Statement by the Ministry of Finance of Lebanon regarding the country’s re-engagement with the International Monetary Fund and public debt restructuring strategy – for immediate release

The Ministry of Finance (“Ministry”) of the Lebanese Republic (“Lebanon”) is pleased to announce that it has resumed interactions with the International Monetary Fund (“IMF” or “Fund”) and expressed its willingness to progress towards reaching an agreement on an appropriate recovery program that could be supported by the institution and harness broad support from the international financial community.

The newly-formed Government led by Mr Najib Mikati is fully conscious of the urgency of Lebanon’s social and economic situation and of the challenges lying ahead. The Government has repeated its commitment to resume discussions with the IMF as early as possible and formed the team in charge of negotiating with the Fund under the leadership of the deputy Prime Minister Saade Chami and including Finance Minister Dr. Youssef El Khalil, Economy and Trade Minister Amin Salam and Banque du Liban Governor Riad Salameh.

Upon his appointment, Dr. Youssef El Khalil delivered the following statement: “An IMF-supported program is essential to put the country on a path towards recovery. A funding agreement will ensure that the recovery is associated with the implementation of necessary and long overdue reforms and will help restore confidence in our economy.”

In parallel to the engagement with the IMF, the Government remains fully committed to engage in a constructive, transparent and equitable debt restructuring process with all other stakeholders, and welcomes the interest of bondholders, including the “Ad Hoc Lebanon Bondholder Group”, to participate in this process.

In view of the above, the Government reiterates its commitment to a fair and comprehensive solution for all creditors and will engage, with the support of its financial and legal advisors, in good faith discussions with all its creditors as early as practicable.