

Syrian crisis: Impact on Lebanon

SUMMARY

The crisis in Syria has had a significant impact on neighbouring countries over the past six years. Five million Syrians have fled to Turkey, Lebanon, Jordan, Iraq and Egypt, putting host countries and communities under great pressure. Moreover, violence has spilled over into some neighbouring countries, including Lebanon. The impact of the Syrian crisis on Lebanon has been immense. Since the outbreak of the crisis in 2011, up to 1.5 million displaced persons are believed to have crossed the border into Lebanon, formerly home to around 4.5 million people. The population has grown by an unprecedented 30 % in under four years, making Lebanon the country with the highest per capita concentration of refugees worldwide. The situation in neighbouring Syria has exacerbated Lebanon's political instability, and led to political deadlock for the past three years. This, in turn, has made it impossible to tackle some urgent challenges arising from the refugee presence, and from underlying structural problems with the delivery of basic services to the Lebanese population.

Moreover, there are concerns, particularly among Christians, Shias and Druze, that a large number of Syrian Sunni Muslims could upset the delicate sectarian balance in Lebanon's multi-confessional political system. In light of Lebanon's experience with up to 280 000 Palestine refugees, its population is united in its opposition to a lasting refugee presence in the country. The Lebanese government insists that the presence of refugees from Syria is 'temporary', despite the absence of reasonable prospects for their safe return to their homeland in the foreseeable future.

The international community has stepped in to help countries in the region cope with the influx of large numbers of vulnerable people. Emphasis has shifted from traditional humanitarian aid to 'resilience building'. This implies creating the long-term conditions that will allow Syrians to build a future for themselves and their children in the region, including acquiring the skills and tools to re-build their own country once they are able to return. The EU is co-hosting an international conference on 'Supporting the future of Syria and the region' on 5 April 2017, which will assess where the international community stands collectively in helping the region cope with the crisis.



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Syrian refugees in neighbouring countries

The conflict in Syria, which began with anti-government protests before escalating into full-scale civil war, has entered its seventh year. Over 12 million Syrians have fled their homes since the outbreak of the conflict in March 2011, and large numbers have sought refuge in neighbouring countries. In March 2017, the United Nations Refugee Agency ([UNHCR](#)) registered a total of 4.958 million Syrian refugees who had fled to neighbouring countries, including Turkey (2.91 million), Lebanon (1 million), [Jordan](#) (657 000), Iraq (233 224) and Egypt (117 591) (see Figure 1). The sudden influx of large numbers of displaced people puts host countries and communities under great strain. With savings exhausted, refugees have grown increasingly [vulnerable](#), and the vast

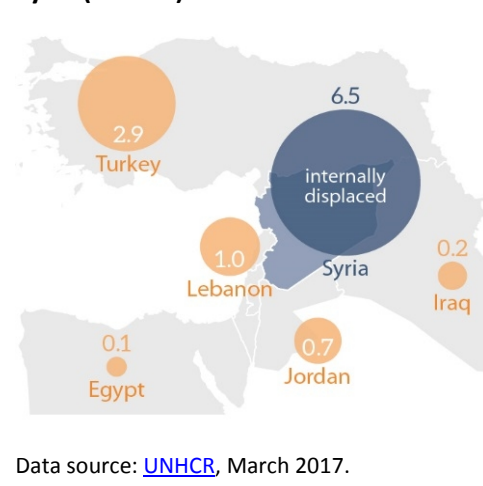
majority live below the poverty line, struggling to afford essentials such as food, rent and healthcare. Syrian refugees living below the poverty line account for 70 % in Lebanon, 93 % in Jordan (outside camps), 65 % in Egypt and 37 % in Iraq. The unemployment rates for refugees are far higher than those for host nationals, and half of refugee children do not go to school. At the same time, the refugee population puts pressure on public infrastructure, including schools, health services and water, and private infrastructure, such as housing, leading to localised unrest among the host population.

A new approach - from humanitarian aid to 'building resilience'

In February 2016, at an international donor conference in London, the international community agreed on 'a comprehensive new approach' on how to respond to the protracted Syrian refugee crisis. The [Supporting Syria and the region](#) conference brought together over 60 countries, international organisations, businesses, civil society organisations, Syrians and other people affected by the conflict. Central to the new approach [agreed](#) during the conference is a shift of emphasis from traditional humanitarian aid to 'resilience building'. This implies creating the long-term conditions that will allow Syrians to build a future for themselves and their children in the region, including acquiring the skills and tools to rebuild their own country once they are able to return. At the same time, this approach aims to reduce the pressure on host communities and create new opportunities for them.

