

Powering a Fair Future: Centering Communities in Lebanon's Just Energy Transition

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Executive Summary

This policy brief is intended to inform Lebanese policymakers, civil society organizations, and development partners about the critical importance of embedding justice, equity, and community participation into Lebanon's energy transition. It aims to provide actionable recommendations that support the implementation of inclusive energy reforms, particularly in the context of post-crisis recovery, and to advocate for a decentralized, people-centered approach that strengthens local resilience, reduces dependency on polluting sources, and advances national energy goals.

This brief argues that Lebanon can achieve a just transition and initiate energy reforms by adopting an inclusive, community-centered approach. This entails fully implementing the Distributed Renewable Energy Law and expediting the endorsement of the draft Energy Efficiency Law.¹ By focusing on decentralized solutions, equitable access, institutional reform, and robust community participation, Lebanon can transform its energy

sector, reduce emissions, alleviate financial burdens on citizens and the state, and foster sustainable development.

1. Introduction: Lebanon's Urgent Energy Dilemma

Since 1990, Lebanon has grappled with a persistent energy crisis, intensified by the 2019 financial collapse, the Beirut Port explosion, the war with Israel, and recent regional conflicts. This has severely crippled the state's ability to provide basic services, including reliable electricity. Consequently, Lebanese citizens bear the high costs and significant environmental burden of private generators, which have come to dominate electricity provision, driving diesel imports from approximately 1.18 million tons in 2010 to 2.35 million tons in 2019. Private generators have shouldered the bulk of this

¹ The draft law is being studied by a subcommittee stemming from the joint parliamentary committees.

increase,² contributing heavily to air pollution, public health risks, and leading to a heavy economic strain on households, while reflecting the broader failure of the centralized energy system.³

This dire situation, however, presents a unique opportunity for a fundamental shift towards sustainable and equitable energy solutions. As the fragility of traditional energy sources becomes undeniable, the focus on renewable energy, particularly solar and wind, is no longer merely an environmental aspiration but an imperative for securing affordable and sustainable energy, and for reducing the cost of electricity production and reliance on fuel imports. Lebanon has already committed to reducing greenhouse gas emissions by 30% unconditionally and 15% conditionally by 2030 under Law No. 115/2019,⁴ necessitating a clear energy transition plan alongside robust conservation and efficiency measures.

2. The Path to Justice: Challenges and Opportunities in Energy Transition

Achieving a just energy transition in Lebanon is not just a technical or environmental imperative—it is a moral, economic, and political necessity. Given the country's deepening economic crisis and entrenched inequalities, any shift to sustainable energy must be designed to correct, not reinforce, existing injustices. In this context, linking justice

to sustainable economic development is crucial. As IMF Managing Director Kristalina Georgieva has emphasized,⁵ addressing inequality is essential for durable, high-growth development; a fairer global economy that tackles both inequality and climate impacts is key to unlocking sustainable prosperity.

In Lebanon, a truly just energy transition must do more than reduce environmental harm; it must confront the structural inequities that have long excluded vulnerable communities from reliable and affordable energy access. Low-income households must not be forced to bear the brunt of rising energy costs, so energy affordability must be a core policy priority. Likewise, the stark regional disparities in access to cleaner sources of energy, particularly in marginalized and conflict-affected areas like the South, demand targeted investment to ensure no community is left behind. A just transition also offers a crucial opportunity to generate dignified, fair employment through community-based energy initiatives, especially in a labor market that is failing Lebanon's youth and working segments. Most importantly, a just energy future cannot be imposed from above. It must be built through inclusive and participatory policymaking that actively involves those most affected, including women, youth, and historically under-served groups. Without their voices at the table, energy reform risks reproducing the very inequities it claims to tackle. To ensure justice and equity, the transition must:

- **Prioritize affordability:** Avoid burdening citizens with high costs, given their diminished incomes.
- **Ensure equitable access:** Guarantee access to alternative energy sources, especially in deprived or remote regions.

2 Albin Szakola, "National suicide": A breakdown of Lebanon's Deepening Dependence on Diesel Fuel for Private Generators", L'Orient Today, 2022.

3 It is important to note the political influence wielded by private generator owners. Therefore, disentangling political interference from any future post-war energy reforms is crucial.

4 UNFCCC, *Lebanon's Nationally Determined Contribution Updated 2020 Version*, <https://unfccc.int/sites/default/files/NDC/2022-06/Lebanon%27s%202020%20Nationally%20Determined%20Contribution%20Update.pdf>

5 Richard Partington, "Tackling Inequality Vital For Next Century of Growth, IMF Head Says", The Guardian 14 March 2024, <https://www.theguardian.com/business/2024/mar/14/imf-kristalina-georgieva-inequality-growth-living-standards-john-maynard-keynes>

- Minimize QHSE impact: Mitigate visual and auditory pollution from random individual renewable energy installations, particularly in urban and culturally sensitive areas, respecting archaeological and heritage sites. Ensure sound waste management of batteries.
- Foster inclusive decision-making: Broaden energy policy planning to include citizens and civil society, not just official bodies.

