

Thank you Mme Chair,
Mr Deputy Prime minister, your excellencies, ladies, and gentlemen.

The members of the **Independent** Oversight Board of the 3RF commend the rights-based approach adopted by the stakeholders of the 3RF in **promptly** responding to the Beirut Blast through establishing this framework and engaging civil society in the implementation of the process through the CG, and its **monitoring** through the IOB.

We stand before you today as **observers of the Consultative Group's decisions and watchdogs to the Government's progress** on the implementation of policy actions and reforms. Since the debut of our mission in June, the downward spiral of state failure has been contending with the rate at which **poverty, hyperinflation, and cost of food and fuel** have **drastically increased**, while purchasing power, central bank fx reserves, GDP, Lira value, and productivity have radically decreased. We concur with the UN Special Rapporteur on Poverty De Schutter that the Government of Lebanon by and large is in a state of **deliberate** inaction.

Those residing in Lebanon are either **at death's door** or managing to keep their head above water. It is unacceptable that they are obliged to resort to **severe** coping strategies for survival, as the government (Lebanese State Institutions) fail(s) to protect them. Moreover, the government (Lebanese State Institutions) sit(s) idle as an exodus of hundreds of thousands of Lebanese searches for decent living standards abroad.

Within our capacity in the IOB's limited mandate, we call the Government to abide by **constitutional obligations** and respond **immediately** to the manifold crises. The following five critical points of action are crucial to be addressed as they signal the threshold to **survival**:

(1) We denounce the **obstruction to justice** and the violation of the principles of **separation of powers**. Obstructions to justice continues by instrumentalizing political and administrative immunities. (Through parliament, higher defense council, ministry of interior...). We also **urge** the Administration and Justice Committee headed by MP Georges Adwan to undertake open **stakeholders' consultations** with regards to the draft law on the Independence of the Judiciary BEFORE submitting it to the General Assembly. The law can then be sent to the Venice Commission to ensure its compliance with international standards. To our knowledge, The venice commission informed the minister of justice about their readiness to undertake this task back in September 2020.

(2) The government has failed to constitutionally abide by its October deadline by the closing of accounts and presenting the 2022 budget to the Council of Ministers. The draft budget should be the **cornerstone of a multiannual stabilization and recovery strategy**, with its pillars as follows: debt restructuring, Central Bank and the financial system restructuring, and public

financial management enhancement. These pillars are crucial to be addressed in the budget of 2022 to negotiate a program with the IMF, and for the injection of liquidity that is necessary for economic recovery.

(3) The haphazard removal of subsidies combined with: **not expanding the NPTP** to include more beneficiaries, and not launching the ESSN or ration card results in an unintended consequence of **impoverishing** citizens. Leaving the nation to cope with the crisis is translating into alarming outcomes such as **children dropping out of schools, children skipping a meal due to shortage of food or money**, all the while depositors are stuck in a cash-strapped society **without a solution in sight**. What future reality is Lebanon settling for when the government is in a continuous state of inertia and when families cannot secure their children's survival? We take note of PM Mikati two decisions issued yesterday and we reiterate that a social protection program **cannot be limited to a ration card** but entails providing **universal healthcare coverage, a pension system, and free education for everyone**.

(4) Lebanon currently scores 25/100 and ranks **149 out of 180 countries on the Corruption Perception Index 2020** published by Transparency International. The delay in establishing the National Anti-Corruption Commission, and the slow progress in the enforcement of the Access to Information and Whistleblowers Protection laws, are an **alarming violation of the commitments of the Lebanese State** under the United Nations Convention Against Corruption (UNCAC). While the adoption of the public procurement law constitutes a positive step towards the modernization of Lebanese public administrations, it is of critical importance to put in place the needed regulations and institutional settings that enable the effective implementation of such a pivotal piece of legislation.

(5) it is necessary to emphasize the importance of ensuring fair and equal opportunities for candidates running for the 2022 parliamentary elections. Only a well capacitated and mandated electoral supervisory commission or an independent electoral management body can increase the likelihood of holding fair and democratic elections as per international best practices.

Finally, the IOB calls on all officials in their respective functions to act with speed as per the following:

- The Cabinet to **immediately convene** with **no further delays**; (Human Rights prevails)
- 3RF stakeholders to ensure **structured, transparent, and timely flow of information** on the progress of reforms and the implementation of related projects;
- Adopt the different recommendations conveyed by the IOB on the B5. Those can be **instrumental for more effective and efficient financial support**, and replicated in the future similar types of interventions

Your Excellencies, Lebanon needs restless State institutions.

Thank you for your active listening.