



The First Report on

# the Implementation of the National Anti Corruption Strategy

May 2020 - September 2021





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## Table of contents

Foreword .....	3
Executive summary .....	4
Introduction .....	5
The importance of the National Anti-Corruption Strategy and its key contents .....	7
The results achieved at the level of the targeted outcomes and outputs .....	10
<b>1. Completing specialized anti-corruption legislation in accordance with international standards and supporting its implementation</b> .....	12
a. Towards the establishment and activation of the National Anti-Corruption Commission .....	13
b. Updating the system for combating illicit enrichment and starting to implement it .....	14
c. Amending and initiating the implementation of the Whistleblower Protection Law .....	16
d. Preparing for an effective conflict of interest management system .....	16
e. Developing the Right of Access to Information Law and following up on work to support its implementation .....	17
f. Passage of a law on the recovery of assets derived from corruption crimes and a guide on international cooperation on this matter .....	19
g. Establishing and activating a participatory national mechanism to assess the commitment to the implementation of the United Nations Convention against Corruption .....	19
<b>2. Laying the ground for new initiatives on enhancing integrity in public office</b> .....	21
a. A preliminary survey of the names and profiles of public officials .....	21
b. Unfinished steps to adopt standards of transparency and merit in public office .....	22
c. Sporadic initiatives to develop codes of conduct .....	23
<b>3. The passage of a modern and comprehensive public procurement law</b> .....	24
<b>4. Various reform efforts to support the role of the judicial system from an anti-corruption perspective</b> .....	26
a. Drafting a modern and comprehensive law that enhances the independence and impartiality of the judiciary .....	27
b. Various measures to strengthen the capacity of the judiciary in prosecuting corruption crimes .....	28
<b>5. New initiatives to develop the capacities of oversight bodies</b> .....	29
a. Central Inspection Bureau .....	30
b. Higher Disciplinary Council .....	31
c. Court of Accounts .....	31
<b>6. Increased role of civil society in disseminating and consolidating a culture of integrity</b> .....	32
a. Dissemination of specialized knowledge to raise community awareness .....	33
b. Preparing youth to play a greater role in enhancing integrity .....	34
c. Initiatives to strengthen social accountability .....	35
d. Towards a national index to measure integrity and corruption .....	36
<b>7. Launching initiatives to integrate preventive anti-corruption measures at the sectoral level</b> .....	36
a. Enhancing transparency and positivity in the public administration's dealings with citizens .....	37
b. Initiating the integration of corruption risk management methodologies and tools into public administrations .....	38
c. Towards engaging the private sector in preventing corruption .....	38
Challenges facing the implementation of the National Anti-Corruption Strategy .....	39
Conclusion .....	40

## Foreword

Corruption is a major threat to the security and stability of states and inhibits their growth and prosperity, putting a strain on their financial resources and human potential. So what to do if it is widespread in the structure of institutions and rampant in areas of life, and there is also a failure to take the necessary steps to prevent and combat it? This is the reality that Lebanon has admittedly faced for decades and it has contributed to plunging the country into deep, complex and escalating crises.

It is no longer possible to overlook the need to give high priority to the fight against corruption. Although overcoming this threat requires considerable efforts whose requirements may not be met today, this does not mean we should give up or keep postponing this historic and national necessity. A journey of a thousand miles begins with a single step, provided that it is a carefully planned move and is supported by the prospects of its sustainability. Even if there is still a long way ahead of us, what if we take several steps to bring us closer to our desired goal?

This is the aim the National Anti-Corruption Strategy (2020-2025), the first of its kind in the history of the Lebanese Republic. It has drawn a clear roadmap that can be followed and supported by reform seekers if they have the will and capacity to do so. The strategy was born from a participatory institutional process launched by Prime Minister Najib Mikati at the end of 2011 and has been maintained despite the challenges and upheavals that have racked the country. It was adopted in 2020 and its implementation began under the previous government, thanks to the efforts of multiple working groups comprising a select group of judges, senior officials and representatives of civil society, with the support of international experts.

From this perspective, I have the honour to present to you the first official report that outlines the progress made in the implementation of this strategy and the challenges it has faced, sixteen months after its adoption. The present report seeks to offer objective content, consistent with the operational framework contained in the strategy, and to serve as a reference for building on what had been achieved during previous periods in order to obtain better results in the future.

I would like to wholeheartedly thank everyone who has worked on preparing and producing the present report, as well as everyone who has contributed to the implementation of even a small part of this strategy, especially the members of the Ministerial Anti-Corruption Committee, the technical committee supporting it, their working groups, and our partners in the United Nations Development Program. We hope that work will continue and bear fruit soon through the establishment and operationalization of the National Anti-Corruption Commission, strengthening the independence and effectiveness of the judiciary and oversight bodies, and achieving tangible results that citizens perceive in their daily lives on the path toward restoring the confidence of Lebanese society and our international partners.

**Najla Riachi**  
Minister of State for Administrative Reform



## Executive summary

Adopted on 12 May 2020, the National Anti-Corruption Strategy is a milestone in anti-corruption efforts in Lebanon. It is the result of a cumulative, remarkably participatory process, and it is the first document of its kind in the history of Lebanon. It draws a clear roadmap for reform, with targeted outcomes and outputs that are achievable and measurable. Since its adoption, efforts have focused on implementing the strategy. Several parties have contributed to these efforts, led by the Ministerial Anti-Corruption Committee, the Technical Committee supporting it, and the four working groups that were established to follow up on the selected priorities. This report covers the period from the strategy's adoption up to 10 September 2021.

During this period, Parliament played an important role in drafting, following up and passing a series of relevant bills. In addition, a number of civil society organizations played a special role, accompanying official efforts and providing them with added value. This was especially evident in terms of community oversight efforts, and civil society's work in the area of public awareness raising and in advocating the reforms needed in this field. Nevertheless, in general, all these efforts have not necessarily brought about the desired progress, due to the limited political, institutional and community support lent to the national strategy. Support was affected by the deteriorating conditions of the country, as well as the limited financial and human resources available during that period.

However, the first stage of the strategy's implementation witnessed a number of positive results highlighted in the present report. Most of these related to the strategy's first outcome area, with regard to completing specialized anti-corruption legislation and supporting its implementation. At the same time, limited progress has been made in the other six outcome areas. The most prominent achievements center on introducing substantive reforms to the public procurement system and the asset and interest declaration system, and on taking a series of legislative and executive steps to enhance compliance with the provisions of the Right of Access to Information Law and the Whistleblower Protection Law.

The report also indicates the need to expedite the establishment and activation of the National Anti-Corruption Commission, as well as the Public Procurement Authority and the Objections Commission, and the need to expedite the enactment of a law that enhances the independence, integrity and effectiveness of the judiciary. It further prioritizes taking all necessary measures to implement the more than ten new laws passed during the reporting period, including the issuance of implementation decrees and the necessary decisions, and the training of the concerned parties in their proper implementation. The report also highlights, inter alia, the efforts exerted by the oversight bodies and the need to support them, given the important reform role they can play in the work of the administration.

The present report was prepared by the team of the Minister of State for Administrative Reform, in its capacity as the body responsible for preparing progress reports on the implementation of the strategy, taking advantage of the inputs provided by the concerned official bodies.

## Introduction

A little more than a year has passed since the adoption of the National Anti-Corruption Strategy (2020-2025),<sup>1</sup> pursuant to the Council of Ministers Resolution No. 7 of 12/5/2020. This milestone set anti-corruption efforts in Lebanon on the path of solid institutional work, and placed the concerned parties under the obligation to follow up on and monitor the implementation of this strategy, the first of its kind in the country's history. During this reporting period, from the strategy's adoption on 12 May 2020 to the current government formation on 10 September 2021, Lebanon has witnessed an unprecedented escalation of the political, economic and social crises, with corruption being one of its leading causes. All of this has been accompanied by the Covid-19 pandemic and the tragic and catastrophic explosion of the Port of Beirut on 4 August 2020, followed by the government's resignation and its assumption of a caretaker role. These events have reduced the chances of the strategy's successful and effective implementation according to the established plan. However, they have not halted pursuing the implementation of the strategy's provisions, to the extent possible.

