

# CEDRE FACT SHEET



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& HOW?**



April 6, 2019 in less than a month from now, will mark 1 year since the international community convened in Paris for the CEDRE conference to rally around Lebanon and support its institutions, in consideration of the plight of a whopping 1.8 million Syrian refugees borne by the debt-ridden country.

CEDRE was preceded by the Rome II conference that convened on March 15, 2018 in Italy to shore up Lebanon's security institutions and support the army, and was then followed by the Brussels summit on Supporting the Future of Syria and the Region held in Belgium on April 24-25, 2018.

Also known as Paris IV conference (preceded by Paris I in 2001, Paris II in 2002, and Paris III in 2007), CEDRE gathered international institutions and national governments who pledged around \$11.6 billion in soft loans and grants to Lebanon, for the purpose of revitalizing its poor infrastructure and restoring its economy and stability.

## PROPERTIES OF THE SOFT LOANS

Interest rate: 1.5%

Grace period: 7 - 10 years

Maturity period: >25 years

## ON THE CAPITAL INVESTMENT PROGRAM (CIP)

3 phases (cycles 1, 2 and 3)

12 year lifespan

\$16 billion of total value

200 to 250 projects<sup>1</sup>

## CEDRE WILL FUND PHASE I OF THE CIP, AMOUNTING TO USD 11.6 BILLION, AND WILL TOUCH UPON THE FOLLOWING SECTORS

- △ 1) Transport
- △ 2) Water and irrigation
- △ 3) Electricity
- △ 4) Wastewater
- △ 5) Solid waste
- △ 6) Telecommunications
- △ 7) Infrastructure for tourism and industry

(Source: "Capital Investment Program", Government of Lebanon, April 2018)

## CONDITIONALITIES AND NEEDED STRUCTURAL REFORMS?

The disbursement of the CEDRE money is contingent on a series of long-awaited structural reforms by the Lebanese government that would contribute to a better implementation of CEDRE projects.



<sup>1</sup> These projects are spread on the 3 different cycles in terms of priority rating, based on their readiness for execution as well as on their expected social impact (Source: "Capital Investment Program", Government of Lebanon, April 2018)

## Pledges made during CEDRE (equivalent to \$11.6 billion)

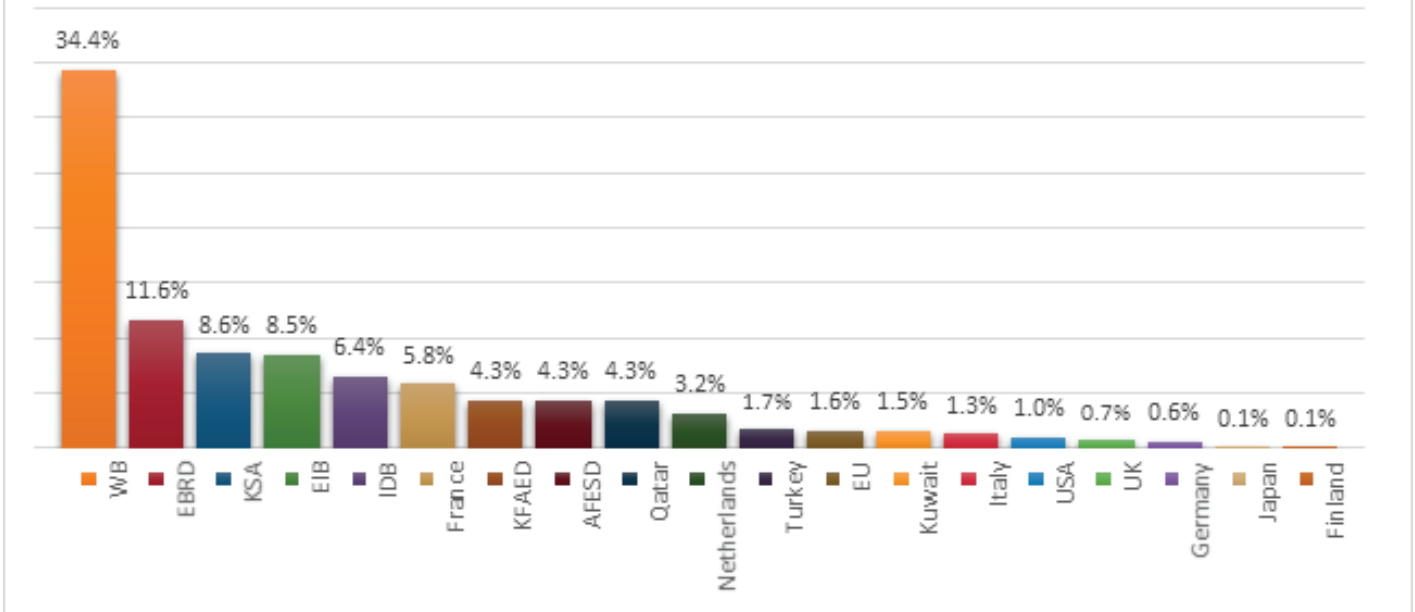


Figure 1<sup>2</sup>: Pledges made during CEDRE (equivalent to USD 11.6 Billion) (Source: Executive Magazine)

## STRUCTURAL REFORMS EVOKED IN THE CIP INCLUDE

- Fighting corruption
- Fiscal governance and reforms
- Digital transformation of the government
- Modernization and restructuring of the public sector
- Public sector procurement
- Judicial reforms
- Oil and gas sector governance
- Doing business environment
- Capital market reforms

(Source: "Vision for Stabilization, Growth and Employment", Government of Lebanon, April 2018)

## THE AGREED-UPON CEDRE FOLLOW-UP MECHANISMS

- Set up a coordination apparatus between donors and the authorities in Beirut, informed by constant dialogue with the private sector and the civil society
- Organize systematic follow-up meetings of higher officials from capitals and head offices
- Design a web-site to guarantee transparency on project funding and execution

(Source: CEDRE "Joint Statement", April 2018)



2 WB: World Bank; EBRD: European Bank for Reconstruction and Development; EIB: European Investment Bank; IDB: Islamic Development Bank; KFAED: Kuwait Fund for Arab Economic Development; AFESD: Arab Fund for Economic and Social Development.