Jon Alterman: I’m Jon Alterman, Senior Vice President Zbigniew Brzezinski in Global Security, Geostrategy, and Director of the Middle East Program at CSIS, and I’m delighted to welcome you here today to help roll out Will Todman’s new report, *Powering Recovery: Reform, Reconstruction, and Renewables in Conflict-Affected States in the Arab World*. To explore the themes of that report, I’m joined by Will and three distinguished experts. Will’s report looks at the potential of small renewable energy projects to both ease conditions in conflict-affected states and helps contribute to better governance outcomes in the medium term. The embassy of the state of Qatar supported the project, but the views expressed in the report and today’s discussion should be understood to be wholly those of the speakers themselves. Our conversation will start with a brief overview of the report, followed by a panel discussion and questions from you, the audience.

We begin our discussion with Will Todman. Will is a fellow with the Middle East Program whose research focuses on aid, sustainability, and displacement in the Middle East. He’s conducted field research in nine countries in the MENA region, and he’s been widely published. Will is a 2022-23 Penn Kemble fellow at the National Endowment for Democracy, a fellow at the Center for Syrian Studies at St. Andrews University, and a formal global diversity fellow at the Atlantic Council. He holds degrees from Georgetown University and the University of Oxford. Will, congratulations on publishing the report. What is it about and what did you find?

Will Todman: Before I started working at CSIS, I was working on besieged areas in Syria, and I came across some remarkable stories. There was one that stuck with me. It was about how Syrians in areas cut off from state power by the Syrian regime were using bikes to generate electricity. They also couldn’t access fuel to operate generators, so they hooked bikes up to batteries and they got young men to pedal fast to generate electricity. However, that is exhausting and inefficient. It only generated enough electricity to turn the lights on, so they turned to solar energy and managed to smuggle some solar panels into the besieged area and put them up on their roofs.

However, a lot of these solar panels were either destroyed during fighting or stolen, so they came up with yet another adaptation, which was attaching solar panels to the wreckage of a burnt-out car to develop a mobile cart with solar panels which they could move around. They hooked this car up to medical facilities, and it was enough to operate medical equipment. That made me think that even in the direst circumstances, there are things you can do to improve the provision of electricity. Not having electricity is terrible in these environments. It exacerbates humanitarian crises, stifles economic recovery, and drives tensions between different communities. It’s important to recognize that this isn’t just happening in countries experiencing active fighting. It’s also happening in other countries where
fighting stopped decades ago. In Iraq and Lebanon, for example, the fighting stopped, but the situation is getting worse, not better.

I wanted to understand why billions of dollars of international assistance have failed to ensure reliable and affordable electricity in many of these places. To do that, we focus on four countries. We wanted to choose a range of countries that have different geographies, experiences with conflict, and sizes. We settled on Iraq, Lebanon, Libya, and Yemen. My colleague Lubna Yousef took on the Libya chapter. We conducted field research from rural Lebanon to the old city of Mosul, which was destroyed in the fight against ISIS, conducting more than 170 interviews with international donors, aid actors, private sector actors, and experts. One of the key things we found is that electricity crises are often deliberate because when electricity access is uneven, political actors can use it as a tool.

You can use it to reward your allies and undermine your rivals. Different actors deliberately destroy electricity as a political tool. A series of ISIS attacks in Iraq are some of the most prominent examples of this. One of them destroyed a multi-hundred-million-dollar project, a power station at Baiji, which had only just opened a couple of months before but was a huge money-making scheme. This points to another key finding of the research: various actors have an interest in undermining electricity infrastructure as they can make more money by forcing reliance on informal methods and continuing to force a reliance on fuel imports. Fuel is often a source of corruption but informal adaptations, such as neighborhood-level generators, in places like Lebanon and Iraq also fuel corruption. Political actors have ties to generator owners, so they have an interest in ensuring that generators have a monopoly in each area. In turn, they receive a cut in profits, which is often significant.