The Ministerial Anti-Corruption Committee, headed by the Prime Minister, the Technical Committee supporting it, headed by the Minister of State for Administrative Reform, and their working groups have followed up on the implementation of commitments contained in the National Anti-Corruption Strategy, which are an integral part of the reform requirements, a national duty, and an international demand. This is confirmed, for instance, by the Lebanon Reform, Recovery and Reconstruction Framework (3RF)<sup>2</sup> issued by the World Bank, the United Nations and the European Union. Experts from these three international organizations as well as representatives of the state and civil society organizations contributed to its preparation.

This first report on the implementation of the National Anti-Corruption Strategy highlights the progress made in the achievement of the seven targeted outcomes as contained in the strategy document and the related thirty-four outputs, which include the following: completing the specialized anti-corruption legislation in line with international standards and supporting its implementation (Outcome 1), enhancing integrity in public office (Outcome 2), reducing the risk of corruption in the public procurement system (Outcome 3), strengthening the integrity of the judicial system and its ability to combat corruption (Outcome 4), developing the specialization and effectiveness of the oversight bodies (Outcome 5), empowering societal actors and disseminating and consolidating the culture of integrity (Outcome 6), and integrating specific preventive anti-corruption measures at the sectoral level, including in the private sector and in selected government sectors (Outcome 7).

Under the country's difficult circumstances, the strategy's implementation has not received the necessary support from all state bodies, or the funding required. In fact, the reality in Lebanon has constrained efforts to carry out the strategy implementation efforts. Political, financial and administrative challenges arising during the reporting period coincided with the ongoing economic collapse and the deterioration of the living conditions in the country. However, the concerned parties have insisted on moving forward with implementing the strategy, to the extent possible. They have sought to build partnerships with international parties willing to help Lebanon in the fight against corruption and have created a space for communication and cooperation with civil society in this regard. They have also followed up on the "immediate and prompt measures to combat corruption and recover the proceeds of corruption" which were approved by the Council of Ministers pursuant to Resolution No. 17 dated 12/5/2020.

1. The document is available at: <https://www.omsar.gov.lb/getattachment/Anti-Corruption/National-Anti-Corruption-Strategy/strategy.pdf?lang=ar-LB>.

2. The document is available at: <https://www.albankaldawli.org/ar/country/lebanon/publication/lebanon-reform-recovery-reconstruction-framework-3rf>.



In parallel, in coordination with the Prime Minister, the Minister of State for Administrative Reform in his capacity as Chairman of the Technical Committee supporting the Ministerial Anti-Corruption Committee, identified a number of priorities listed in the strategy to start working on. To this end, he formed four specialized government working groups on June 30, 2020 to pursue those priorities, namely: establishing the National Anti-Corruption Commission, promoting the right of access to information, supporting the implementation of the Whistleblower Protection Law, and conducting comprehensive assessments of national legislation in order to bring it in line with international anti-corruption standards.

Follow-up efforts were subsequently accelerated until the government resigned on August 10, 2020. The caretaker government marked a turning point in the implementation of the strategy, slowing the momentum required to achieve the expected results and hindering the potential expansion of the scope of the existing priorities. However, this did not halt the work of the four working groups that had been previously established. They kept carrying out their mandated tasks and accomplished a number of achievements that will be reflected in this report.

The present report was prepared by the team of the Minister of State for Administrative Reform, in its capacity as the body responsible for preparing progress reports on the implementation of the strategy, drawing on the data and information monitored from the date of the strategy adoption and taking advantage of the inputs provided by the Ministries of Finance, Justice, Education and Higher Education, in addition to the State Council, the Court of Accounts, the Civil Service Board, the Central Inspection Bureau, the Higher Disciplinary Council, the Central Administration of Statistics, and the Banque du Liban (BDL). The report is a summary of the work carried out over the past sixteen months. It first underscores the importance of the strategy and its key contents, then devotes a section to each of its seven targeted outcomes and related outputs, thus illustrating the progress made and the emerging challenges. Finally, it offers conclusions and recommendations that can be built upon to advance further in the next stage.

The report includes a multi-coloured scale that shows the degree of progress regarding the outcomes and outputs contained in the strategy. This visualization is to facilitate the reader's understanding of the degree of achievement. The scale colours range from red which corresponds to very limited or no progress, to orange which corresponds to initial progress, yellow which corresponds to increased achievement, and light and dark green which correspond to the beginning of the gradual achievement of targeted results. Under no circumstances does this scale constitute an assessment of the reforms or the relevant institutions; rather, it illustrates the level of progress made in achieving the implementation steps in the strategy in relation to each of its expected outcomes and outputs.

## **The importance of the National Anti-Corruption Strategy and its key contents**

The National Anti-Corruption Strategy is the first document of its kind in the history of Lebanon, and it is the fruit of a participatory and cumulative process that was initiated at the end of 2011, including the formation of the working group responsible for drafting the strategy in 2016, the announcement of the draft document in 2018, its updating in 2019, and its adoption in 2020. The importance of the strategy lies in the fact that it expresses the political and community will to combat corruption, and translates it into specific and implementable commitments to replace the mutual accusations, declarations of intent and piecemeal initiatives that have characterized the landscape of the fight against corruption in Lebanon over the past three decades.

In light of the diverse views on combating corruption in Lebanon, the strategy has drawn a clear reform roadmap for the 2020-2025 period. It embodies the most relevant international standards, especially the United Nations Convention against Corruption (UNCAC),<sup>3</sup> and reflects a coalescence of the opinions of representatives of the relevant competent authorities in the state and the community, and the expertise of specialized professionals in this field. The strategy accompanies the efforts focused on tackling the economic and financial challenges accumulated over the past years, and on reforming the structural imbalances in governance in order to set the country on the path of equitable and comprehensive development in all its aspects, as required by the Sustainable Development Goals (SDGs) contained in the 2030 Agenda for Sustainable Development.<sup>4</sup>

The strategy seeks to achieve three major goals: to enhance transparency, activate accountability, and prevent impunity. The document breaks down these goals into seven outcomes that must be worked on to achieve the desired goals. These outcomes are measurable and divided into thirty-four outputs, under each of which are concrete areas of work, specific timeframes, and actors responsible for implementation.

The first targeted outcome deals with the completion and enforcement of specialized anti-corruption legislation which serves as the backbone of any effective anti-corruption system. The second and third outcomes focus on enhancing the integrity of both public office and public procurement, and reducing their exposure to corruption, as they are cornerstones of the public sector's work and its relationship with the private sector and the public at large. The fourth and fifth outcomes focus on the judicial and oversight systems respectively, given their pivotal role in ensuring the proper implementation of the laws and regulations in force, especially those related to combating corruption. The sixth outcome is concerned with the engagement of all components of Lebanese society in disseminating and consolidating a culture of integrity, while the seventh and final outcome pursues the institutionalized integration of the corruption prevention approach, first among specific sectors, and gradually across all sectors, including the private sector. This will allow for the development of solutions that are compatible with the specificity of corruption and the requirements for combating it in each sector. This will also enhance the opportunities for achieving tangible successes felt by citizens and workers in those sectors, in addition to the general public they interact with. The seventh Outcome is in parallel and complementary to the aforementioned six Outcomes.