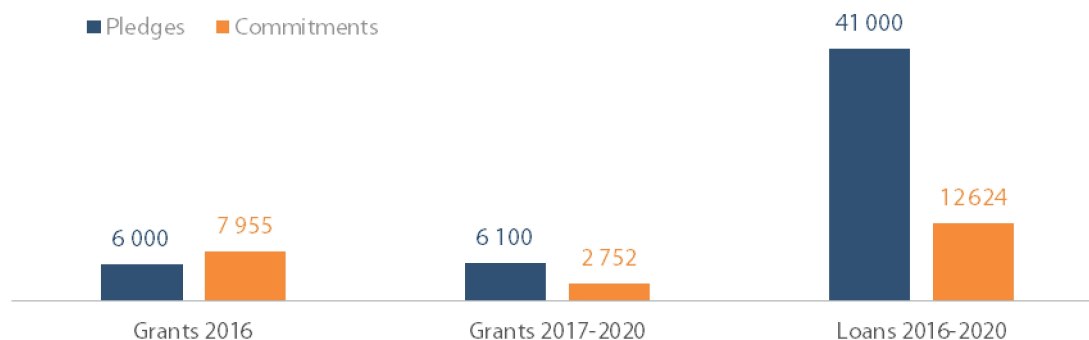
The governments of neighbouring countries hosting Syrian refugees agreed to open their labour markets to the refugees and to increase efforts to create new jobs for their own populations, by improving domestic regulation and investment climate. In return, other participants agreed to create greater access to external markets, to provide access to concessional financing and to increase external support for public and private sector job creation. Donors pledged to support employment creation programmes and to encourage municipalities and communities in their countries to strengthen collaboration with municipalities and communities in refugee host countries. Leading private sector partners agreed to assist with new investment to create jobs. The London conference set the target of creating 1.1 million jobs for refugees from Syria and host-country citizens in the region by 2018. In total, the international community [pledged](#) over US\$12 billion for Syria and the region for 2016 and for future years, in the form of grants. In addition, multilateral development banks and donors announced around US\$41 billion in loans, with many on highly concessional terms. According to a year-on [report](#) published in

Figure 1 – Number of refugees from Syria (million)



February 2017, conference donors committed over US\$10.8 billion in 2016. Of this amount, US\$7.955 billion is in the form of grants, exceeding the total pledges made for 2016 at the time of the conference by more than 30 % (US\$2 billion). Some donors have also made forward commitments for grants for the 2017-2020 period, totalling over US\$2.8 billion. In terms of loans, donors have so far committed US\$12.624 billion for 2016-2020 (see Figure 2).

Figure 2 – Pledges and commitments, US\$ million



Source: Supporting Syria and the region conference: Post-London conference financial tracking, [report](#) published February 2017.

Regional Refugees and Resilience Plan

To help neighbouring countries coordinate their response to the Syrian refugee crisis, the United Nations spearheaded efforts to formulate a [Regional Refugees and Resilience Plan](#) (3RP) in 2015. The 3RP draws together the national crisis-response plans to the Syrian refugee crisis in the five most affected neighbouring countries: Lebanon, Jordan, Iraq, Turkey and Egypt, to create a 'coordinated regional response framework'. The 3RP for 2017-2018 is described by its authors as 'a programme strategy, creating a broad partnership platform for planning, advocacy, fundraising, information management and monitoring that brings together Syrian refugees, impacted communities in host countries and their governments, donors, and more than 150 national and international development and humanitarian actors in the respective countries'. The 2017-2018 3RP reflects the policy shift that occurred in the international response to the protracted crisis during 2016. The current 3RP has a strong emphasis on implementation through national systems and local actors and encourages donors to commit to multi-year predictable funding. One of the key aims of the 3RP for 2017-2018 is to create up to 1.1 million jobs in the region by 2018. The current 3RP estimates that US\$4.69 billion will be needed over the two-year programming period to respond to the needs of over 9 million people: nearly 5 million refugees and over 4.4 million persons in host communities.

Lebanon's response to the refugee presence

Political

The response of the Lebanese government to the refugee crisis has to be seen in the context of a political situation that is already very fragile. [Anger](#) at the government over the delivery of basic public services to the Lebanese population has led to repeated protests over the last few years, most notably in 2015, when thousands protested against the government's failure to solve a rubbish-disposal crisis. Recent government plans to raise taxes to increase public sector wages has led to renewed protests, with protesters accusing politicians of '[waste and corruption](#)' and impoverishing the population at large.