As I said, local communities are finding ways to work around these problems. Quite often, they’re doing this by experimenting with renewables, which offer a host of new opportunities in these challenging environments. While renewables are becoming cost competitive or even cheaper than traditional methods of hydrocarbon-based electricity generation, there are specific reasons why renewables are more resilient in fragile environments. Firstly, they are less reliant on fuel imports, which is a key area of corruption. Distributed systems of renewable energy with smaller-scale infrastructure are also more local to communities’ power use and can be built quicker, even while conflicts remain. The impact of outages is also more limited if they are destroyed in the conflict. Since the ownership of these systems is also decentralized, it’s harder for monopolists to gain a grip over these systems.

As you can see, renewables can create virtuous circles in these environments, and they can stem humanitarian crises, accelerate economic recovery, and lead to better governance. What do we take from this? In some situations,
donors should act earlier, think more politically, and learn from some of these local adaptations. This can’t happen in all contexts though. I highlight the importance of central authorities’ capacity and vested interests in the status quo that work to frustrate the transition to renewable energy. In places with strong vested interests, like Iraq and Libya, promising change can be difficult.

When there is reasonable capacity, however, donors should push to create an enabling environment for renewables. Even when there aren’t strong governments, donors can still work at the local level. They can experiment with different models of electricity provision and then try to encourage other actors to replicate these models and scale them up. I want to stress that donors are already doing this, including some of the speakers around the table today. However, a window of opportunity does exist in some contexts like Yemen to push for these kinds of systems with several benefits. It would accelerate economic recovery, improve governance, and, simultaneously, set these countries on a pathway to greater environmental sustainability.

Jon Alterman: Well, that’s terrific. Thank you very much for that summary. I could not be more pleased with the three experts we have to discuss Will’s report. Matthew Steinhelfer is deputy assistant secretary of state in the Bureau of Conflict and Stabilization Operations. He leads the bureau’s efforts to anticipate, prevent, and respond to conflict instability in the Western Hemisphere, Europe, and the Middle East and North Africa. Matt previously served in the Bureau of New Eastern Affairs, as well as with the special representative for Afghanistan and Pakistan in the U.S. Embassy in Kabul.

Dr. Paul Noumba Um is the director of infrastructure in the Middle East and North Africa at the World Bank. He has over three decades of experience in the infrastructure, policy, regulation, and financial sectors, and has advised governments, utility companies, and private sector partners. For the last 25 years, he’s worked at the World Bank, including roles as country director for states in sub-Saharan and Southern Africa.

Christina Abi Haidar is a practicing attorney in Lebanon, a development and governance specialist, and a consultant to several companies and international organizations. She’s joining us from Beirut. With more than a decade of experience in law, she specializes in the regulatory and environmental aspects of energy policies, contracts, and regulatory frameworks in the MENA region. She’s drafted numerous laws, regulations, and decrees, including Lebanon’s draft distributed renewable energy law.

Welcome to you all. I am looking forward to this conversation. Matt, let’s start with you. Will argues that smaller-scale renewable projects could support economic recovery, better governance, and increase environmental sustainability in conflict-affected states. How does that resonate with your
Matthew D. Steinhefier:

First and foremost, let me just say thanks to CSIS for hosting this event. This is a sign of the direction that we need to go. We need to break down the silos between the scientific communities, the climate science community, environmentalists, and the conflict or peace-building community to mainstream this work. Firstly, the Biden-Harris administration has made climate a priority, particularly integrating and mainstreaming a lot of our work. The special presidential envoy for climate, John Kerry said clearly, "We must continue to do everything to limit warming to 1.5 degrees Celsius and avoid the most catastrophic consequences of climate change. The truth is the climate crisis is already here, and we face unavoidable climate hazards in the coming months." Through our national security strategy, we are addressing the impact of climate shocks on instability, conflict, and mass migration in a couple of key ways.