The newly passed Distributed Renewable Energy Law is a promising step toward decentralizing Lebanon's energy system and empowering local communities. By enabling municipalities and villages to cooperatively generate renewable energy, it offers a viable response to the country's chronic power shortages and costly fuel dependence. Successful models like the Bhamdoun solar cooperative show how such initiatives can reduce electricity costs and improve reliability,⁶ as demonstrated by their installation of a 131 kWp solar water pumping system that supports local agricultural needs while cutting energy expenses. However, the law's impact will hinge on effective implementation, an area where Lebanon's governments have historically fallen short. Without streamlined procedures, transparency, and political will, the law risks stalling like previous reforms. Moreover, while joint financing mechanisms with municipalities are encouraging, not all localities have the capacity or resources to participate equally. This legislation opens the door to transformative change, but realizing its potential requires confronting entrenched bureaucratic and structural barriers, ensuring equitable access, and committing to genuine community-led energy solutions.

3. Overcoming Institutional and Financial Obstacles

Despite the legal progress, significant institutional hurdles impede a serious and just energy transition. The primary barriers are the absence or weakness of the legal, regulatory, and institutional environment governing Lebanon's energy sector, coupled with a lack of a clear national plan.

Foremost among these obstacles are:

- Non-implementation of the Electricity Sector Regulation Law:⁷ This includes the critical failure to appoint a regulatory authority, which is fundamental for ensuring the sector's operation and sustainability.
- Lack of implementing decrees for the Distributed Renewable Energy Law:⁸ Without these, the immediate opportunities provided by the law remain untapped. Full implementation is contingent on the appointment of the regulatory authority.
- Failure to issue the Energy Conservation Law: Despite the serious flaws and gaps that need to be addressed (e.g., Enforcement mechanisms, how compliance will be checked, and by whom), this crucial draft law outlines principles and methods for rationalizing energy consumption and increasing efficiency through the adoption of energy-saving equipment at both the individual and state levels.

6 Daleel Madani, "Installation of 131 KWP Solar Water Pumping System in Bhamdoun, with Beta Fence",

<https://daleel-madani.org/civil-society-directory/norwegian-church-aid/calls/installation-131-kwp-solar-water-pumping-system-bhamdoun-beta-fence>

7 Although the Electricity Sector Regulation Law was issued in 2022, it remains far from implementation, especially regarding fundamental matters, most importantly the establishment of the sector's regulatory authority, to which the law has granted extensive powers to achieve partnership between the public and private sectors.

8 Law No. 318, issued on December 22, 2023, which stipulated the issuance of implementing decrees within one year from its date of issuance. Most importantly are the Decree for appointing and activating the ERA and the Cabinet Decree for EDL Directorate: Article 8 mandates the Council of Ministers to issue a decree establishing a specialized directorate within Électricité du Liban (EDL).

- Absence of mechanisms for community participation: No effective institutional platforms are mandating civil society's involvement in developing and adopting energy policies. To address this gap, formalized local-level stakeholder platforms, particularly at the municipal level, should be established to include civil society in discussions on renewable energy projects. Additionally, civil society organizations and independent experts should be regularly invited to participate in parliamentary committee meetings, especially within the energy committee, where legislation is debated before approval. For now, all parliamentary committee meetings remain closed and confidential.
- Lack of effective funding for renewable energy projects: While international donor initiatives exist (e.g., USAID's \$20 million solar fund,⁹ EU's CEDRO 5 program,¹⁰ new green agenda with €22 million),¹¹ they are often temporary, uncoordinated with the state, and insufficient to drive comprehensive transformation.

Despite these challenges, local initiatives demonstrate potential. Many municipalities have partnered with civil society to install renewable energy systems (e.g., Baabda, Bejjeh, Kfarmashki, Al-Maireh, Tyre Harfa, Chouweir). Southern schools have also seen solar projects through municipal and donor efforts. This suggests that with sufficient and coordinated support, inclusive and participatory energy projects can be carried out.

4. Policy Recommendations: A Roadmap for Action

Overcoming these challenges and initiating reforms for a just energy transition requires a concerted roadmap involving key stakeholders: the state, international bodies, and civil society.