In response to the refugee crisis, Lebanon's government has repeatedly stressed that Lebanon is not a country of asylum, nor a final destination for refugees. According to the

[2015 Lebanese Crisis Response Plan](#), the Lebanese government's strategy for dealing with the displacement crisis included 'reducing the number of individuals registered in Lebanon by UNCHR as refugees from Syria', and 'encouraging third countries to offer more resettlement opportunities for refugees from Syria'. In the 2016 version of this [plan](#), the emphasis had nevertheless shifted, to improving the situation of refugees and the host community in Lebanon, including (i) ensuring humanitarian assistance and protection for the most vulnerable displaced Syrians and poor Lebanese, (ii) strengthening national delivery systems, and (iii) reinforcing Lebanon's economic, social, environmental and institutional stability.

Refugees' stay in Lebanon is 'temporary'

In the statement of intent tabled at the Supporting Syria and the region conference in February 2016, the Lebanese government announced that it would launch a new approach to managing the presence of Syrians in Lebanon. It presented a five-year programme that would focus on providing education to all refugee children and creating up to 210 000 job opportunities for Syrians. At the same time, it emphasised that the refugee presence was 'temporary' and that all measures were being taken in anticipation 'of the safe return of Syrian nationals to their home country, in order for them to contribute effectively in the reconstruction and economic development of Syria'. As a sign of the politically sensitive nature of granting Syrians access to the job market, the government noted that it would review 'the existing regulatory frameworks related to residency conditions and work authorisations', so as to make it easier for Syrians to find jobs. At the same time, it emphasised that access to the job market would be controlled and restricted to sectors 'where refugees are not in direct competition with Lebanese' workers, such as 'agriculture, construction and other labour-intensive sectors'. A clear distinction was made between creating permanent jobs for Lebanese workers and temporary jobs for Syrians. An important element of this distinction is a provision that will allow Syrian workers to claim any accumulated social security contributions once they leave their job for going to Syria or to a third country.

Job creation

In the statement of intent, the Lebanese government proposed a new combination of measures aimed at stimulating the economy, in the expectation that these measures would create '300 000 to 350 000 jobs'. According to government estimates, 60 % of these new jobs could potentially be for Syrians. The measures include investments in projects at the municipal level and a subsidised temporary employment programme targeting micro-, small and medium-sized businesses. A five-year US\$510 million plan to

The status of displaced persons in Lebanon

[Lebanon](#) is not a state party to the 1951 Convention Relating to the Status of Refugees, and has not signed its 1967 Protocol. The country has not enacted domestic legislation specifically addressing the status of refugees, and the law that governs refugees in Lebanon is essentially the [1962 Law Regulating the Status of Foreign Nationals in Lebanon](#). Article 31 of that law enacts the general customary international law principle of *non-refoulement*, which forbids the practice of forcing refugees or asylum-seekers to return to a country in which they may be subject to persecution. In the absence of a national refugee law, the UNHCR has entered into a memorandum of understanding (MoU) with the Government of Lebanon that allows the agency to operate. The MoU allows the UNHCR to issue temporary residence permits to refugees.

'Displaced person' or 'refugee'

The government of Lebanon refers to individuals who fled from Syria to Lebanon after March 2011 as '**displaced**'. By contrast, the United Nations characterises the flight of civilians from Syria as a **refugee** movement, and considers that most of these Syrians are seeking international protection and are likely to meet the **refugee definition**. The distinction matters because refugees are defined and protected under international law.

upgrade Lebanon's road network is among the government's [job-creation](#) initiatives. The government also indicated that it would work with international partners to improve trade in Lebanese goods, especially agricultural products. Finally, the government announced a number of large-scale critical infrastructure projects.

Education

With the support of the international community and civil society, in 2014 the Lebanese government developed a multi-year, multi-stakeholder national response plan entitled Reaching All Children with Education ([RACE](#)). RACE has aimed to provide quality education opportunities to all children in Lebanon that have been affected by the Syrian crisis and has progressively ensured the mainstreaming of refugee children into the national education system. For the 2015-2016 school year, the government waived school fees for all Lebanese and non-Lebanese children enrolled in public primary schools and doubled the available school spaces for non-Lebanese children, by opening public schools for a second shift in the afternoons. By May 2016, this had led to the enrolment of 53 % of primary-school age non-Lebanese children. At the same time, of the [487 723 refugee children](#) aged 3–18 living in Lebanon in May 2016, only 41 % were enrolled in formal education. Moreover, a similar number of vulnerable Lebanese children were not attending school on a regular basis, often because they had to help their families earn a living. In response, the Lebanese government developed an updated education strategy, RACE II, which aims to reach all children in Lebanon over the next five years.