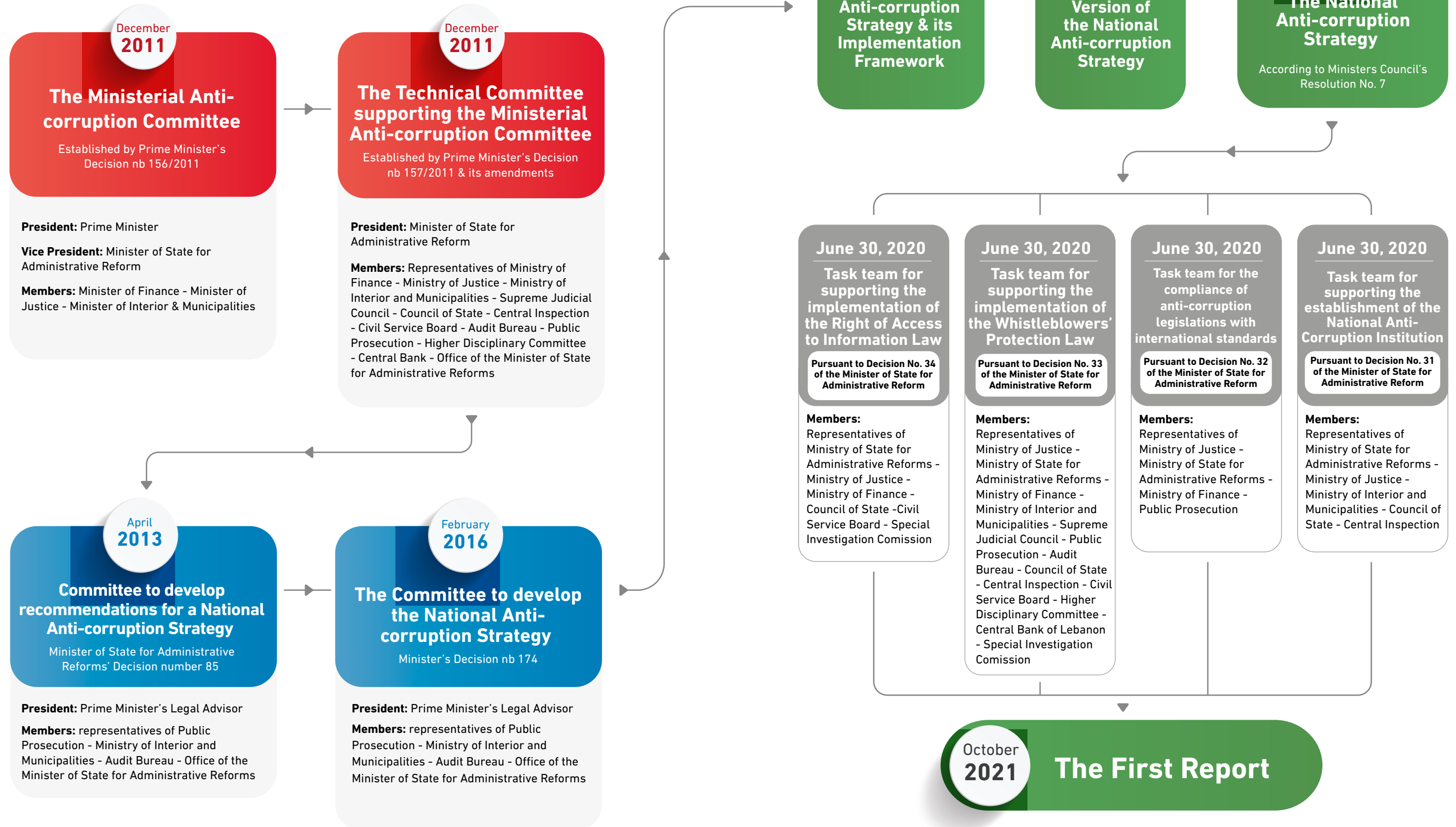
3. The document is available at: [https://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50024\\_A.pdf](https://www.unodc.org/documents/treaties/UNCAC/Publications/Convention/08-50024_A.pdf).

4. The Sustainable Development Goals are available at: <https://lebanon.un.org/ar/sdgs>.





# Cumulative process of the development and implementation of the national anti-corruption strategy





The strategy also reviews in detail the factors conducive to success, that will enable its implementation along the intended lines. These are namely political will, respect for principles and practices of democracy, strengthened institutions, openness to partnerships with all concerned parties, and the provision of adequate financial and human resources. In addition, the strategy provides for the establishment of a special national mechanism, specifically, a ministerial anti-corruption committee and a technical committee supporting it. The ministerial committee will lead and coordinate the efforts of the parties concerned with the implementation of the strategy, monitor progress and conduct the necessary assessments in order to correct the course if need be. In addition, it will take the necessary measures to enhance communication and cooperation with everyone, including civil society, the private sector, donors and relevant stakeholders..

## The results achieved at the level of the targeted outcomes and outputs

Various efforts focused on implementing the National Anti-Corruption Strategy during the May 12, 2020 to September 10, 2021 reporting period. Numerous parties contributed to these efforts, led by the Ministerial Anti-Corruption Committee, the Technical Committee supporting it, and the four working groups that were established to follow up on the selected priorities, namely: establishing the National Anti-Corruption Commission, promoting the right of access to information, supporting the implementation of the Whistleblower Protection Law, and conducting comprehensive assessments of national legislation in order to bring it in line with international anti-corruption standards. Parliament also played an important role in drafting, following up and passing a series of relevant bills, in addition to the special role played by a number of civil society organizations that accompanied official efforts and brought added value to them, especially in terms of the community oversight efforts they exerted, and their work in the area of public awareness raising and in advocating the reforms needed in this area.

However, all these efforts did not bring about the progress that the Lebanese aspire to overall. This was due to the limited political, institutional and community support lent to this strategy in light of the deteriorating conditions in the country, in addition to the limited financial and human resources available during the reporting period. Nevertheless, the first stage of the strategy's implementation demonstrated a number of positive results that are highlighted in the present report. Most of these corresponded to the strategy's first outcome area and related to completing specialized anti-corruption legislation and supporting its implementation, while limited progress was registered at the level of the other six outcomes.

Targeted Outcomes		Progress made
	<b>1- Specialized Anti-Corruption Legislation Completed in Accordance with International Standards and better implemented</b>	
	<b>2- Higher Levels of Integrity in Public Function Achieved</b>	
	<b>3- Public Procurement System Less Vulnerable to Corruption</b>	
	<b>4- A Judicial System more Impartial and Capable of Fighting Corruption</b>	
	<b>5- Oversight Bodies More Specialized and Effective in Fighting Corruption</b>	
	<b>6- Society Empowered to Participate in Promoting and Fostering a Culture of Integrity</b>	
	<b>7- Preventive Measures against Corruption Integrated at the Sectoral Level</b>	



## 1. Completing specialized anti-corruption legislation in accordance with international standards and supporting its implementation

During the initial period of the implementation of the National Anti-Corruption Strategy the focus was on following up on the work related to the first of the seven targeted outcomes of the strategy, namely “specialized anti-corruption legislation completed in accordance with international standards and better implemented”, and the related outputs. This especially included those regarding the establishment of a national anti-corruption commission, an updated and activated system for combating illicit enrichment, support to the implementation of the Right of Access to Information Law and the Whistleblower Protection Law, and establishment of an effective system for recovering stolen public assets, in addition to conducting a comprehensive assessment of specialized anti-corruption legislation and its effectiveness on the ground.

In this context, Parliament organized an unprecedented legislative workshop on combating corruption, largely based on previous actions performed by a number of MPs, especially members of the Lebanese Parliamentarians Against Corruption (LebPAC). These efforts led to the adoption of important legislative reforms specialized in combating corruption as required by UNCAC. In this regard, four new laws were passed and four additional laws were amended. Furthermore, MPs introduced a number of related bills, including those related to conflict of interest.

The new laws passed include the Anti-Corruption Law in the Public Sector and the Establishment of the National Anti-Corruption Commission No. 175 dated 8/5/2020 (Output 1.1), and the Law on the Recovery of Assets Derived from Corruption Crimes No. 214 dated 8/4/2021 (Output 1.6). In addition, Public Procurement Law No. 244 dated 19/07/2021 will be addressed in detail in this report under Outcome 3, and the Law on Suspending the Application of the Banking Secrecy Provisions No. 200 dated 29/12/2020, will be addressed in detail under Outcome 4.

