

LEBANON

WHAT HAPPENED?

The official investigation into the catastrophic August 2020 Beirut port explosion **widened divisions** within the newly formed government and sparked a **violent street battle** when Shiite protesters marched through a Christian neighbourhood in the capital Beirut, killing seven Shiites.

WHY DOES IT MATTER?

The investigation standoff is aggravating Lebanon's governance crisis, which has hampered critical reforms needed to counter the downward economic spiral. Clashes in Beirut reflect **rising sectarian tensions** and the danger of further incidents where Christian and Shiite residential areas intersect.

SEPTEMBER TRENDS

The parliament approved the formation of a new government led by Prime Minister Najib Mikati, ending a thirteen-month period during which Lebanon was governed by caretaker authorities. Separately, Hizbollah imported fuel directly from Iran in violation of U.S. sanctions.

1 📉 Port explosion investigation triggered crisis

Investigative Judge Tareq Bitar on 12 October issued an arrest warrant for former Minister of Finance Ali Hassan Khalil of the Shiite Amal Movement for failing to appear for questioning over the Beirut port explosion. Shiite ministers reportedly threatened to boycott cabinet meetings in response.

Supporters of Hizbollah and Amal (Lebanon's main Shiite parties) protested in a Beirut Christian neighbourhood on 14 October, sparking a **deadly battle with unidentified gunmen**. Hizbollah blames the Christian party Lebanese Forces, which denied responsibility.

2 ➡ Economic hardship continued despite some positive signs

Power supplies marginally improved by mid-month as the Central Bank further depleted its currency reserves to fund fuel imports. The rollout of rationing cards for essential goods faced bureaucratic complications and criticism.

The government on 19 October **resumed negotiations with the International Monetary Fund (IMF)** on financial assistance. The IMF emphasised the need to address losses in the financial sector, estimated at \$90 billion, an issue that led the last round of talks in June 2020 to collapse.

3 📉 Diplomatic spat erupted with Gulf states

Footage showing Information Minister George Kordahi criticising the Saudi-led war in Yemen before his ministerial appointment prompted Saudi Arabia, Kuwait, Bahrain and the United Arab Emirates to withdraw their ambassadors from Lebanon and expel their Lebanese counterparts, while Riyadh and Manama also banned all Lebanese imports.

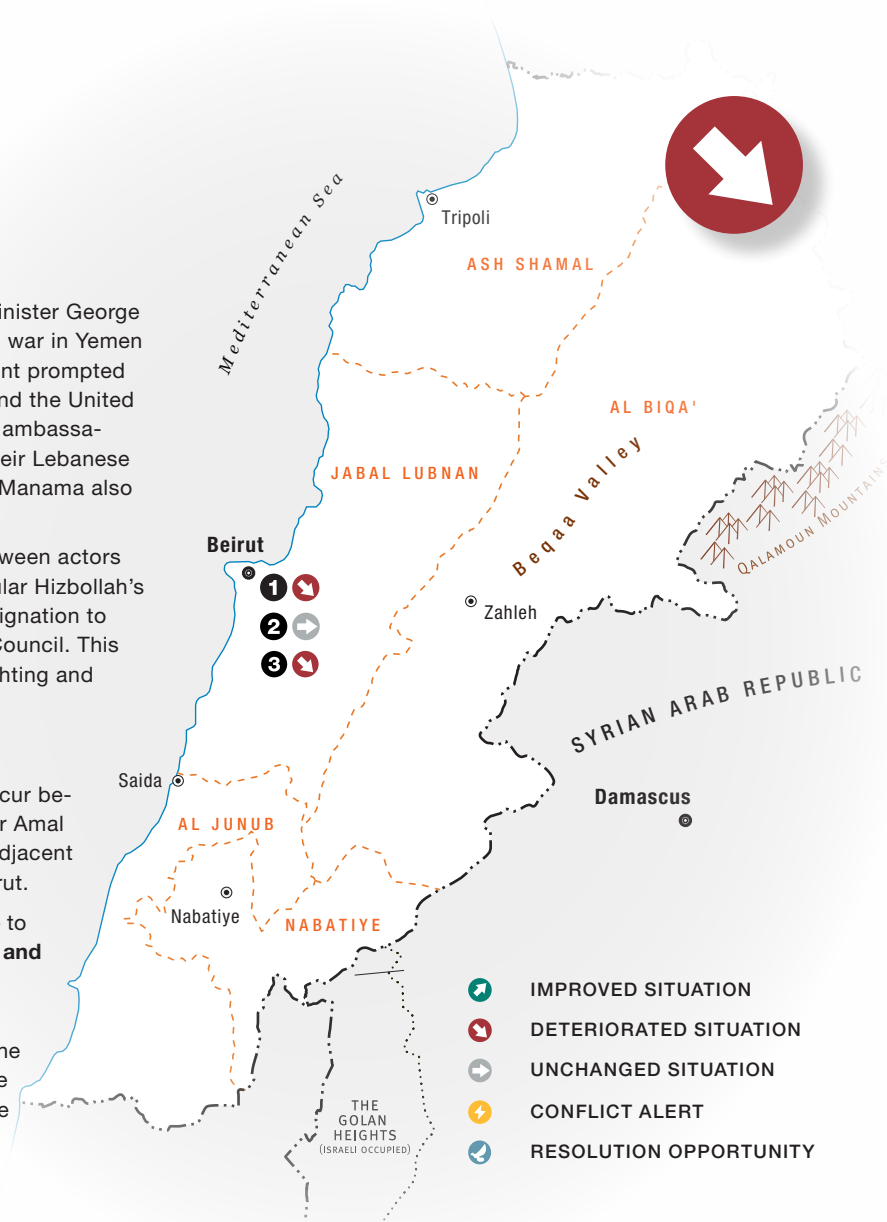
The **government is divided** between actors supportive of Kordahi, in particular Hizbollah's allies, and those seeking his resignation to appease the Gulf Cooperation Council. This new fault line spells further infighting and delay in the reform process.

WHAT TO WATCH

Further armed clashes may occur between supporters of Hizbollah or Amal and Lebanese Forces in areas adjacent to Shiite neighbourhoods in Beirut.

The Kordahi crisis could continue to increase **friction between Sunni and Shiite** political camps.

The refusal of MPs and former ministers to be questioned over the Beirut port blast, and of Lebanese Forces leader Samir Geagea to be questioned over the 14 October incident, could further **undermine the pursuit of justice and accountability**.



TRENDS TIMELINE