First, it starts with analysis and data. In 2021, the director of national intelligence published the very first unclassified national intelligence estimate on climate change. For the first time, the U.S. government emphasized that the increasing physical effects of climate change are likely to exacerbate cross-border geopolitical flashpoints as states take steps to secure their interests. The report specifically identified key countries where climate heightens the risk of instability in the Middle East and North Africa region, particularly emphasizing Iraq. For example, when temperatures in parts of Iraq reached 122 degrees Fahrenheit or 50 degrees Celsius in 2021, we saw protests over heat-related power outages. We're also hearing reports from farmers in Iraq that described instances of climate-induced migrants' lack of jobs, leading them to join armed groups in the area. The key question now is, what do we do in response?

There are already several great early warning systems that exist, especially related to famine and other environmental aspects. What we're trying to do, however, is push for better analysis and systems that look for second or third-order effects. We are also looking at how to increase our work upstream to have a marked improvement in stemming conflict and mitigating some of this work before it starts. The first step to do this is investing in data. We're utilizing a multi-donor funding approach through the United Nations called the Complex Risk Analytics Fund, managed by the United Nations to invest more in data sets that look across climate and conflict-related issues. Second, through the Global Fragility Act, we're implementing the U.S. strategy to prevent conflict and promote stability. In that work, we have several priority countries, including Libya, in which we're doing a deeper analysis of the interconnectedness between conflict and climate. Our challenge is to truly tackle the root drivers of instability, including those exacerbated by climate. This means doing what we're doing
today, breaking down the silos that we work in traditionally, bringing together data analysis, climate science, conflict prevention, humanitarian response, peace-building communities, and energy communities to think about bridging those gaps. We need to make sure we’re not just checking the box but enhancing resilience and adaptation initiatives that are tackling root drivers.

It also means that, when resources shrink in various communities, we must recognize that traditional conflict resolution mechanisms may be insufficient to address land or resource issues. Right now, we’re working with other agencies to think through this intersection of climate and conflict, devising innovative approaches to adaptation and resilience. This report is very important because we can mitigate the root drivers of conflict and instability and bring communities together where renewable program efforts are implemented.

I’ll close with a quick anecdote. In Yemen, we provided different initiatives during the conflict, and we advanced one specific community-level response that looked at advanced energy projects. We found that it achieved meaningful results for that community. Stepping back today and looking at that small-scale investment in that project, many of the things that Jon touched on were right. We must think about scalability. How can we push further? How can we create a broader, data-driven strategy to think about the impact of conflict and address the root causes? We’re still thinking through those specific types of approaches, but I’m hopeful that through additional data and interagency strategic planning through the Global Fragility Act, we’ll be able to advance these issues.

Jon Alterman: Thank you. That’s very helpful. Now, I want to turn to Paul. One of the things that Matt talked about was what happens when you get into conflict. As the World Bank thinks about its investments, how do you think about how conflict delays or obstructs investment? How do you think about investing in places that are still experiencing conflict? I’m especially interested in the applicability of Will’s suggestion that some of these smaller-scale efforts would allow you to be involved earlier, meaning that when Matt’s team gets involved, they would have a better foundation to build on.

Paul Noumba Um: Yeah. Very good. Thank you. Thank you very much. I’m pleased to be here with you. It’s a wonderful opportunity for us to exchange views on this important topic. During my career at the World Bank, I’ve worked in different countries at different stages of fragility, which is a key component of development. When engaging in development, we must assume that at some point in time countries may be vulnerable and fall into fragility. When fragility is combined with conflict and violence, there is a cocktail that can lead to what is happening in Syria or Yemen.
My conclusion after doing this kind of work for more than 20 years is that we should not retain a very linear approach. You cannot do things only when you have peace and stability. Development must take place all the way through. Even when conflict is happening, you need to invest in development. We came up with a humanitarian, peace, and development nexus which meant that when a conflict starts humanitarian organizations are the first to assist. These organizations provide food, health support, and medical assistance, all these things needed for people to survive. It’s important, however, at that stage to think about development, because we never know when conflict will end.