As for the laws that underwent amendment, they include the Whistleblower Protection Law No. 83 dated 10/10/2018, which was amended by Law No. 182 dated 12/6/2020 (Output 1.3), and the Right of Access to Information Law No. 28 dated 10/2/2017, which was amended by Law No. 233 dated 16/7/2021 (Output 1.5). In addition, the Law on Asset and Interest Declaration and the Punishment of Illicit Enrichment No. 189 dated 16/10/2020 introduced significant and comprehensive amendments to the Illicit Enrichment Law No. 154 dated 27/12/1999 (Output 1.2). Furthermore, Article 61 of Legislative Decree No. 112 dated 12/6/1959 was amended by Law No. 156 dated 8/5/2020, which will be addressed in detail under Outcome 4.

These important legislative steps, most of which are in line with international standards and good practices established by comparative experiences, were accompanied by a series of executive steps made by the Council of Ministers, a number of ministries and competent judicial and oversight bodies. Most notably were the steps related to following up on the implementation of the Right of Access to Information Law, the Whistleblower Protection Law, the Law on Asset and Interest Declaration and the Punishment of Illicit Enrichment, as indicated below. Furthermore, the period covered by the present report witnessed the establishment and activation of a participatory governmental mechanism involving civil society to assess Lebanese laws, in theory and in practice, and comparing them with Lebanon’s international commitments in light of UNCAC (output 1.7).

Overall, the first outcome of the National Anti-Corruption Strategy registered relatively remarkable progress across the board, albeit to varying degrees, as detailed below.

Outputs related to the Outcome 1		Progress made
<b>Output 1.1</b>	A National Anti-Corruption Institution established and activate	
<b>Output 1.2</b>	An up-to-date and effective system for combating illicit enrichment established and implemented	
<b>Output 1.3</b>	Whistleblowers’ Protection Law effectively implemented	
<b>Output 1.4</b>	An effective conflict of interest management system established and implemented	
<b>Output 1.5</b>	The Right of Access to Information Law effectively implemented	
<b>Output 1.6</b>	An effective system for recovering stolen public assets established and implemented	
<b>Output 1.7</b>	The specialized anti-corruption legislations and their effectiveness periodically assessed and reviewed	

### a. Towards the establishment and activation of the National Anti-Corruption Commission

Law No. 175 dated 8/5/2020 on Fighting Corruption in the Public Sector and the Establishment of the National Anti-Corruption Commission laid the legal framework necessary to establish the commission as required by Outcome 1.1 of the National Anti-Corruption Strategy. However, the commission has not been established yet, as the previous government failed to appoint its members and then resigned and assumed a caretaker role before the expiration of the legal deadline to complete the appointment process.

According to the aforementioned law, the Council of Ministers shall appoint the six members of the commission, including two retired judges elected by the judges to occupy honorary positions. The other four members are to be selected from among candidates nominated by the Beirut and Tripoli Bar Association Councils, and the Council of the Lebanese Association of Certified Public Accountants, the Banking Control Commission of Lebanon (BCCL), and the Minister of State for Administrative Reform. At the time of preparing the present report, it was not clear if any of the candidates had been chosen except for the two judges who were elected on June 12, 2021, upon the invitation of the Head of the Higher Judicial Council. The two judges are Judge Claude Karam and Judge Therese Allawi, and once they were appointed by a decree issued by the Council of Ministers, they were to assume the position of Chairman and Vice-Chairman of the commission, respectively.





In parallel, the Minister of State for Administrative Reform, in his capacity as Chairman of the Technical Committee supporting the Ministerial Anti-Corruption Committee, set up on June 30, 2020 a special working group to support the establishment of the National Anti-Corruption Commission<sup>5</sup> and tasked it with preparing preliminary drafts of the documents needed by the commission to start its work once established. Accordingly, the working group, with the support of the United Nations Development Program (UNDP) and the Arab Anti-Corruption and Integrity Network (ACINET), after learning about comparative experiences in the Arab region and around the world, prepared the following draft documents: the organizational structure, public officials regulations, the scale of salaries of public officials, the financial system, the commission staff, units and sections, the code of conduct, and the operational procedures for the implementation of the Right of Access to Information Law. It is worth mentioning that these documents were prepared on an advisory basis to facilitate the tasks of the commission, and are not considered binding upon it, as they will be brought before its members after their appointment, and they will decide to accept them or not, or modify them as they deem appropriate.

### **b. Updating the system for combating illicit enrichment and starting to implement it**

The successful passage of the Law on Asset and Interest Declaration and the Punishment of Illicit Enrichment No. 189 dated 16/10/2020 is a crucial step in completing Lebanese legislation in accordance with the content of Output 1.2 of the National Anti-Corruption Strategy, especially since the previous Law No. 154 dated 27/12/1999 was marred by fundamental flaws that made its effective implementation almost impossible.

The new law amended the definition of the crime of illicit enrichment, aligning it with the valid legal description of this crime in accordance with the text of UNCAC Article 20. It also set out deterrent penalties for the crime without subjecting the crime to the passage of time, unlike in the old law. Moreover, the new law radically amended the asset declaration system, bringing it into line with good practices in this regard, including by making asset declarations periodic and more comprehensive in terms of content, and subjecting them to the oversight of the National Anti-Corruption Commission to ascertain their validity and appropriateness.

Prior to the passage of the new law, the Council of Ministers had approved two special measures among the “immediate and prompt measures to combat corruption and recover the proceeds of corruption” which were approved by the Council of Ministers pursuant to Resolution No. 17 dated 12/5/2020. These two measures aim to activate the Illicit Enrichment Law No. 154/1999 dated 27/11/1999, so that the competent authorities can check whether public officials have submitted their asset declaration, and then conduct a comprehensive survey of the wealth of all persons who occupied or are occupying constitutional, judicial, administrative or military positions, along with their spouses and minor children, and prepare detailed reports on the manifestations of their wealth. The implementation of these two measures has been initiated, but it has not been completed yet.

Back to the efforts exerted to support the implementation of the new law, the Minister of State for Administrative Reform, following coordination with the Prime Minister, designated an email address to receive public officials’ questions about how to fill out the new asset declaration form. More than 120 questions were received, all of which were answered. The Minister also

5. Decision of the Minister of State for Administrative Reform No. 31 dated 30/06/2020. The working group members are: a representative of the Ministry of State for Administrative Reform (Mr. Ali Berro), a representative of the Ministry of Justice (Judge Hisham Kuntar), a representative of the Ministry of Finance (Dr. Walid Al-Shaar), a representative of the State Consultative Council (Judge Riad Oweidat), and a representative of the Civil Service Board (Mr. Ziad Kaban), and a representative of the Special Investigation Commission (Mr. Abdel Hafeez Mansour).

prepared an explanatory document in the form of “Questions and Answers”,<sup>6</sup> in cooperation with the President of the Civil Service Board and UNDP experts. The most frequently asked questions (FAQs) on the requirements of the asset declaration are posted on the website of the Office of the Minister of State for Administrative Reform (OMSAR) and they are updated when necessary.

This coincided with the Prime Minister’s initiative to issue a series of circulars<sup>7</sup> in which he requested that the authorities that receive asset declarations in the absence of the National Anti-Corruption Commission, as set forth in Article 5 of the law, to inform the associated public officials of their duties by submitting asset declarations within the legal deadlines, while informing them of the penalties for the failure to do so.

These steps were accompanied by the said authorities’ follow-up on their obligations with respect to the management of the asset declaration process by the associated public officials. In the absence of a coordination mechanism between these authorities, there was a lack of comprehensive data on the status of declarations submitted to date, and the adoption of different approaches in the collection and follow-up of declarations. In this context, an initiative was undertaken by the Civil Service Board whereby it utilized its own resources to design and implement an integrated and automated system for receiving, archiving and following up on the submitted declarations. It is also worth mentioning the experience of the BDL, which followed up on the declaration process by the vice-governors, the chairman, members and employees of the Banking Control Commission, the Secretary General of the Special Investigation Commission, its members and employees, and the BDL staff. The BDL ensured an automated and secure process enabling it to extract statistical data and follow up on the extent of compliance with it.

It should be noted here that the new law compels all those who are obliged to make an asset declaration to submit a new first declaration within three months from the date of the law’s entry into force, regardless of whether they did so under the old law or not. However, the deadline was extended until 31/3/2021 under Law No. 212 dated 16/1/2021, due to the COVID-19 pandemic and the state of general mobilization in the country. With the expiration of the deadline, efforts were directed towards preparing lists including the names of those who have defaulted on submitting a declaration, with a view to enforcing the legal imperatives on each of them.

