Lebanon is experiencing a severe electricity crisis. Long-standing and deep-rooted corruption and mismanagement of the sector has brought it to the verge of collapse. Millions now lack access to affordable or reliable power.

**KEY POINTS**

- Lebanon’s post-war reconstruction entrenched cronyism and corruption in the electricity sector.
- International donors have dangled the prospect of large-scale aid to incentivize governance reforms in the electricity sector, but these efforts have failed for over 30 years.
- Even the unprecedented collapse over the past years has not prompted the government to implement the necessary reforms to set Lebanon on a path to recovery. The crises have crippled the central government and it no longer has the capacity to implement reforms.
- With fuel shortages and a lack of state power, many Lebanese households have invested in solar panels. Some communities have also invested in larger projects.
- Donors have funded some renewable energy systems for critical infrastructure, such as hospitals and schools, but have mostly avoided larger renewable projects.
- Advancing the spread of local renewable projects would help circumvent corruption in the electricity sector. A window of opportunity exists to rebuild the resilience and governance of Lebanon’s electricity sector, while also accelerating its transition to sustainability.

**RECOMMENDATIONS**

- Continue to insist on reforms as a precondition for major financial aid.
- Avoid short-term solutions that add to Lebanon’s debt without opening space for reform.
- Increase the deployment of renewable systems for critical infrastructure.
- Expand efforts to support community-level renewable projects, experimenting with different models.
- Co-opt potential spoilers. Incentivize owners of private generators to hybridize their systems with solar panels.
- Explore ways to unlock alternative financing to scale up local projects.

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