At the World Bank, we have emphasized fragility, conflict, and violence as a concept, which is underpinning all our development interventions. When we do engage in the country, we do a fragility and resiliency assessment so we can tailor our intervention and prevent total conflict. In decision-making, we prioritize the kind of interventions that are most helpful and impactful to people.

Focusing on electricity, I found the report compelling because you touched on the countries I cover. Yemen and Lebanon are covered, and I’ve spent many hours visiting these countries. We cannot go to Yemen, but we work through UN agencies. In situations like Yemen, the World Bank cannot necessarily take the risk that some UN-based organizations are taking, and we cannot send our staff where a conflict is taking place, but we must intervene and provide support to the people of Yemen. We do that through UN agencies on one side or through NGOs or civil society organizations on the other.

Additionally, most of these conflicts are driven by climate-related development. The Iraqi is driven by hydrocarbons, which has been the case for many years. With climate change, fossil fuel demand will decline, and the basis of 90% revenue of the government of Iraq will disappear. How do you get the economy of Iraq to diversify to maintain stability? That’s really the question that Iraq is facing in the future.

At the World Bank, we completed a country climate diagnostic report on Iraq in December, which forms our Iraqi policy. The country will have to diversify its economy and, more importantly, engage forcefully in decarbonizing its oil and electricity sector. Iraq has plenty of solar regulation resources. They can invest in renewable energy and scale up the generation of electricity through solar. They can also generate electricity through wind power. At the same time, Iraq has an issue of water scarcity, which affects any point of adaptation that you raise. The question that Iraq and many other countries in the Middle East are facing is how to reconcile development goals with climate responsibility and obligation.
We recently did a report that concluded that water security will be the main challenge for the Middle East and North Africa region because of population growth. People will face food crises as land erosion inhibits their ability to harvest and depend on their agriculture. There are opportunities, however, for mitigation through renewable energy.

Lastly, how can the World Bank implement your proposal? As the conflict takes place in Yemen, access to electricity is very low as the grid has completely collapsed. Nevertheless, we had to maintain the supply of electricity to communities, so, in 2018, we used a $50 million grant to access solar energy by lanterns or solar panels. This grant was a concession credit to the government of Yemen and was implemented through the United Nations Office for Project Services. Ultimately, we provided electricity to more than 1 million people.

We have also equipped community centers, such as health and education facilities, with solar panels, allowing them to provide their necessary services. We also provided solar panels to allow people to access water resources, which is key to maintaining a certain level of livelihood, particularly when it comes to agriculture. This example shows the importance of doing all that can be done in a conflict situation. In the context of Yemen, we couldn’t invest, and we didn’t try to fix the grid because it would have been exposed to all the challenges that you described. Therefore, we decided to shift our intervention to focus on strengthening and building up the community.

Jon Alterman: Thank you very much. Let me bring Christina in. It seems to me that Paul described, quite accurately, the way the climate is driving conflict in the Middle East. In Lebanon, it seems to me, the conflict isn’t really driven by climate. It’s driven by the politics of Lebanon. Lebanon's civil war supposedly ended a third of a century ago, and yet, we still think of Lebanon as a conflict-affected state. How does Lebanon’s history of conflict continue to affect things, like the energy sector?

Christina Abi Haidar: First, allow me to thank you and thank CSIS for giving me the opportunity to be among you and discuss this important topic and your report because it’s really valuable. As you mentioned, the war ended more than 30 years ago in Lebanon, but it had direct implications on infrastructure. It destroyed the infrastructure in Lebanon and corrupted politicians’ mentality. This mentality is the hardest thing to fix. From my point of view, politicians like to have a chaotic environment because it serves their interests.

The war ended more than 30 years ago and during it we sometimes had electricity. Now, we are witnessing almost total blackouts. We’ve been running our power plants on privately owned oil and diesel generators. Our
tariff is subsidized and has been fixed since 1994. Last November the tariff increased because the economy and financial system collapsed, but there is no rule of law.