At the level of judicial follow-up under the new law, specifically with regard to the prosecution of the crime of illicit enrichment, the Attorney General of the Court of Cassation initiated an extensive investigation in this respect and addressed the Special Investigation Commission at the BDL to provide the names of public officials and those who transferred funds abroad during the years 2019, 2020, and 2021, with a view to comparing them with the content of the asset declaration form submitted by them. In addition, the Lebanese judiciary is following up on a number of cases of illicit enrichment related to senior public officials, which have been reactivated by the Public Prosecution Service or are being considered by the latter on the basis of complaints received from the Consultation Office at the Ministry of Justice.

6. The document is available at: [https://www.omsar.gov.lb/getattachment/Anti-Corruption/Interest-and-Asset-Declaration/Declaration-Q-A\\_20201113-2.pdf?lang=en-US](https://www.omsar.gov.lb/getattachment/Anti-Corruption/Interest-and-Asset-Declaration/Declaration-Q-A_20201113-2.pdf?lang=en-US).

7. Circulars No. 39 dated 16/11/2020, No. 40 dated 16/11/2020, and No. 1 dated 19/1/2021.



### **c. Amending and initiating the implementation of the Whistleblower Protection Law**

Following the passage of the Whistleblower Protection Law No. 83 dated 10/10/2018, a major obstacle prevented its implementation, namely the delayed passage and implementation of the law establishing the National Anti-Corruption Commission. This was due to the fact that it is the only body authorized to receive disclosures of corruption and decide granting incentives and protection established by law. Consequently, efforts to follow up on Output 1.3 of the National Anti-Corruption Strategy have focused on addressing this obstacle, and a major amendment was made to the whistleblower law under Law 182 dated 12/6/2020. The amendment allows the Public Prosecution Service at the Court of Cassation to receive the disclosures and secure the necessary protection for the whistleblowers, their family members, and their employees from all kinds of retaliatory acts they may be exposed to at work or in their private lives.

As such, following coordination with the Minister of Justice, the Minister of State for Administrative Reform, in his capacity as Chairman of the Technical Committee supporting the Ministerial Anti-Corruption Committee, set up a special working group on June 30, 2020 to support the implementation of the Whistleblower Protection Law<sup>8</sup>. The working group conducted a legal study, with UNDP support, that clarifies the general legal framework within which the Public Prosecution Service at the Court of Cassation is expected to operate in the absence of the National Anti-Corruption Commission, considering that the law has become applicable without the need for implementation decrees. The working group also put forward a number of practical recommendations to start implementing the law, such as establishing a specialized office to assist the Public Prosecution Service at the Court of Cassation in receiving and screening the incoming disclosures, and providing a suitable venue, equipment and software for this office.

Subsequently, the Minister of Justice allocated a space to the office pursuant to Resolution No. 65 dated 10/10/2020 under the name Reception Office for Whistleblowers. A number of the Ministry's employees were tasked with performing the administrative work of the office, which is affiliated with the Public Prosecution Service at the Court of Cassation. Accordingly, the Ministry of Justice finalized an exchange of letters with the UNDP and the United Nations Office on Drugs and Crime (UNODC), which led to an agreement between the three parties to provide the office with logistical and technical support and to provide advice and support to the Attorney General supervising the Office in order to set it up. During the reporting period, the following were produced: a draft guide on the implementation of the Whistleblower Protection Law with relevant training materials; a draft guide on the operational procedures of the Office and draft templates used in its management; and a citizen's guide to raise awareness of the law, that will be used by the competent authorities. On June 30, 2021, the training of the staff assigned to work in the Office was initiated, in addition to developing software for receiving, archiving and managing disclosures of corruption received by the Public Prosecution Service through the Office.

8. Decision of the Minister of State for Administrative Reform No. 33 dated 30/06/2020. The working group members are: a representative of the Ministry of Justice (Judge Ziad Mkanna), a representative of the Ministry of State for Administrative Reform (Mr. Ali Berro), a representative of the Ministry of Finance (Ms. Vera Sayah), and a representative of the Public Prosecution Service at the Court of Cassation (Judge Nada Dakroub and then Judge Imad Kaban).

### **d. Preparing for an effective conflict of interest management system**

In Lebanon there is no integrated system for the disclosure of conflicts of interest and for dealing with them effectively. This is despite the existence of several relevant legal provisions contained in various laws, decrees and resolutions, some of which relate to public officials in the broad sense of the word, while others relate to employees in the private sector.

With the promulgation of the Law on Asset and Interest Declaration and the Punishment of Illicit Enrichment No. 189 dated 16/10/2020, a new obligation compels senior public officials to make an interest declaration. However, the country still lacks an adequate legal framework for managing conflicts of interest according to the requirements of Output 1.4 of the National Anti-Corruption Strategy, given the failure of any of the successive versions of the conflict-of-interest bill, which had been prepared by the Ministry of State for Administrative Reform in 2010, to be an item on the cabinet agenda. Therefore, OMSAR took the initiative once again, under the National Anti-Corruption Strategy, to reactivate the related efforts, and prepared a study in cooperation with the European Union and Expertise France entitled "Conflicts of Interest in Lebanon, Legal Frameworks and Recommendations". The study conducted a comprehensive assessment of the existing legal provisions in Lebanon and compared them with international best practices in order to identify gaps and alignment needs. This will be complemented later with technical advice on how to implement the existing provisions and address the existing gaps.

On a related level, the Compliance Unit at the BDL has developed and implemented a number of measures to monitor the implementation of the content of the administrative memorandum No. 2257 dated 30/8/2019 issued by the BDL Governor and related to avoiding the emergence of conflicts of interest between the BDL and any of its staff members. The memorandum prohibits them from requesting funds, assistance or financial donations.

### **e. Developing the Right of Access to Information Law and following up on work to support its implementation**

Following the passage of the Right of Access to Information Law No. 28 dated 10/2/2017, experience has shown that efforts to implement it are largely minimal, despite the importance of this law and the special attention it has captured from civil society and international partners. With the exception of some sporadic initiatives at the level of a handful of ministries, public institutions, municipalities and municipal unions, the responsiveness to the requirements of the law remains almost non-existent. The failure to establish the National Anti-Corruption Commission has weakened the prospects to create an impetus for the application of the law, as it is the official body that is assigned awareness-raising and training tasks in this respect, in addition to receiving and following up on complaints related to non-enforcement of the law and releasing periodic reports on the reality of compliance with its provisions.

Therefore, in accordance with the imperatives of achieving Output 1.5 of the National Anti-Corruption Strategy, the Minister of State for Administrative Reform, in his capacity as Chairman of the Technical Committee supporting the Ministerial Anti-Corruption Committee, established, on June 30, 2020, a working group to support the implementation of the Right of Access to Information Law.<sup>9</sup> The working group completed the necessary preparatory work to expand the scope of actual compliance with the provisions of the law, including carrying out a full survey of

9. Decision of the Minister of State for Administrative Reform No. 34 dated 30/6/2020. The working group members are: a representative of the Ministry of State for Administrative Reform (Mr. Ali Berro), a representative of the Ministry of Justice (Judge Rana Akoum), a representative of the Ministry of Interior and Municipalities (Lieutenant Colonel Wajdi Kleib), a representative of the State Consultative Council (Judge Rayan Roumani), and a representative of Central Inspection Bureau (Ms. Houry Der Sarkissian).



the departments to which the law applies, and developing a database of public officials assigned by the departments to receive requests for information. It also contributed to the review of the implementation guide for the law.

On July 13, 2020, the Ministerial Anti-Corruption Committee approved the National Plan to Implement the Right of Access to Information Law. This plan had been developed more than a year earlier by a special committee established by the Minister of State for Administrative Reform pursuant to Resolution No. 289 dated 29/5/2019, in consultation with the relevant ministries and departments in the country and representatives of civil society, and with the joint support of the UNDP and the Organization for Economic Cooperation and Development (OECD).

