



**Speech of Ambassador Christina Lassen,  
Chargé d'Affaires, Head of the Delegation of the European Union to Lebanon**

**Business meeting organised by *Rassemblement des Chefs d'Entreprises Libanais* (RDCL)**

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*CHECK AGAINST DELIVERY*

Minister Raymond Araygi,  
Minister Mohammed Al Mashnouk,  
Minister Nabil de Freige,  
Former ministers,  
Colleagues,  
Ladies and Gentlemen,

It has been just about two months that I am in this country now and I am very happy to be here today amongst this impressive audience. A big thank you to the Chairman of RDCL, Mr. Zmokhol – ever since my first week here I heard about this event, and I thank you for being so insistent that we pin down a date. Even though we started talking about this lunch a while ago, I think our timing ended up being very good: with the tragic events over the past two weeks both here and in

Europe, I find it very appropriate to talk today about the long-standing relationship between the European Union and Lebanon.

Europe and this region have always been closely connected; we are neighbours. As you probably know, Europe is today Lebanon's largest trading partner and provides more than half of the assistance going to this country. But I think the last few years have shown us even more clearly how our destinies are intertwined and the last couple of months and weeks even more so. And this is why I am sure that our ties will be further strengthened and our cooperation further enlarged and deepened in the future.

To talk about the last few weeks first: the horrible attacks in Beirut and Paris – as well as in Iraq, Turkey, Mali and Egypt – have in a sad way illustrated to us what we already knew: that the scourge of terrorism is probably the main challenge of our generation.

For the moment, Daesh is the leading brand of this sick ideology. Unfortunately for Lebanon, your country is in the front line as Daesh has established itself with its main base in Syria. But I hope you all know – or will after today – that the European Union and its Member States are doing all we can to support you in your endeavours fighting this threat on your borders.

Fight against terrorism - including working against the spread of violent extremism - security sector reform - including support to the Lebanese Armed Forces and the security agencies - as well as support to the justice sector are today priority areas for EU cooperation with Lebanon. At the same time, EU Member States are

carrying out a wide range of activities in this field, including providing important equipment to the security forces for this battle. I believe that what happened two weeks ago will only lead us to cooperate even closer in the field of security.

Ladies and Gentlemen,

This was a little bit about the last few weeks. If we look back a few months, I think that we all know that the agenda of the European Union has been dominated by the question of migration. And that this challenge to Europe has quite obvious links to this region.

Many Lebanese have come to me saying: what is this? You cannot take a few thousand refugees? In fact, the numbers are much higher. In the first 9 months of 2015 alone, almost 900,000 asylum seekers and migrants have arrived at Europe's borders. Once all the data for October 2015 will have been collected, the 1 million applications mark will be passed. But everyone knows that Lebanon is facing an even bigger challenge. Lebanon is now the country in the world with the highest concentration of refugees – between 20 and 25 percent of the population. We know. And we are extremely impressed with how this country has been handling this difficult situation. This is exactly why we have been there assisting Lebanon since the beginning of the crisis four years ago.

The European Union and its Member States have been donating more than 4 billion euros to the Syrian response since the beginning of the crisis. The European Commission alone has provided 2 billion euros, half of the total EU assistance. Of this, since 2012, more than 500 million euros have been allocated to Lebanon. And

unlike what many people think, this money does not only go to assist the refugees, but also the host communities. The EU support is aimed at relieving the pressure those communities experience – whether in terms of education, health care, infrastructure like electricity and water and many other areas.

Some will say that this is not enough. And that is true, we can always do more, it is never enough. But as you know, we also have challenges of our own in Europe, migration being one of them. But one thing I do know is that the assistance to this region – in particular to Lebanon – to help handling the abnormal situation of millions of refugees is very high on the agenda of the European leaders. And what happened last week in Beirut and Paris will only strengthen our resolve even more.

We know that in the end there is only one sustainable solution to this problem: a political solution to the conflict in Syria. But until then, we all have to do all we can to help the people who are fleeing from the horrors of a brutal civil war.

Ladies and Gentlemen,

I think these two areas of cooperation: security and migration have been topping our joint agenda in the last 3-5 months and probably will continue to do so in the foreseeable future. And that is two areas I would like you to remember the European Union as a main partner for Lebanon in.

