this period - such as the *"Agriculture and Rural Development Programme"* or the *"European Neighbourhood Programme for Agriculture and Rural Development (ENPARD)"*- contributed to this positive trend.

We know that these results were obtained in a context of high uncertainty linked, in particular, to the war in Syria. The influx of refugees from Syria has boosted the domestic demand, which benefits some food crops producers such as potato farmers. On the other hand, the security situation in Syria has changed the traditional commercial routes out of the country hence increasing the cost of cash crops like bananas or apples.

The sometimes rapidly changing situation has just recently resulted in thousands of tonnes of potatoes being stuck at the border with Syria, damaging both the Lebanese farmers and the availability of this vital and relatively cheap produce inside Syria. In this challenging context, it is worth noting the record reaction time in which Lebanon has come up with alternative export routes, for instance by adopting shipping lines used by other sectors.

Ladies and gentlemen,

It is probably premature to say that agriculture has reached its full potential. There are still plenty of opportunities for further development. In fact, in constant terms, the output value of the sector is - to date - below its level at the beginning of the

60s. But surely, with the deliberate choice and concerted action of the government Lebanon's agricultural sector will progress and improve.

Allow me once again to emphasise the enthusiasm and dedication of the successive Ministers of Agriculture, with today Minister Akram Chehayeb, and of the involved services of the Ministry of Agriculture and all the participants in contributing to the revitalisation of agriculture in Lebanon.

Thank you.