Based on this plan, the pace of drafting an implementation decree to help enforce the said law was accelerated. This was achieved through a joint effort between the concerned parties, led by the Ministry of Justice, as the implementing decree No. 6940 was issued on 28/7/2020. It should be noted in this regard that the State Consultative Council sought to implement the provisions of this law before the implementing decree was issued. This was an effort to enhance transparency in public life through Resolution No. 116/2019, in which it considers that administrative decisions to refuse to provide information may be appealed directly before the administrative judiciary.

All these public actions were accompanied by field efforts led by civil society to push towards the development of the law, raising awareness of its content and fostering its implementation. The Lebanese Transparency Association - No Corruption (LTA) cooperated with various concerned parties on the development of proposals to amend the existing law. Furthermore, the Gherbal Initiative and other non-governmental organizations, such as Democracy Reporting International in Lebanon and the Nahnoo (We) organization, undertook activities related to monitoring commitment, training and awareness-raising at the central and local levels.

These efforts paid off in the passage of Law No. 233 dated 16/7/2021, which amended the previous law passed in 2017. Among other things, it dispelled the confusion regarding the "proof of capacity and interest" necessary to request information. As such, it considers that access to information is a right enjoyed by any person regardless of their capacity and interest. The amended law also narrowed the scope of the previously mentioned exceptions and raised the ceiling of the amount of money compelling automatic publication regarding payments made by the administration ranging from five million to fifty million Lebanese pounds.

During the period covered by the present report, the Secretary General of the Council of Ministers addressed a letter to departments requiring the assignment of a civil servant to consider requests for information. OMSAR was provided with the names of the assigned persons in order to include them in the database of departments and information officers established by the previously mentioned working group that supports the implementation of the law. . During this period, a guide was also prepared for the departments obligated to implement the law, with the joint support of the UNDP and the OECD. The capacity building process at the said departments was also initiated through training courses for the staff of the Ministry of Information, OMSAR and some municipalities, in addition to the Union of Becharre Municipalities in the North Governorate and the Union of Bouhayra Municipalities in the Bekaa Governorate.

In addition, the Minister of Information developed a participatory media plan with civil society organizations and the media aimed at raising awareness of the Right of Access to Information Law, in partnership with UNESCO and the UNDP. It is expected to be implemented in the next phase.

For its part, the Central Inspection Bureau also introduced a number of indicators related to the implementation of the said law within the framework of the institutional performance measurement and assessment program, which is implemented by the Central Inspection Bureau in cooperation with OMSAR. The indicators were introduced in order to urge ministries to implement the law, including, but not limited to, indicators related to the assignment of an information officer, the number of requests for information submitted, the number of met and rejected requests, and the ministry's commitment to automatic publication of information on its website. At the end of each year, the inspectors are supposed to produce performance assessment reports on the ministries, drawing upon these and other indicators; on this basis, the commitment to implement the law can be enhanced.

#### **f. Passage of a law on the recovery of assets derived from corruption crimes and a guide on international cooperation on this matter**

In keeping with the requirements of the achievement of Output 1.6 of the National Anti-Corruption Strategy, the Law on the Recovery of Assets Derived from Corruption Crimes No. 214 dated 8/4/2021 was passed. This new law established a specialized department in this regard and affiliated it with the National Anti-Corruption Commission. The law also stipulates the potential entry into settlements, reconciliations, and agreements that would expedite and activate efforts to recover funds without necessarily resorting to litigation; however, it does not specify the mechanisms and criteria to which reference should be made to in this regard. In addition to the above, the new law established the National Fund for the Management and Investment of Assets under Recovery and Recovered, with a legal personality and financial and administrative independence, as well as a budget linked to the aforementioned body. The details on the governance of this fund will be addressed in the implementation decrees that are expected to be issued in the near future, along with other decrees needed to activate this law.

Prior to the passage of this law, on May 18, 2020 the Ministry of Justice published the Guide on International Cooperation with the Lebanese Republic to Recover Proceeds of Corruption 2020.<sup>10</sup> The guide was produced in cooperation with the Public Prosecution Service at the Court of Cassation and representatives of the Financial Intelligence Unit, the Legal Affairs Department at the BDL, and the Office to Combat Crimes and Money Laundering of the Judicial Police Unit of the Internal Security Forces (ISF), with UNDP support.

#### **g. Establishing and activating a participatory national mechanism to assess the commitment to the implementation of the United Nations Convention against Corruption**

Output 1.7 of the National Anti-Corruption Strategy embodies the conviction stemming from international standards and comparative experiences that there is a periodic need to review and constantly update the legal system related to combating corruption in order to bring into line with the development of the instruments of this complex crime. This is emphasized by UNCAC Article 5, paragraph 3, which obligates each State Party, including Lebanon, to "...endeavour to periodically evaluate relevant legal instruments and administrative measures with a view to

<sup>10</sup>. The document is available at: [https://star.worldbank.org/sites/default/files/2020-12/lebanon\\_guide\\_booklet\\_final.pdf](https://star.worldbank.org/sites/default/files/2020-12/lebanon_guide_booklet_final.pdf).





determining their adequacy to prevent and fight corruption.” In addition, Lebanon was selected in 2020, within the framework of the international mechanism to review the implementation of the said convention,<sup>11</sup> to conduct a comprehensive assessment of its relevant legal system, in theory and in practice, in light of the requirements of the implementation of the convention.

On the basis of the foregoing, the Minister of State for Administrative Reform, in his capacity as the Chairman of the Technical Committee supporting the Ministerial Anti-Corruption Committee, established on June 30, 2020, a special working group to bring anti-corruption laws in line with international standards.<sup>12</sup> The working group received focused training in two phases, on July 22, 2020 and on September 2, 2020, provided by experts from the UNDP and UNODC, and at the same time, began carrying out the tasks assigned to it. On March 11, 2021, the working group completed the assessment related to the implementation of Chapter Two (Preventive Measures) and Chapter Five (Asset Recovery) as required by the universal review mechanism.

In parallel, the working group suggested the engagement of civil society organizations in the assessment process to identify their proposals in this regard, thus allowing for the achievement of extensive participation in this work and laying the ground for increased cooperation between state institutions and civil society organizations. After the Minister’s approval, a consultation was held with representatives of civil society who are specialized professionals with experience in governance reforms and combating corruption,<sup>13</sup> and on February 12, 2021, the parties reached consensus on a cooperation mechanism in this regard. The majority of the participating organizations preferred to submit their comments on the government report directly so that they would be incorporated into it, while some preferred to prepare their own report. This was followed by the organization of workshops for representatives of civil society organizations with the aim of deepening their knowledge of the requirements for the implementation of the convention and the methodology of the review mechanism for its implementation, on February 19, 22, and 27, 2021. Attention was also focused on specialized technical issues such as asset recovery, on which a workshop was held on April 6 of the same year. Contributions were subsequently made by the representatives of the participating civil society organizations during the period from April 8 to September 6, 2021, when they were integrated and sent to OMSAR to be followed up by the working group.

11. The Mechanism for Reviewing the Implementation of the United Nations Convention against Corruption is an intergovernmental process that is repeated every ten years to enable the States Parties to the Convention to share their experiences, and to identify the shortcomings of each in implementing the provisions of the Convention with a view to helping them address those gaps. The review process consists of two five-year cycles. Chapters III (Criminalization and Law Enforcement) and Chapter IV (International Cooperation) are reviewed during the first cycle, while Chapter II (Preventive Measures) and Chapter V (Asset Recovery) are reviewed during the second cycle.

12. Decision of the Minister of State for Administrative Reform No. 32 dated 30/6/2020. The working group members are: a representative of the Ministry of Justice (Judge Jad Maalouf), a representative of the Ministry of State for Administrative Reform (Mr. Ali Berro), a representative of the Ministry of Finance (Mr. Younis Bou Ali), a representative of the Ministry of Interior and Municipalities (Lieutenant Colonel Wajidi Kleib), a representative of The Higher Judicial Council (Judge Rana Akoum), a representative of the Public Prosecution Service at the Court of Cassation (Judge Emily Mirna Kallas), a representative of the Court of Accounts (Judge Rosie Sader), a representative of the State Consultative Council (Judge Michelle Mezher), a representative of the Central Inspection Bureau (Mrs. Houry Der Sarkissian), a representative of the Civil Service Board (Ms. Jacqueline Boutros), a representative of the Higher Disciplinary Council (Ms. Mirvat Itani), a representative of the Banque du Liban (Ms. Carine Chartouni), and a representative of the Special Investigation Commission (Dr. Haytham Yassin).