But there are many others, and probably more known to all of you as these have been on-going for years.

The European Union is the most important donor to Lebanon. In addition to the support to mitigate the effects of the Syrian crisis I just mentioned, we are currently implementing projects here for 500 million euros.

This cooperation is carried out in various fields: local assistance to more than 500 municipalities; vocational education; environmental protection; upgrading of the prison administration; support to creative industries; integrated border management; customs modernisation. And this is just to mention a few. Even waste management, which probably to most of us seemed like a rather trivial issue just a few months ago, is an area where the European Union is heavily engaged. Since 2004, the European Union has been allocating more than 77 million euros to the waste management sector. I think you will agree with me that this is not totally obvious these days. Part of the problem with implementing these projects is the on-going political deadlock in this country. We would like our assistance and cooperation with you to be more efficient. But for that we need well-functioning institutions, most importantly a President.

The political crisis also has consequences for the economy of this country. Something that I know interests all of you as it should for all citizens.

It is true that the economic slowdown in Lebanon is also very much related to the conflict in Syria which has resulted in decline in tourism, private investments and economic activities. I will not focus on facts you already know. But I want you to know that support to the private sector in Lebanon has been a priority for the European Union for many years. It is the private sector that drives growth in this country and should create even more jobs here. Substantial sums have from our

side been spent to enhance the capacity of Small and Medium-sized enterprises (SMEs), to boost the private sector and to improve the business environment. This support is even more relevant now, when so many Lebanese companies struggle in their daily business because of the difficult situation in the country and the region.

With our financial support, the European Union aims to ensure that the Lebanese private sector, known for its dynamism and resilience, fully develops its potential. Funding business incubators (such as BIAT in Tripoli, SouthBic in Saida and Berytech in Beirut), supporting the improvement of quality, innovation and competitiveness of companies, creating financing mechanisms for SMEs are some of the many support actions of the European Union in Lebanon.

There is a high potential in this country and I truly believe in the resilience and vitality of Lebanese entrepreneurs.

In this context, I also believe that it is important to establish an efficient communication channel between the public and the private sector, a proper Public Private Dialogue. Governments that listen to the private sector are more likely to promote sensible and workable reforms. Entrepreneurs who understand what government is trying to achieve are more likely to support these reforms.

To continue with the economic side, we would like to see more developments on the trade front.

The European Union is Lebanon's main trading partner, accounting for 34% of its trade volume since 2012. Our trade relations are governed by the Association

Agreement from 2004. As a result, Lebanese industrial products as well as most agricultural products benefit from free access to the EU market.

Despite dismantling of tariffs, the EU-Lebanon trade remains below potential. This shows that tariff liberalisation in itself is not enough. Non-tariffs barriers should also be addressed. Granting Lebanon with 0% customs duties does not prevent the country from meeting the EU requirements when entering the EU market. Fulfillment with EU standards, food safety requirements, labelling, certification, etc. is still mandatory. This is where the European Union has been trying to help (e.g. QUALEB, trade facilitation, food safety programmes) and we will continue to focus on product quality and market access during our next private sector development programme.

Ladies and gentlemen,

All of the topics I have highlighted today – security, migration, reform and support for economic growth - are focus areas in the future framework for our cooperation that was announced by HR/VP Mogherini last week.

The new European Neighbourhood Policy, which has been substantially reviewed, better takes into account our partners' expectations and needs. It is more flexible, faster and first and foremost takes the various differences among countries in our neighbourhood into account. In the economic area, the new Neighbourhood Policy will mobilise efforts to support inclusive economic and social development.

Creating job opportunities for youth will be among key measures of economic stabilisation.

All of this to say that Europe is a partner and a friend of Lebanon. And we want to be an even closer partner and friend of this country. Sometimes you do not feel that we are there enough or understand well enough the challenges you face, but sometimes you also need to help us help you. Our destinies are and always have been closely linked, and if we did not already know, the last weeks and months and years have reminded us about it.

I am extremely honoured to be representing the European Union in this beautiful and complex country at this challenging time. I look forward to our cooperation and thank you very much for coming here today.

Thank you.