4.1. The Role of the State

The Lebanese state, particularly Parliament, the government, and the Ministry of Energy and Water, must undertake critical responsibilities:

- **Redefine Lebanon's Outdated Energy Policy:** Lebanon's last comprehensive energy policy dates back to 2007 and is now severely outdated, failing to reflect current realities, opportunities, and challenges, such as offshore oil and gas potential, evolving electricity needs, and the global shift toward renewables. A new, all-encompassing energy strategy is urgently needed, one that defines the strategic direction of the entire sector, including resource utilization (e.g., oil and gas), domestic versus export priorities, and the future energy mix for power generation. This policy must prioritize decentralization, replacing outdated concessions and monopolies with a transparent, inclusive, and participatory governance model. Achieving this vision will require strong political will, institutional reform, and meaningful engagement of civil society at every stage.
- **Expedite Law Implementation:** Promptly apply the Electricity Sector Regulation

⁹ Ali Taha and Rasha Akel, "Regulating the Energy Transition: Lebanon's New Distributed Renewable Energy Law" February 2024, Lebanese Center for Policy.

¹⁰ Ibid.

¹¹ Ibid.

Law,¹² including the appointment of the regulatory authority and the corporatization¹³ of Electricité du Liban, both pivotal for the Distributed Renewable Energy Law's application.

- **Approve Energy Conservation Law:** Fast-track the approval of the Energy Conservation Law to establish principles for rationalizing consumption and increasing energy efficiency.
- **Issue Implementing Decrees:** Immediately develop and approve the implementing decrees for the Distributed Renewable Energy Law to ensure full utilization of its provisions. It is noteworthy to mention here that the importance of that law stems from the fact that it creates a directorate for renewable energy within EDL. In addition, it mandates transparency in the renewable energy sector by obliging the Authority to publish the implementing decrees and decisions on its website,¹⁴ as well as submit periodic reports on the sector's progress.
- **Mandate Community Participation:** Amend existing laws, such as Law 462/2002, to mandate inclusive community engagement across all stages of renewable energy projects, particularly in marginalized regions and towns and villages devastated by the recent war with Israel. This participation should go beyond mere consultation and move toward active partnership and shared decision-making through civil society representation in executive (decision-making bodies) and advisory committees, project planning bodies, and monitoring frameworks. Community participation at this level is essential because

it not only fosters local ownership and social acceptance of renewable energy technologies (RETs) but also ensures that projects are genuinely tailored to local needs and contexts. This participatory approach enhances transparency and accountability, reducing the risk of elite capture or misallocation of resources, which are common pitfalls in decentralized development efforts. Recent initiatives¹⁵ in municipalities such as Kfarmashki, Tayr Harfa, and Chouweir¹⁶ clearly demonstrate the tangible benefits of this model. Through effective collaboration between local governments, civil society organizations, and donors, these communities have implemented sustainable, community-supported solar energy solutions that have significantly improved electricity access and resilience, particularly for schools and other critical public services. Institutionalizing this participatory framework is especially vital in Lebanon's post-conflict areas, where rebuilding infrastructure and social trust are inseparable goals. Ultimately, empowering communities to shape their own energy future is not just a matter of equity; it is a strategic imperative that will underpin the long-term sustainability and success of Lebanon's renewable energy transition.

4.2. The Role of International Bodies

While current funding initiatives are valuable, more targeted and coordinated support is needed:

¹² The law was developed in 2002, the Minister of Energy and Water is looking at updating, adjusting parts of this law.

¹³ Corporatization is the transformation of state or municipal entities into corporations, adopting business management practices and separating ownership from daily management. Crucially, the government retains majority ownership of the corporation's stock, meaning the entity remains state-owned while operating with a more business-like structure. This process aims to enhance efficiency and commercialize public functions, sometimes as a precursor to eventual privatization, <https://en.wikipedia.org/wiki/Corporatization>

¹⁴ Decentralized RE Law, <https://lcec.org.lb/our-work/partners/RELaw>

¹⁵ Caritas Lebanon, "Livelihood Development", <https://caritas.org.lb/livelihood-development/>

¹⁶ USAID Community Support Program.

- **Support Capacity Building:** Encourage donor agencies and development partners to invest in capacity building for municipalities and local associations to support their meaningful involvement in renewable energy initiatives. This should include training in technical areas such as solar PV system design, installation, and maintenance, as well as energy planning and demand assessment to help identify appropriate technologies. Administrative and managerial support is also essential, including project management, procurement processes, and understanding relevant legal and regulatory frameworks. Additionally, building skills in community engagement and participatory planning will empower local actors to facilitate inclusive and locally driven renewable energy solutions.
- **Involve Civil Society:** Ensure that civil society representatives are actively included not only in decision-making bodies developing national and local energy policies but also in the design and implementation of programs and projects. Engagement should occur across all scales, from high-level policy formulation to grassroots initiatives, recognizing that meaningful citizen participation strengthens transparency, accountability, and the relevance of renewable energy efforts to community needs.
- **Provide Small Grants:** Offer small grants specifically for community-led renewable energy initiatives, in order to ensure just and equitable development.
- **Encourage Local Platforms:** Promote the establishment and strengthening of local energy platforms that bring together civil society organizations and municipalities to collaboratively plan and oversee renewable energy initiatives. In Lebanon, the Union of Municipalities of Keserwan provides a promising example. This union has successfully facilitated coordination among member municipalities to pilot solar projects and share best practices, demonstrating how

Municipalities' Unions can serve as effective platforms for collective action on renewable energy. Leveraging and expanding such existing structures can enhance community engagement, improve resource pooling, and accelerate decentralized energy deployment across regions.