13. Participating NGOs include the Gherbal Initiative, the Lebanese Transparency Association, the Lebanese Oil and Gas Initiative, the Arab NGO Network for Development, Democracy Reporting International-Lebanon, the “Nahnoo” organization, the Nonviolent Direct Action Group, the Maharat Foundation, the Lebanese Corruption Monitor, the Legal Agenda, the Lebanese Association for Taxpayers’ Rights, Publish What You Pay, the Lebanon Certified Anti-Corruption Managers, Association Bayti, and the Lebanese Behavioral Economics Association.

## 2. Laying the ground for new initiatives on enhancing integrity in public office

The second Outcome targeted in the National Anti-Corruption Strategy, which consists of “higher levels of integrity in public office”, did not receive sufficient attention in the first stage of the strategy implementation despite its great importance, owing to the various outputs associated with it, and their close relationship with the requirements of reforming the structural imbalance in the state.

Among the outputs included in the second outcome, whose follow-up has begun, Output 2.1 focuses on revisiting the roles and responsibilities of public officials, in the broad sense adopted by Law 175/2020, in order to define and clarify them within the framework of a modern structure for the public sector as a whole. In addition to the this preparatory work, another important work falling under Output 2.2 has to do with drafting of a modern bill to appraise the performance of public officials by the Civil Service Board, to be deposited with the Presidency of the Council of Ministers. At the same time, there was a failure to adopt a law to determine the appointment mechanism of first category and senior positions in public administrations. Important work was carried out under Output 2.3, whereby the preparation of sectoral codes of conduct has been initiated and some of them adopted. As for the last output, namely Output 2.4 on supporting the role of the Civil Service Board, no significant progress has been achieved. This may require considering its prioritization in the next stage of the strategy’s implementation.

Outputs related to the Outcome 2		Progress made
<b>Output 2.1</b>	<b>Roles and responsibilities of public officials clearly defined within a modern structure of the overall public sector</b>	
<b>Output 2.2</b>	<b>Standards of transparency and merit applied and respected in the appointment of employees/interns /volunteers, transfer, promotion, compensation and fringe benefits</b>	
<b>Output 2.3</b>	<b>A modern and integrated system to promote ethical behavior in public administrations, institutions and municipalities established and implemented</b>	
<b>Output 2.4</b>	<b>Independence and effectiveness of the Civil Service Board enhanced</b>	

### a. A preliminary survey of the names and profiles of public officials

The Civil Service Board has completed a preliminary survey of the names and profiles of all public officials, regardless of their designation, in public administrations, public institutions, independent departments and funds, councils, bodies and institutions that are partially or fully funded by the state, whether they are covered or not by the mandate of the said Board.

The preliminary survey was deposited with the Presidency of the Council of Ministers on September 1, 2020, and the Civil Service Board is working on its completion depending on receipt





of information. It should be noted that the survey was conducted in conformity with Circular No. 30 dated 4/9/2019 issued by the Prime Minister, in accordance with the text of Article 80 of Law No. 144 dated 31/7/2019 related to the public budget and annexed budgets for the year 2019.

In addition to being considered an essential requirement for moving forward on the path of administrative reform, the survey aims to achieve Output 2.1 of the National Anti-Corruption Strategy, since it paves the way for revisiting the roles and responsibilities of public officials in order to define and clarify them within the framework of a modern structure for the public sector as a whole. It should be noted that this survey was preceded by a similar attempt made by the Central Inspection Bureau before the adoption of the strategy, at the request of the Chairman of the Parliamentary Finance and Budget Committee on October 1, 2018. It was aimed at determining the numbers of permanent public officials, contractual employees, workers, employees and others, and disclosing any contract concluded with them since August 2017, in a manner contrary to the established employment mechanisms and the applicable legal requirements, especially Article 21 of Law No. 46 dated 21/8/2017 related to the scale of salaries, which prohibits recruitment and contract awarding, including in the educational and military sectors at the various levels and in all specializations and in joint projects with international organizations, except by a decision of the Council of Ministers based on an investigation conducted by the Research and Orientation Department of the Civil Service Board. However, the Central Inspection Bureau's attempt was met with poor responsiveness of the authorities requested to provide information, in addition to receiving a report with insufficiently verified information. The report was published and discussed by the said parliamentary committee in the presence of the President of the Central Inspection Bureau and the President of the Civil Service Board, which revealed multiple violations of the law, and as a result a letter to this effect was sent to the Court of Accounts to investigate the matter and suspend the payment of salaries to violators.

## **b. Unfinished steps to adopt standards of transparency and merit in public office**

In an initiative aimed at protecting appointments to public office from the risks of quotas and cronyism, and in keeping with the requirements of achieving Output 2.2, namely "standards of transparency and merit applied and respected in the appointment of employees, interns, volunteers and their transfer, promotion, compensation, and fringe benefits", Parliament passed Law No. 7 dated 3/7/2020 on determining the appointment mechanism of first category and senior positions in public administrations. This law took into account the mechanism previously endorsed by the Council of Ministers on April 12, 2010, after a consensus was reached on it with the participation of all political parties. The mechanism was applied by the Council of Ministers regarding some appointments (in more than 40 functions and positions).

The mechanism contained in the law is based on the criteria of competence, specialization and knowledge, giving preference to second category employees in the official administrative cadre with regard to filling the vacancies in the first category in public administrations. A call for qualified candidates from inside and outside the administrative cadre for the vacant positions in leadership positions of public institutions will be launched. This is to be preceded by an objective and transparent development of the profiles and conditions of employment, and the conduct of oral interviews, on the basis of which the names of three acceptable candidates will be drawn up. The Council of Ministers will select and appoint one of them. The law also established the principle of making appointments with the participation of the Civil Service Board.

However, this law was repealed by the Constitutional Council pursuant to its decision dated July 22, 2020, based on the review submitted by the President of the Republic, General Michel Aoun on July 8, 2020. The Constitutional Council concluded that the impugned law, especially in Article 3, contravenes Articles 54 and 66 of the Constitution by limiting the minister's powers in this regard, while Article 65 limits the Council of Ministers' competence to appoint first category employees or equivalent thereof in public administrations and institutions. The Council also considered that it delegates organizational powers to an administrative and executive body, whereas such a decision should be within the competence of the Council of Ministers.

In the meantime, the bill drafted by the Civil Service Board to appraise the performance of public officials remains pending, noting that it was deposited with the Presidency of the Council of Ministers on March 30, 2020. The bill was prepared in conformity with the principles of modern administration, and in implementation of the provisions of Article 35 of Law No. 46 dated 21/8/2019 on the scale salaries. It makes use of the conclusions of the report produced by OMSAR, with the support of the European Union, on the formulation of a performance appraisal system for public officials according to a modern approach based on the principle of competencies management.

One step that needs further follow-up and activation, and that falls under Output 2.2, is the important work carried out by OMSAR, with the support of the Arab Fund for Economic and Social Development (AFESD) in cooperation with the Central Inspection Bureau, regarding the implementation of an institutional performance measurement and appraisal program in the public sector. Thus, 1,246 key performance indicators and 5,453 performance sub-indicators have been developed. They cover the Ministry of Economy and Trade, the Ministry of Industry, the General Directorate of Urban Planning and the Directorate General of Roads and Buildings at the Ministry of Public Works and Transport, the Directorate General of Hydraulic and Electric Resources at the Ministry of Energy and Water, the Directorate of Imports at the Ministry of Finance, the Directorate of Primary Education at the Ministry of Education and Higher Education, the Ministry of Agriculture, the Ministry of Environment, the Ministry of Labor, the Ministry of State for Administrative Reform, and the Central Inspection Bureau.