We have a law that dates to 2002, regulating the electricity sector, specifically calling for the appointment of an independent regulatory authority. The international community and even Lebanese organizations know about this law, but it has never been implemented and we do not have a regulatory authority. Politicians want to modify the law before appointing an independent regulatory authority. So, it’s not by chance we don’t have electricity. Our politicians are corrupt, and this chaotic enabling environment serves their interests. They have a direct interest in fuel imports, private generators, and subsidizing electricity. There are, however, windows of hope through the small interventions of donors and international organizations.

Lebanon is a rich country in all renewable energy resources: water, sun, and wind. Yet, we do not have a national renewable energy project.

I’m Lebanese and have worked in several areas in the MENA region. I’m confident that this is on purpose and intentional. Despite these challenges, donors can help by supporting the draft distributed renewable energy draft law. This is important as politicians have refused to pass or heavily edited this law along with law 462. Secondly, international organizations have supported renewable energy projects on the local level or through the public utility Électricité du Liban (EDL).

Today, Lebanon is in a state of total collapse. To enroll in an IMF program, get assistance from the World Bank, or get Jordanian electricity and gas from Egypt, we need to meet certain prerequisites, such as changing the tariff. The change occurred unbeknownst to the Lebanese people in November. We’re paying for our public utility electricity around 100,800 per kilowatt.

This is too much for the Lebanese to handle when their money is confiscated. It is also important to consider non-technical losses. Non-technical losses are severe all over the Lebanese territory. While many people pay their bills, the majority do not. For example, public institutions do not pay their utility, and refugee camps cannot afford to pay their utility bills.

By implementing law 462, many reforms should come about, including the appointment of an independent regulatory authority. I want to emphasize the word “independent.” Lebanese do not just want a regulatory authority in place. We want it to be autonomous, independent, and not politically affiliated to relieve the sector from political dominance and interference.

Jon Alterman: Thank you very much, Christina. There are obviously a lot of issues there. Let me try to zoom in. Paul, you recently visited a local solar project in the Beqaa
Valley in Eastern Lebanon, a project that Will mentions in his report. What were you trying to learn about that initiative? What did you find and how does it relate to some of the issues that Christina had just raised?

Paul Noumba Um:

I think Christina has covered the ground. We have been trying to address the issue of Lebanon’s electricity sector for more than 20 years. We haven’t been able to be successful, not because we haven’t tried, or we don’t know the recipe. Everybody knows the technical solution.

The problem is political and so is the solution. My trip to Lebanon was my first trip since the beginning of the pandemic. When I landed, the first thing I realized is that the grid has collapsed. During my previous trip, there was electricity almost 18 hours a day, so I didn’t see any major issues back then. During this trip, however, this crisis really sank in. There was no light, even the streetlights were down. The day I landed in Beirut was the day EDL grid service resumed to five hours a day. At least, there was an attempt to reestablish a public service supply of electricity. We realized everything Christina mentioned and saw the need for the concrete solutions she mentioned. We don’t want paper reforms. We want concrete steps showing that this time around, the problem will be solved. In so doing, we acknowledge that it may take time to achieve this goal, so in the meantime, we must utilize the opportunity of technology, which is where the distributed renewable energy approach comes into play. My team recommended I go to the Beqaa Valley to see an initiative there led by a private entrepreneur providing electricity to his community. It’s a 700-kilowatt hybrid system that combines generators, solar electricity, and battery storage to provide 14 to 16 hours of electricity a day to 400 families. This provides some sense of reliable electricity, unlike the rest of the country. We must start thinking of how we can transition the system from the old fossil fuel base system. We need a base load grid, but while that is being fixed, we need to make sure that the Lebanese can still have access to electricity.

As a matter of fact, since the crisis in the electricity sector started in Lebanon two or three years ago, households with the financial ability to install solar panels have done so. In fact, a total amount of 400 megawatts in rooftop solar systems were deployed in one year in Lebanon just for people to continue having access to electricity.

