# Reform, Recovery and Reconstruction Framework First Consultative Group Meeting: Co-chairs' Summary 31 March 2021

- 1. The first Consultative Group (CG) meeting of the Reform, Recovery and Reconstruction Framework (3RF) took place on 31 March 2021 in virtual format. In accordance with the institutional arrangements of the 3RF, the meeting was co-chaired by the Government of Lebanon, Lebanese civil society, European Union (EU) and United Nations (UN).
- 2. Building on the 3RF, developed by the EU, UN and World Bank Group in December 2020 in consultation with the Government, civil society and the private sector, the members of the Consultative Group discussed the urgent needs of the population affected by the Port of Beirut explosion within the context of a deepening political and economic crisis, increased poverty and worsening food security, all exacerbated by the COVID-19 pandemic.
- 3. Beyond the loss of life and many injuries, as well as the widespread physical damage and the loss of income, the members of the Consultative Group recognized the fact that the Beirut port explosion has deepened the crisis.
- 4. Members of the Consultative Group emphasized the need and urgency to assume responsibility to promote and support recovery and reconstruction in response to the Port of Beirut explosion, and to ensure effective coordination between different levels of government and the range of other stakeholders.
- 5. The Consultative Group underlined the importance of the 3RF guiding principles of inclusion and leaving no one behind; gender equality and women's empowerment; transparency and accountability, including anti-corruption and justice; sustainable livelihoods for the impacted communities, and a green recovery.
- 6. The members of the Consultative Group hoped that a government could be formed at the earliest opportunity. Several members expressed concern on the deteriorating situation and the need to take urgent action on overdue reforms.
- 7. To move recovery and reconstruction forward, the Government of Lebanon confirmed its commitment to help operationalize the 3RF governance structures, jointly with civil society and international partners. The Government also took note of the reform actions included in the 3RF and committed to their implementation within their legal capacity of caretaker government, particularly to:
  - a. Conduct within a reasonable timeframe a transparent investigation on the causes of the Beirut Port explosion.
  - b. Deliver on foundational macroeconomic reform, including progress with the International Monetary Fund (IMF) on macroeconomic stabilization and restructuring of debt and the financial sector. Efforts also include the forensic audit of the central bank, banking sector reform, capital control, exchange rate unification, and a credible path to fiscal sustainability.
  - c. Prepare and approve the 2021 budget, incorporating a strong inclusive social protection programme; establish a unified registry for social assistance programmes; and, put in place a grievance and redress mechanism, and verification and monitoring and evaluation systems.
  - d. Adopt a vision statement that lays out the principles and strategy for port sector reform and reconstruction, including customs. Establish clear institutional

- arrangements to manage hazardous materials and waste from damage, destruction and demolition.
- e. Strengthen the independence and effectiveness of the judiciary; implement the anticorruption strategy, adopt the new Public Procurement Law and implement associated regulations.
- 8. The Government committed to present the state of play of these policy actions and reforms in the next CG meeting.
- 9. Members of the Consultative Group emphasized the needs and priorities of vulnerable groups, in particular women, youth and people with disabilities; and the importance of adopting an area-based approach engaging and involving communities at neighbourhood level in building back greener and smarter while preserving cultural identity.
- 10. The Consultative Group strongly welcomed its three-partite structure and considered that the successful implementation of the 3RF relies on a *new partnership* model and vision that brings all stakeholders together. To this end, the civil society representatives committed to ensure inclusive cooperation; to carry the voice and concerns of the people; to put forward constructive suggestions to address the underlying challenges and, to actively share information with civil society parties not represented in the Consultative Group.
- 11. Members highlighted the important role that civil society representatives and the Independent Oversight Body should play in monitoring the implementation of the 3RF and hold all stakeholders accountable.
- 12. The members of the Consultative Group took stock of the humanitarian interventions that were delivered for a total amount of 314M USD (to date) in response to the Beirut port explosion. They discussed lessons learned and took note of the recommendations to inform the 3RF recovery phase.
- 13. The members of the Consultative Group reviewed the 3RF strategic orientations and current financing needs, priorities and gaps based on the current financing prospects from donors. Furthermore, the World Bank updated the Consultative Group on the strategic priorities of the Lebanon Financing Facility and called on government to ensure swift endorsement of LFF.
- 14. International Donors and Financing Institutions agreed on the need to widen the resource base for 3RF people-centred recovery and to ensure predictability, coherence and effectiveness of aid. They will exert efforts to channel funds to the 3RF, including through the Lebanon Financing Facility.
- 15. The Consultative Group tasked the Technical Team to present in the next CG meeting an operational plan for the implementation of the agreed priorities of the four 3RF pillars, notably *Improving Governance and Accountability; Jobs and Economic Opportunities; Social Protection, Inclusion and Culture*, and *Improving Services and Infrastructures*.
- 16. The Terms of Reference of the Consultative group were adopted, and the members took note of the wider institutional arrangements, including the LFF Partnership Council, 3RF Secretariat and Independent Oversight Board (IOB). Access to information is essential to enable the IOB to fulfil its objectives in ensuring transparency and accountability. The Technical Team was tasked to facilitate the establishment of the CSO-led Independent Oversight Board by the next CG meeting.

The participants list is attached to this summary

## **List of Participants**

## **First Consultative Group Meeting**

#### 31 March 2021

#### **Co-Chairs:**

Lebanon Prime Minister, Hassan Diab

Civil Society Representative, Lebanese League for Women in Business, Asma Zein

EU Ambassador, Ralph Tarraf

UN Resident and Humanitarian Coordinator for Lebanon, Najat Rochdi

#### Representatives of the Lebanese Republic

**Deputy Prime Minister** 

Minister of Economy and Trade

Minister of Social Affairs

Director General of the Presidency of the Republic

Member of Parliament

Advisor to President for International Cooperation

Advisor to Prime Minister

### Representatives of the International Community and International Organizations

Canada

Denmark

**EIB** 

**EBRD** 

EU

France

Germany

Italy

Japan

Netherlands

**OCHA** 

Spain

Switzerland

UN

**United States** 

United Kingdom

World Bank

#### **Civil Society Organizations**

ALDIC - The Lebanese Association of Taxpayers' Rights

Association of Industrialists

Beirut Urban Lab

Green Mind

**KAFA** 

Lebanese Physical Handicapped Union

Lebanon Humanitarian and Development NGOs Forum

Society of Saint Vincent de Paul