Humanitarian

Lebanon has the highest per-capita concentration of refugees worldwide. Around 4.5 million Lebanese share a territory the size of the island of Cyprus with an estimated 1.5 Syrians displaced by the conflict in neighbouring Syria, between [260 000](#) and 280 000 [Palestine](#) refugees who have resided in Lebanon since 1948, and 42 000 Palestine refugees from Syria. There are no refugee camps for Syrian refugees in Lebanon. About half of the Palestine refugees from Syria are believed to have settled in some of the 12 Palestine refugee camps run by the United Nations Relief and Works Agency (UNRWA). All other refugees from Syria have settled in Lebanese neighbourhoods, many in the most vulnerable and deprived parts of the country, mainly the Beqa'a Valley and the northern areas of the country. According to government estimates, 3 million people in Lebanon are vulnerable and depend on outside assistance to meet their basic needs. These include 1.5 million Lebanese citizens in the host communities.

The Lebanese government estimates that the country hosts 1.5 million Syrians. This number includes Syrians who have chosen not to register, those unable to register (Lebanon directed the UNHCR to stop registration as of [5 January 2015](#)), and those living and working in Lebanon prior to the Syrian conflict. Of the 1.07 million Syrians registered

Growing up without an education

A July 2016 Human Rights Watch [report](#) drew attention to the fact that despite the efforts of the Lebanese government to provide education opportunities for Syrian refugees, many Syrian children are still not attending school. Regulation makes it difficult for most refugees to maintain legal residency or work, and this is undermining Lebanon's generous school enrolment policies. Many families fear arrest if caught working or trying to find work. Many cannot afford school-related costs like transportation and school supplies, or they rely on their children to work instead of attending school. Other discouraging factors include individual school directors imposing additional enrolment requirements; bullying and harassment by other students; safety concerns; corporal punishment; lack of access to sanitation facilities; and classes taught in unfamiliar languages, such as English and French, with insufficient language support. Girls, older children and children with disabilities face particular barriers to enrolling.

as refugees with UNHCR in Lebanon at the end of 2015, 52 % were unable to meet their basic survival needs and an estimated two-thirds did not have residency permits, limiting their ability to gain a living. In addition, 1 million Lebanese, 68 % of Palestine refugees and 90 % of Palestine refugees from Syria were living under Lebanon's poverty line of \$3.84 per day. Approximately 2 million vulnerable people are essentially concentrated in 251 localities. In these areas, demand for basic services continues to far outstrip the capacity of institutions and infrastructure to meet needs, which has led to social tensions that could develop into significant communal violence. Extreme poverty, rising unemployment and desperation are driving negative coping strategies, including child and youth labour and early marriages. Long-standing economic inequalities are becoming more widespread and environmental pressures are increasing.

Through the [Regional Refugees and Resilience Plan \(3RP\) 2017–2018](#), the Lebanese government and the international community seek to address the needs of the most vulnerable Syrian refugees – and host communities – through humanitarian and 'resilience-based' interventions. There has been a shift from emergency intervention to a more sustainable, long-term response, and unlike earlier 3RPs, the current one covers a period of two years and not one. The emphasis is on predictable, long-term funding and programming. The new approach introduces new technologies (biometrics for refugee registration), makes greater use of cash, with which refugees can buy their own food and other necessities, places strong emphasis on providing education to refugee children, as well as on protection and youth services, and shifts the focus to service delivery through local and municipal systems, away from international organisations or NGOs.

The Lebanese government has set up an inter-ministerial committee on the displaced, to coordinate its crisis response with international partners, including donors, UN agencies and NGOs. The government's strategy is set out in the above-mentioned Lebanon Crisis Response Plan (LCRP), which has evolved into a four-year policy document covering the [2017-2020](#) period. One of the core aims of the LCRP is to ensure that the humanitarian response to the Syrian crisis also benefits Lebanon and helps to stabilise it. Strengthening the resilience of national systems and institutions is at the core of the response.

The impact of the Syrian crisis on the security situation and the economy

Security situation

Syria's influence over Lebanese politics has been strong ever since the 1940s, when both countries gained independence. Damascus' influence grew significantly during the 1975–1990 Lebanese civil war, especially after the Lebanese president invited Syrian troops into the country in 1976. The emergence of Hezbollah, the Iran-supported Shia militant group, as an anti-Israel 'resistance' force in the 1980s, further bolstered Syria's importance, especially since the group relies on Syria to transport weapons from Iran into Lebanon.

Palestine refugees in Lebanon

Lebanon is home to a large number of [Palestine refugees](#). Estimates vary widely, placing their number between 260 000 and 400 000. Most left Palestine in 1948 and settled in 12 official refugee camps in Lebanon, run by the United Nations Relief and Works Agency (UNRWA). Over half of Palestine refugees in Lebanon still reside in those camps. Since 2011, their number has swelled by around [42 000](#), as a result of Palestinians fleeing Syria, where they had lived since 1948. Around half of the latter are believed to have also settled in the 12 official Palestine refugee camps.