We must create an enabling environment for solar energy because we also don’t want to completely undermine the whole grid as everyone is investing in his or her system. The sum of their investments is at the end suboptimal because it’s not done in a very efficient manner.

In order to optimize investments and create this enabling environment, it is important to visit community projects like that in Beqaa. Beqaa is particularly interesting as the solar farm is in one place but supplies
electricity to different households around it as opposed to every household having its own solar panel.

Jon Alterman: Matt, Paul’s an economist who is talking about optimizing. You have been involved in conflict-affected areas for years and have seen a whole range of them. How much of what Christina and Paul are describing in Lebanon is generalizable? And what have you learned in your work that suggests that the kinds of ideas Will’s putting forward might help us thread the needle on some of these problems?

Matthew D. Steinheimer: I think it’s very relatable. In fact, I think a lot of the terms that we’re using, such as “optimizing our results”, “addressing social cohesion”, and “addressing governance and rule of law” described where we’re at in the peacebuilding community. In other words, there is a sense we need to get back to the basics of democracies’ need to deliver for their people.

Good governance comes from individuals seeing results and feeling heard. Through a lot of integrated strategies, we are trying to not just put a band-aid on these challenges but really look for scalable investments that can address many of the cross-sector core grievances. Many of those have been resource-related issues. Due to the climate crisis, our future challenges are going to be even more complex and necessitate even more nuanced, more complex solutions than we’ve ever had before.

This is why, right now, it’s so important for us to break down our silos across our communities, talk to one another, and identify other opportunities to optimize our work. I firmly believe that for conflict prevention to work, we must bring communities together, which can be done around several topics. We’ve done these types of programs around the world, whether that’s using environmental concerns to bring communities together or bringing communities together around peace discussions or participatory budgeting. I think there’s a lot of opportunity if we sit down together and design integrated strategies so that we can scale up and optimize results rather than having a smattering of disparate projects that don’t achieve strategic impact.

Jon Alterman: As Iran makes greater diplomatic ties with Saudi Arabia, the UAE, or Kuwait, does that change the way that Tehran thinks the United States is going to think about Gulf security? Does it change the way that Gulf states think about the United States and Gulf security?

Matthew D. Steinheimer: I think it’s very relatable. In fact, I think a lot of the terms that we’re using, such as “optimizing our results”, “addressing social cohesion”, and “addressing governance and rule of law” described where we’re at in the peacebuilding community. In other words, there is a sense we need to get back to the basics of democracies’ need to deliver for their people.
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Jon Alterman: Christina, you’ve worked in places that haven’t really had to enable legal environments. The logical way would be to create an enabling legal environment and then move forward on all the integrated things that Matt is talking about. What is your experience on the process of simultaneously trying to build an enabling legal environment but also moving forward in the absence of an enabling legal environment? What kinds of lessons does your experience lend to people like Matt, who are trying to do this in messy places all over the world?

Christina Abi Haidar: I totally agree with Paul and Matt. I’m against these small individual solutions because they tend to be chaotic and only offer solutions for people that can afford this commodity. Electricity is not a luxury commodity. It is a need and a basic. It is our right to have electricity because it has direct implications on all our lives: on the internet, on water, education, health, and the economy.

We cannot talk about an economic reform or recovery before we have electricity and recover the electricity sector. I prefer collective solutions to individualized ones. This was my main goal in drafting the distributed renewable energy draft law. To pave the way to open the market for the private sector without any intermediaries or boundaries. We also wanted to avoid bottlenecks with the public utility or the minister of energy and water. Unfortunately, politics played a big role again and the minister had to insert some changes making the law not applicable even if it is ratified.

In terms of solutions, throughout all my work, I prioritize working in a legal way to ensure the sustainability of donors’ money and investment. The goal
is to make sustainable change that will not be easily affected by changes in the economy, legislation, or overall situation.