- **Link Funding to Local Partnerships:** Condition donor funding on the presence of genuine local partnerships to ensure sustainability and relevance.

4.3. The Role of Civil Society

Lebanese civil society has demonstrated significant initiative and must continue to play a crucial role. There are many avenues and spaces through which civil society can engage in the energy sector. Below are the different practices and processes that can be leveraged:

- **Advocate for Policy Reform:** Design and conduct advocacy campaigns and actively participate in parliamentary hearings to call for amending the legal framework of the electricity sector and for promoting more investment opportunities in renewable energy by creating an attractive regulatory environment with clear incentives.
- **Monitor Law Implementation:** Actively monitor the implementation of Lebanon's Distributed Renewable Energy Law to ensure transparency, equitable access, and the timely issuance of regulatory frameworks such as net metering, licensing, and grid integration. At the same time, civil society must advocate for the urgent adoption of the long-delayed Energy Conservation Law, which is essential to institutionalize energy efficiency measures across sectors. Together, these two laws form the foundation for a sustainable and decentralized energy transition, enabling clean energy generation while reducing overall demand. Civil society's role in tracking

progress, engaging policymakers, and mobilizing public support is critical to making this legal framework effective and inclusive.

- **Implement Decentralized Projects with Local Impact:** Collaborate with municipalities and donor agencies to directly implement small-scale renewable energy solutions (up to 1.5 MW are allowed to be developed without permission from the ERA), such as solar-powered street lighting in underserved neighborhoods, rooftop solar for public schools, and backup solar systems for rural health clinics, as seen in villages like Kfarmashki and Tayr Harfa.
- **Strengthen Civil Society's Role in Energy Planning:** Advocate for civil society and local communities to be recognized not just as beneficiaries but as formal partners in the design, planning, and implementation of energy projects, by securing seats on local energy committees or within municipal unions managing donor-funded installations.
- **Ensure Transparency and Public Oversight:** Require the Energy Ministry and relevant public agencies, in line with access to information law, to regularly publish updates on renewable energy project pipelines, funding allocations, licensing and procurement processes, signed contracts, and performance outcomes.¹⁷ These updates should be provided in accessible formats, including public dashboards. The Gherbal Initiative, a civil society organization with extensive experience in this area, could offer valuable support to support and strengthen public oversight mechanisms and access to data.
- **Embed Social Justice in Energy Transitions:** Prioritize equitable access by ensuring that renewable energy initiatives are tailored to include marginalized areas, refugees, and low-

income households, and that project design involves participatory needs assessments rather than top-down delivery.

Conclusion and Call to Action

A just and sustainable energy transition in Lebanon is not merely an aspiration but an urgent necessity for stability, economic recovery, and environmental well-being. It hinges on a genuine partnership between the state, the private sector, and civil society, underpinned by a transparent legislative and executive framework. The full implementation of the Distributed Renewable Energy Law and the swift endorsement of the Energy Efficiency Law are critical levers for this transformation.

By adopting the above recommendations, Lebanon can empower national and local stakeholders, who possess vital contextual knowledge and firsthand experience of energy challenges in rural and marginalized communities, including those devastated by conflict in the South. Empowering these local actors helps overcome barriers caused by corruption and centralized inefficiencies that have historically hindered meaningful community participation. This approach fosters transparency, ensures more equitable access to affordable and reliable electricity, and strengthens the resilience of energy systems in under-served areas. By doing so, Lebanon can unlock significant renewable energy potential, alleviate its chronic energy crisis, and build a more just and sustainable future for all citizens. This reform is not only vital for national development but also serves as a cornerstone of Lebanon's broader reform, recovery, and reconstruction framework, aligning closely with key demands from international financial institutions.

¹⁷ Comparable to Law No. 84/2018, which was ratified in 2018 to enhance transparency in the petroleum sector, a similar legal framework could be established for the electricity and renewable energy sectors.

The time for action is now. Lebanon must leverage its existing legal frameworks to catalyze a decentralized, just, and sustainable energy transition.

About the Arab Reform Initiative

The Arab Reform Initiative is an independent Arab think tank working with expert partners in the Middle East and North Africa and beyond to articulate a home-grown agenda for democratic change and social justice. It conducts research and policy analysis and provides a platform for inspirational voices based on the principles of diversity, impartiality, and gender equality.



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