The living conditions for most Palestine refugees in Lebanon are precarious. Nearly 70 years after their arrival, Lebanese law still treats Palestine refugees as foreigners and does not grant them many rights enjoyed by Lebanese citizens. For instance, they do not have the right to own property and are banned from working in many professions. Most Palestine refugees rely on UNRWA as their main source of assistance and services. The agency provides primary, secondary and vocational education, health care, and relief and social services, among others.

Syrian troops withdrew from Lebanon following the assassination of former Lebanese Prime Minister Rafik Hariri in 2005, but events in Syria continue to shape Lebanese domestic politics. Since Hariri's assassination, Lebanese politics has been dominated by the Iran-backed March 8 coalition, led by Hezbollah, and the Saudi-backed March 14 coalition, led by the Future Movement, which is headed by Rafik Hariri's son, Saad.

For both coalitions, the Syrian conflict presents an opportunity to consolidate their power and dominate the Lebanese political scene. For Hezbollah, a victory by Syrian President Bashar al-Assad would likely guarantee its strategic military interests, but also confirm its – and by extension Iran's – political dominance in Lebanon. For March 14, the fall of the Assad regime would present an opportunity to counter Hezbollah's growing influence in Lebanon. These opposing interests in the outcome of the Syrian conflict have exacerbated political tensions in Beirut. The Lebanese government issued the [Baabda Declaration](#) in 2012, which stated that Lebanon's official stance on the Syrian conflict is one of non-intervention. At the same time, Hezbollah sent troops to fight alongside the Syrian army. Disagreements over Hezbollah's engagement in Syria led to the resignation of the Lebanese cabinet in 2013 and a subsequent ten-month-long political vacuum.

There has also been a direct spill-over of violence from Syria into Lebanon. Hezbollah's [involvement](#) in Syria has led to numerous suicide bombings against Shia areas and Hezbollah strongholds in Lebanon. A group calling itself the 'Nusra Front in Lebanon' claimed responsibility for a number of attacks in Lebanon, which were described as retaliation for Hezbollah's involvement in Syria. The Islamic State has also carried out attacks inside Lebanon targeting Shia Muslims and Hezbollah, including a twin suicide bombing in Beirut that killed nearly 50 people. In and around the Lebanese border town of Aarsal there has been intense fighting among Syrian armed groups and the Lebanese army. In 2014, clashes between the Lebanese Armed Forces (LAF) and Islamic State/Nusra Front militants in Aarsal left nearly 60 people dead, including 19 LAF soldiers. The refugee crisis further exacerbates the situation in this border town; its more than 40 000 refugees outnumber the Lebanese host population by more than 15 %. Christians have also been targeted; a wave of suicide bombings targeted the Lebanese Christian town of [al-Qaa](#), which borders Syria, on 27 June 2016. Moreover, the war-fighting experience gained by Hezbollah in the Syrian conflict has raised questions about what effect the eventual return of these fighters to Lebanon will have on domestic stability and the prospects for renewed conflict with Israel, among other things.

Residence permits for Syrian refugees

In the [early days](#) of the crisis in Syria, its citizens could freely enter Lebanon under a bilateral agreement for visa-free movement of people between the two countries. Upon arrival, Syrians were able to obtain a renewable three-month residency permit and register with the UNHCR. However, as time went by and the number of Syrians seeking shelter in Lebanon increased, the initial 'open door' policy was gradually abandoned. In early 2015, the government began to restrict Syrians' access to the country and to limit the renewal of residency permits, making it more difficult for Syrians to remain in the country legally. Syrians seeking to enter Lebanon now have to produce [valid identity documents](#) and proof that their visit fits into an approved category, such as business, study or medical treatment, and that they have a Lebanese sponsor. Accordingly, the number of Syrians able to cross into Lebanon has declined significantly. The high cost of renewing residency permits has meant that out of a [sample](#) of 4 500 randomly selected Syrian households, only one in five reported that in 2016, all members held legal residency permits, a continuing decline from 28 % in 2015 and 58 % in 2014. In addition, the share of households in which no member has a residency permit had grown by half, to 29 %. The lack of residency is preventing refugees from moving freely in search of job opportunities, for fear of arrest. The EU has placed addressing this problem at the core of the EU-Lebanon compact.