For this reason, through my experience and expertise, I tend to work a lot with local authorities. Paul’s example in Beqaa is a good one now. However, it is important to be careful because this example uses public utility assets, which is illegal. In my consultancies, I try to avoid any illegal implications or fireback cases from the government or public utility. I’m with collective solutions, so I work with communities and local authorities to try to be creative and think out of the box. For example, the creation of energy committees or oversight committees gives them a legal model to ensure that once the donor or organization steps back, the community can sustain and fully operate the intervention that it has been granted.

Cost sharing is another important component for ensuring buy-in from the community. Therefore, we need to always distinguish between three types of assistance: direct relief as you described earlier, and direct relief where donors tend to give fuel diesel, generators, and development projects. When it comes to development projects, there should be a careful assessment of the enabling environment and an endeavor to work sustainably. We also shouldn’t avoid working with the public utility. Public utilities usually do have autonomy and it’s advisable to work with institutions rather than a minister who wears a political hat. Additionally, institutions, such as EDL, are sustainable and I had several good cases to be replicated.

Jon Alterman: Thank you very much. Paul, she’s a lawyer. You’re an economist. What is the role that lawyers, and the interventions Christina talked about, play in the plans that the World Bank and economists are trying to introduce in fragile states? Where does the legal foundation enter into your programming decisions?

Paul Noumba Um: They play a role from the start because we can’t do anything if there’s no legitimacy. We focus on engaging with legitimate governments. When we have a situation where there is no legitimate government, we work with a third party, a UN organization, or an NGO. Returning to Christina’s point, the first step in any type of sector engagement is working with the government to outline its vision. What do they visualize about that sector, given the realities of Lebanon? You get them to project a little bit of that vision, which the government of Lebanon has done several times.

From that vision, we outline the legal framework, which will support the implementation of the vision. This is what Christina is talking about when discussing the distributed renewable energy draft legislation. The vision is that Lebanon has to transition to clean energy. Lebanon has a lot of sun radiation and wind as well as some land, and they can tap into these
resources to become less dependent on foreign imports. How do we get this done? We need the underpinning legislation which must be supported by all the stakeholders.

This is where politics come in and this is where the factionalism of Lebanon comes in. Therefore, the law becomes a fighting scenario where every party is trying to grab a portion of it. At the end of the day, the intent is good because what the system didn't do until now, the market has done it. People are buying their solar systems, and that part of the market is booming. If we don't reestablish order, it's going to be chaotic and counterproductive. Therefore, Christina is underscoring the need to consider legality. For instance, in the Beqaa example, the private operator is using the electric poles of EDL and EDL hasn't agreed to that. Of course, if she was involved in that conversation with EDL and that private operator, maybe she would've helped them to come to what I would call a facility sharing agreement, which would have required the private operator to pay EDL to use the poles to ensure legality.

**Jon Alterman:** Matt, this is a complicated political mess. How successful can the U.S. government be in trying to untangle exactly the kinds of problems that Christina and Paul are talking about?

**Matthew D. Steinhelfer:** I think that's a great question. We're trying to approach many of these very complex challenges with humility. That is a fundamental shift in the US government's approach over time. Much of our approach right now, especially in the monitoring, evaluation, and learning space, is to do things like this, bring in lots of different ideas and listen to different approaches, different ideas, and stress testing our work along the way. Through our work under the Global Fragility Act, which is the U.S. strategy to prevent conflict and promote stability, we have begun the process of using a more collaborative approach. This approach involves looking beyond the traditional stakeholders, like the typical implementors or national government entities, and including stakeholder consultations with a wide variety of groups on the local level. In one country for this initiative, we reached out to over 300 different individuals across a wide spectrum of society. Taking a collaborative and learning approach will enable us to see which projects need more conflict resolution or listening facilitation skills. This may be the thing that unlocks or accelerates some of our success. I'm optimistic that we are learning from these various environments, but I think we have to approach it with humility.