Economy

The conflict in neighboring Syria has severely affected the Lebanese economy¹, due to the close economic ties between the countries and the regular spillover of violence onto Lebanese territory, which has threatened to re-inflate the country's sectarian tensions. Lebanon's [economy](#) is dominated by services (69.5 % of GDP), and primary sectors include banking and financial services as well as tourism. Economic growth averaged just 2.0 % during 2011–2016, having averaged 9.2 % during the 2007–2010 period. Growth for the 2017–2018 period is expected to reach around 2.7%, but only on condition that the current security situation does not deteriorate and spillovers from the Syrian conflict can be contained. From 2012 to 2015, as a result of slower growth, Lebanon's average standard of living [worsened](#), with real per capita GDP marking an 8.3 % drop, representing a total loss of US\$726 million.

The political stalemate resulting from opposing interests in the outcome of the Syrian conflict have rendered Lebanon's policy-making bodies essentially inoperative for now several years. This has delayed economic reforms, which could have given the country a much-needed economic boost. The Syrian conflict has led to a slowdown in consumer confidence, but also in investment, tourism and construction; performance in these areas is unlikely to occur before the security situation improves. Moreover, Lebanon continues to face large fiscal deficits, and the Syrian refugee population is straining fiscal resources and infrastructure. Lebanon has the eighth largest debt burden in the world, with 147 % of GDP. The public-debt-to-GDP ratio had declined from a high of 185 % in 2006, but instability resulting from the Syrian crisis and costs associated with the refugee population exacerbate the government's precarious fiscal situation. The authorities estimate [direct budget costs](#) to stand at around US\$400 million per year; estimates of indirect costs exceed US\$2.5 billion in terms of the erosion of public services. The local commercial banking system, which holds half of the public debt, remains well funded. However, if deposit inflows suddenly stopped as the result of a deterioration in the political or security situation in the country, banks' ability to lend to the government could be curtailed.

The International Labour Organization (ILO) estimates that half of the working-age Syrian refugees are economically active. By end-2015, labour supply in Lebanon was estimated to have expanded by 35-50 %. The majority of Syrians are low- to semi-skilled workers primarily active in agriculture, construction and personal and domestic services. Even though these sectors have traditionally been dominated by migrant workers, job competition has sometimes fuelled tension between the refugees and Lebanese host communities. Estimates suggest that almost half of the incumbent workforce is employed in the informal sector, and is therefore likely to compete directly with new refugees. Moreover, these workers are not covered by any social safety net, which makes them particularly vulnerable. Early estimates suggest that unskilled wages in some areas have fallen by as much as 50 per cent.

International solidarity with Lebanon

The international community has provided financial support to Lebanon to assist it with its efforts to host and integrate the refugee population from Syria. At the February 2016 'Supporting Syria and the Region' conference in London, the international community pledged around US\$833 million in grants and US\$241 million in loans to Lebanon (even though not all pledges were country-specific). According to figures released in [February 2017](#), in 2016 Lebanon received grants totalling US\$1.3 billion, 62 % more than originally pledged. The country has also received grant contributions of US\$361.8 million

so far for the period 2017–2020. Moreover, loan contributions in 2016 amounted to US\$250 million, 4 % above the pledged amount. The World Bank (WB) has committed a total of US\$1.3 billion to Lebanon in grants, loans and other concessional financing. This includes a US\$45 million grant – the first of its kind to Lebanon – from the WB-administered [Concessional Financing Facility](#) (CFF). Created in 2016, the CFF supports middle-income countries that have in the past been recipients of regular WB financing, but are 'currently experiencing unusual social and economic duress'. The Lebanese authorities have called on the international community to contribute US\$11 billion over 2016–2020, comprised of both grants (US\$5 billion) and loans (US\$6 billion). On [5 April 2017](#), the EU will be hosting a follow-up conference to the London conference, co-chaired by Germany, Kuwait, Norway, Qatar, the United Kingdom, the United Nations and the EU. The conference will assess, inter alia, where the international community stands collectively in fulfilling commitments made at the London conference in February 2016 and agree on additional efforts needed to meet the needs of those affected by the crisis.

The European Union – position and response

The EU maintains very good relations with Lebanon. The latter is covered by the [European Neighbourhood Policy](#) (ENP), with which the EU seeks to achieve the closest possible political association and the greatest possible degree of economic integration with its southern and eastern neighbours. The 2002 [association agreement](#), which came into force in 2006, forms the legal basis for EU-Lebanon [relations](#). The agreement promotes human rights, political dialogue, free movement of goods and economic, social and cultural cooperation. The EU is committed to supporting democracy, good governance, social inclusion, education and sustainable development in Lebanon. The EU and Lebanon enjoy close political relations and the EU has a strong interest in reinforcing the Lebanese State and making the country a factor for regional stability. Reinforcing Lebanon's resilience in the face of current challenges is a top priority for the EU; this has translated into substantial financial support for the country over the past five years, to address the impact of the presence of refugees from Syria. Moreover, the EU is Lebanon's most important trading partner, making up about a third of Lebanese trade.

Partnership Priorities

The revised [ENP](#), adopted in November 2015, introduced a new type of policy document to define bilateral relations with partner countries based on a number of 'partnership priorities' that will set the course of cooperation for several years. The EU and Lebanon recently [agreed](#) on the [partnership priorities](#) that will govern their relations under the ENP for the next four years. The focus is on five priority areas: building a broad security and counter-terrorism partnership, including through security-sector reform; strengthening good

Resettlement in a third country

The UNHCR operates a [resettlement programme](#) for Syrian refugees, which also covers Syrian refugees living in Lebanon. However, so far, less than 3 % of the total Syrian refugee population of 5 million has been resettled in a third country; most have gone to Canada and Germany. The USA, Australia, the UK, the Netherlands and Spain have also resettled Syrian refugees.

The MADAD Fund

An increasing share of the EU's non-humanitarian aid for Syria's neighbours is being channelled through the EU Regional Trust Fund in Response to the Syrian Crisis, the '[Madad Fund](#)', set up in December 2014. The Madad Fund primarily addresses longer-term economic, educational and social needs of Syrian refugees in neighbouring countries, including Lebanon. It also helps overstretched host communities and their administrations. The Madad Fund is one of the key instruments through which the new EU-Lebanon Compact will be funded. The Madad Fund is expected to reach a total volume of €1 billion in early 2017. Around €767 million has already been allocated to projects in the areas of education, health, water and municipal services, food security and livelihoods. Some 29 % of this amount, equivalent to €224 million, has been allocated to Lebanon.

governance and the rule of law; fostering growth and creating job opportunities; cooperating on migration and mobility; and adopting mechanisms for dialogue and mutual coordination.

EU financial support for Lebanon

The EU has provided over €1 billion to Lebanon since 2011. More than €800 million has been used to support refugees and vulnerable communities. This has included:

- more than €356.1 million from the humanitarian budget, including €87 million for 2016; close to €250 million from the European Neighbourhood Instrument (ENI);
- more than €42 million from the Instrument contributing to Peace and Stability;
- €1.2 million from the European Instrument for Democracy and Human Rights;
- nearly €142 million through the EU Trust Fund in Response to the Syrian Crisis (the Madad Fund).

Moreover, more than €219 million has been made available in regular programmed bilateral assistance under the European Neighbourhood Policy.

At the London donor conference, the [EU pledged](#) €2.4 billion from the EU budget, to be spent during 2016 and 2017 on supporting Syrian refugees in the region, with €1 billion pledged specifically to Jordan and Lebanon. Lebanon is expected to receive around 45 % of that amount, and significantly more over the coming years.

Figure 4 – EU financial support to Lebanon from 2011 until the end of 2016 (in € million)



Data source: [European Commission](#), February 2017.

Support for refugees from Syria and host communities

In response to the statement of intent Lebanon tabled at the international donor conference in February 2016, as well as the Lebanon Crisis Response Plan (LCRP), the EU and Lebanon have also negotiated a series of mutual commitments to complement bilateral cooperation with specific measures on improving the living conditions of refugees and affected host communities. In line with the new focus on building resilience among the refugee population and the host communities, the key objectives of the [EU-Lebanon Compact](#) are to provide an 'appropriate and safe' environment for refugees and displaced persons from Syria, and create a 'beneficial' environment for Lebanon, host communities and vulnerable groups. This is to be achieved through a combination of humanitarian assistance coupled with measures to increase the 'resilience' of the Lebanese national economy and infrastructure.

Better and controlled access to jobs in a restricted number of sectors

Job creation is singled out as a key element. The EU commits to tailoring its activities and supporting measures in accordance with these priorities. In exchange, the Lebanese government agrees to make it easier for refugees to find work in agriculture, construction and other 'labour intensive sectors'. This is to be achieved through 'streamlining regulations governing [the refugees'] stay', and by periodically waiving residency fees and reducing the need for documentation.

The importance of education and training

The EU has also agreed, under the EU-Lebanon Compact, to support programmes and activities that provide education and training, including technical vocational training, to refugees and host communities, specifically those targeting young people. The EU is also supporting the Reaching All Children with Education (RACE) strategy of the Lebanese

government and generally supports school access and quality of education. The EU has already allocated some €42.5 million to the RACE strategy. A substantial part of this has gone towards the enrolment of Syrian children in formal and non-formal education, the supply of educational material and transport. For the school year 2016–2017, EU funds are helping to cover school fees for over 168 000 Syrian children in formal education.