**Jon Alterman:** Paul, we have an online question. Somebody said, "You have this really messy environment, but one of the things the messy environment does is it keeps international investors from playing a larger role." Are international investors part of the solution you're envisioning, and if they are, what would
Paul Noumba

Of course. Everyone has a role to play, from the community to international investors. Today, we have investors going to Beirut and investing there, even though the economy is collapsing. People are still looking for and finding opportunities, but at the end of the day, they're asking for one thing, predictability. This is why a regulatory framework is important because when investors use their equity in a country, they want to make sure that the rules are not going to be changed overnight. Secondly, they want to know the rules are going to prevail over everything. This is what the World Bank does. When we engage with countries with government, we help them create an enabling environment, that provides predictability and certainty of effective implementation of rules. We really push hard to make sure that that situation improves, and we have been quite successful in some cases, but not always successful. Over time, I always see investors coming back to us asking to do more so that they can go to the same countries where they see opportunities there for themselves for returns.

Jon Alterman

Let me ask Christina, you've been very involved in this draft renewable energy law. Paul said there's a whole series of things in the environment. What do you think the most important other things are beside the draft renewable energy law that you've been involved with for several years?

Christina Abi Haidar

I've been part of the national committee that draft the first renewable energy for Lebanon since 2009. This law never saw the light. It was kept in the parliament’s drawers. As I said earlier, this is not by chance. This is intentional because as long as the enabling environment is chaotic, politicians can have dominance over the electricity sector. For this reason, I urge international organizations to please support people in the conflict-affected environments. Sometimes we tend to have elections and we elect our representatives, but sometimes we don’t. We don't have a say. They are imposed on us even if it is under a democratic scheme. For this reason, lots of Lebanese are desperate. I’m talking about Lebanon because I’m living here now and I’m also a desperate Lebanese. It is so important that the decentralized renewable energy (DRE) law be drafted and ratified soon because it will pave the way. It is a private-to-private mechanism, which will improve the appetite for investment in Lebanon. In many countries, there are monopolies for public utilities. Lebanon is no different. Lebanese are not allowed to generate, transmit or distribute electricity. Though the law calls for private sector involvement, it has purposefully never been implemented, although it has been ratified. Although we established a national committee for the DRE law and invited the Ministry of Energy to be part of it, the minister inserted major changes, hindering the law.
We are pushing a lot as Lebanese through the support of international organizations and through the donor community, but we still need to push more. Our politicians are always resistant. As I mentioned, they don't care if people are dying without electricity. They are living in their own castles. They have this commodity, and some Lebanese have the privilege to get individual solar panels. Those who cannot afford this, however, are dying without electricity or paying a very high bill for this basic service. I'm pushing a lot through my consultancy and my role as a legal expert in different organizations. I've worked with numerous international organizations and I'm still keen to push for much-needed reforms.

Jon Alterman: Thank you. Will, look what you've done. You've provoked a really thoughtful, but very engaged and interlocked conversation, amongst people from very different stakeholder groups. Just before we close, did you hear anything especially surprising, or what are some key elements that came out of this conversation that you helped provoke?

Will Todman: The idea of sustainability is key here. I'm talking about environmental sustainability, of course, but I'm also thinking about the sustainability of these projects over the longer term. As Paul said, we can't have a linear approach to conflict, so we need to act earlier, but as we do that, we also need to be thinking about how we can set society on a more sustainable pathway. How can we make sure that this is legal? How can we make sure that this isn't going to be undermined by other actors? I hope that some of the ideas in the report spark some more conversations about the ways to do that.

Jon Alterman: Thank you very much. I want to thank Will Todman for teeing up this whole discussion. I want to thank Matt Steinhelper, Dr. Paul Noumba Um, and Christina Abi Haidar for joining us today. If you are interested in the report and learning more, you can read Powering Recovery on the CSIS website. If you don't want to read the whole thing, we have a one-page fact sheet, an executive summary, a podcast episode, and a video recap of the report. There are all kinds of resources to give you a sense of the richness of this report. I hope you'll take a look. In the coming weeks, we will be releasing an Arabic version and several shorter pieces. Thank you very much for joining us and thank you for being with us today.