Humanitarian and non-humanitarian aid to Lebanon

The EU's humanitarian aid is channelled through international organisations, such as the United Nations, and international NGOs. The aid budget – more than € 356.1 million since 2011, including €87 million in 2016 – has been used to provide cash assistance, secondary healthcare for seriously ill patients, non-formal education, as well as shelter, water, hygiene and sanitation to the most vulnerable refugees. According to estimates, EU humanitarian aid has reached around 750 000 Syrian refugees since 2012.

The position of the European Parliament

In [January 2016](#), Parliament commended Lebanon for the open border and reception policy, which it had applied for years towards refugees from Palestine, Iraq and Syria. Parliament stressed that Lebanon had the highest per capita concentration of refugees worldwide and called on the European Union to allocate more resources and to work closely with the Lebanese authorities to help the country uphold the protection of the rights of refugees and asylum seekers. In this context, it also encouraged the Lebanese government to consider a reform of the law regulating entry into, stay in and exit from Lebanon. Parliament also expressed concern over the reportedly significant number of cases of child and/or forced marriages among Syrian refugees. In [May 2016](#), Parliament debated EU assistance to Lebanon and Jordan to face the effects of the Syrian crisis, highlighting the importance of helping Lebanon and Jordan cope with the strain the presence of Syrian refugees was placing on both countries. On [3 October 2016](#), Parliament discussed the problem of access to education for Syrian children in Lebanon, as highlighted in a Human Rights Watch [report](#) published in July 2016. Nabih Berry, the Speaker of the Lebanese Parliament, visited the European Parliament in February 2016. Moreover, several European Parliament delegations visited Lebanon in recent years. With five European Parliament delegation visits in 2016, Lebanon was one of the most frequently visited countries by MEPs. A further visit took place in February 2017.

Outlook and future developments

Domestic

The Syrian crisis has exacerbated existing political tensions in Lebanon between the pro-Syrian March 8 political bloc and the rival nationalist March 14 alliance, led by Saad Hariri. Both are represented in the national unity government formed in December 2016, alongside a faction nominated by President Aoun. The coalition has pledged to tackle the many challenges facing Lebanon, but the political deadlock is likely to continue. President Aoun has sought to re-establish relations between Lebanon and the Gulf Arab States, especially Saudi Arabia, which had suffered in the face of growing Iranian influence in Lebanon. As the Gulf Cooperation Council States are likely to seek to manage Iran's influence in Lebanon rather than cut long-standing business, cultural and political with Lebanon, this is expected to have a positive impact on the business climate in Lebanon. The threat of further spill over from the Syrian conflict in the form of terrorist attacks will pose a major challenge. Although the Lebanese army has carried out security crackdowns, there is a risk that it may not be able to maintain security, especially if jihadi groups from Iraq and Syria increase their activities in the country. Moreover, there are concerns that

recent [incidents](#) between Hezbollah and Israel along the border or [inside Syria](#) could eventually escalate into broader war.

External

Despite the ongoing conflict in Syria, which continues to displace people inside the country, aid agencies do not expect large-scale new arrivals in neighbouring countries in 2017, largely due to more restricted admission policies. The 3RP 'refugee planning figure' for the end of 2017 is 4.7 million Syrian refugees for neighbouring countries, which is slightly lower than today's figure of 4.81 million. Therefore, while Lebanon may not currently have to prepare for the arrival of new Syrian refugees, Syrians will not return home any time soon. A political solution to the conflict in Syria is currently looking more [feasible](#) than at any time in the past six years, following the resumption of UN-led peace talks in Geneva, supported by a ceasefire mechanism. However, even if an arrangement were reached involving the Assad regime and some opposition groups, other opposition groups excluded from the political process are likely to continue fighting. Many [longer-term challenges](#) remain. Moreover, if Assad remains in power, the jury is out on how many Syrians would choose to return to live under a regime that has brutally murdered tens of thousands of its own citizens. According to the [Syrian Human Rights Network](#), 93 % of the 203 079 civilians killed between March 2011 and November 2016 were killed by the regime, the equivalent of 188 729 people. Moreover, the Syrian economy is destroyed and the conflict has wrecked development opportunities for decades to come. According to [some estimates](#), even if the conflict ended now and GDP grew at an average rate of 5 % each year, it would take the Syrian economy an estimated 30 years to recover its pre-war level. Nevertheless, some Lebanese politicians continue to call for the return of Syrians to their home country. Lebanese President Aoun [recently](#) expressed support for the establishment of safe zones in coordination with the Syrian government, to facilitate the return of Syrian refugees. It is also possible that neighbouring states, among them Lebanon, will at some point have to face the difficult question of whether and how to more effectively integrate the Syrian refugee population in the host state.

Endnote

¹ Lebanon, Jane's IHS Country Report, 2017.

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