## **c. Sporadic initiatives to develop codes of conduct**

The enhancement of integrity in public office is incomplete without a modern and integrated system that promotes ethical conduct in all public administrations, public institutions, independent departments and funds, councils, bodies and institutions that are partially or fully funded by the state. This is enshrined in Output 2.3, whereby it is possible to build on previous experiences in this area, including the Ministry of Interior and Municipalities which approved in 2019 the ISF Code of Conduct,<sup>14</sup> and the experience of the judiciary in preparing the judicial code of ethics, which was adopted by the Minister of Justice in 2005 after the approval of the Higher Judicial Council and the State Consultative Council. In addition, there is OMSAR's experience in 2001 with the preparation of a Code of Conduct for Public Servants, which was approved by the Civil Service Board and endorsed by the Council of Ministers on February 14, 2002.<sup>15</sup>

14. The Code of Conduct can be accessed at: <https://www.isf.gov.lb/ar/article/951/>

15. The document is available at: <https://omsar.gov.lb/Publications/Charters/A-Code-of-Conduct-for-Public-Servants>



The latest experiences related to codes of conduct in Lebanon are embodied in the work carried out under the National Anti-Corruption Strategy, with the support of the European Union and Expertise France with a view to developing specialized codes of conduct for both the Court of Accounts and the Central Inspection Bureau, whereby the former developed and adopted its code which will be followed up in line with international standards and good practices drawn from comparative experiences.

### 3. The passage of a modern and comprehensive public procurement law

Under Outcome 3 of the National Anti-Corruption Strategy, which is concerned with a “public procurement system that is less prone to corruption”, a crucial step has been made that is tantamount to a historic reform achievement in Lebanon, reflected in the passage of the Public Procurement Law No. 244 dated 19/7/2021. Embodying Output 3.4 of the strategy, this step was unexpectedly achieved so quickly, and represents a boost towards the achievement of the other three outputs included in this outcome. The latter were aimed at achieving interim progress pending the passage of the expected law on three tracks, namely: enhancing transparency and competition in public procurement, developing supervision, oversight and audit mechanisms, and supporting the Tenders Administration in keeping with its existing competence under the old law.

Outputs related to the Outcome 3		Progress made
Output 3.1	Centralized and decentralized public procurement more transparent and competitive	
Output 3.2	Clear and effective oversight, control and auditing mechanisms adopted and implemented at all stages of centralized and decentralized public procurement	
Output 3.3	The Tenders Administration enabled to reduce corruption in public procurement within its mandate	
Output 3.4	A comprehensive law that governs public procurement, its oversight and audit as per international standards approved and implemented	

Following a stalemate that lasted for more than ten years and the failure to pass a modern and comprehensive law that governs public procurement and the oversight and audit thereof in line with international standards, the Ministry of Finance, in cooperation with the World Bank and the French Development Agency (AFD), launched a new track in June of 2019 in order to assess the public procurement system in Lebanon, in accordance with a specialized international methodology.<sup>16</sup> The survey was completed in July 2020 by the Institute of Finance Basil Fuleihan at

16. The Methodology for Assessing Procurement Systems – MAPS II in Lebanon is available at: <http://www.institutdesfinances.gov.lb/project/methodology-for-assessing-procurement-systems-maps-ii-in-lebanon/>

the Ministry of Finance, which worked on it with an advisory committee including representatives of concerned official bodies,<sup>17</sup> in addition to the contribution of more than one hundred national actors from the public and private sectors and civil society. The report was completed after undergoing review by specialized international bodies in December of 2020, and the revised version was released the following month. The assessment covered four pillars of the public procurement system: the legal, regulatory and policy framework, the institutional framework and administrative capacity, procurement processes and market practices, and accountability, integrity and transparency. The assessment, which was based on a package of two hundred and ten qualitative and quantitative indicators, concluded that the extent of compatibility with international standards does not exceed five percent.

Accordingly, documents framing the proposed new public procurement system were prepared. These include the proposal for a public procurement law, model rulebooks and eligibility requirements for bidders, all of which are the outcome of cooperation between the Court of Accounts, the Tenders Administration, the Finance Institute at the Ministry of Finance, and OMSAR. The Parliamentary Subcommittee of the Joint Committees held thirty-four meetings between June and December 2020, during which the concerned stakeholders and civil society organizations were consulted on the law proposal, after which it was revised and the law was passed on June 30, 2021.

The law has decentralized public procurement decision-making based on the idea that administrations are the best estimators of their needs. On the other hand, the law has established the centralization of regulation and oversight, after replacing the Tenders Administration with the Public Procurement Authority, which is an independent administrative body with a legal personality and financial and administrative independence. This authority is in charge of organizing, supervising, and monitoring public procurement, in addition to developing its procedures, systems and performance, coordinating between the various purchasers, and providing technical support. The new law also standardized the principles of public procurement by establishing general standards that enhance the effectiveness of public procurement, most notably comprehensiveness, transparency, competition, integrity, sustainability, and alignment with the requirements of sustainable development.

In addition to the State Consultative Council, the Court of Accounts and the Public Procurement Authority, another body was added to the public procurement governance system under this law, namely the Objections Commission, while the Tenders Administration was integrated in the statute of the Public Procurement Authority.

On August 12, 2021, ten MPs submitted a review before the Constitutional Council to challenge the constitutionality of the provisions of the law related to the training of public officials involved in public procurement procedures, in addition to the mechanism for appointing the head and members of the Public Procurement Authority and members of the Objections Commission. The decision reached by the Constitutional Council on September 15, 2021 in this regard was basically considered positive, on the grounds that it rejected most of the contested items submitted, and approved amendments that do not affect the essence of the law.

17. The committee included, in addition to the Institute of Finance Basil Fuleihan, representatives of the Court of Accounts, the State Consultative Council, the Central Inspection Bureau, the Tenders Administration, the Ministry of National Defense (the General Directorate of Administration and the Lebanese Army), the Ministry of Interior and Municipalities (the General Directorate of Local Administrations and Councils, the General Directorate of Internal Security Forces, the General Directorate of General Security), the Ministry of Education and Higher Education, the Ministry of Public Health, the Ministry of Public Works and Transport, the Ministry of State for Administrative Reform, and the Council for Development and Reconstruction.



According to the aforementioned decision, the focus shifted from passing the public procurement law to initiating its implementation. This requires a number of measures in the transitional phase, as a special strategy was finalized to implement the reforms adopted by the new law in the public procurement system, enhance the transparency of its mechanisms and automate it. To this end, OMSAR, in cooperation with the World Bank and the AFD, along with the Tenders Administration and the Central Inspection Bureau, are developing an electronic platform for public procurement, through which tenders are published, pending the complete automation of the process.

It should be noted that in the meantime, the Council of Ministers had approved two measures related to public procurement operations conducted by the state. These were the first and the third measure, inter alia, the “immediate and prompt measures to combat corruption and recover the proceeds of corruption” which were approved by the Council of Ministers pursuant to Resolution No. 17 dated 12/5/2020. The first measure is to activate the tax auditing, including activating the exchange of tax information, by requesting the Minister of Finance to assign the competent authorities in his/her ministry, or whomever s/he delegates, to conduct a tax investigation that involves all natural and legal persons who entered into contracts or obligations with the administration or provided services without a legal document, followed by reconciliations, under certain conditions detailed in the Council of Ministers resolution. As for the third measure, which is preventive, it requires all departments, especially the Tenders Administration, when entering any contract, subcontract, or making expenditures, to allow the contractors to agree in advance to lift banking secrecy.

## 4. Various reform efforts to support the role of the judicial system from an anti-corruption perspective

The fourth targeted Outcome of the National Anti-Corruption Strategy, namely “a judicial system more impartial and capable of fighting corruption” has registered slow progress despite the great efforts made in this respect, as Parliament has failed to date to pass a modern and effective law to reorganize the Lebanese judiciary in line with relevant international standards. This has negatively affected the results envisaged under Output 4.1 which focuses on strengthening the independence of the judiciary, and Output 4.2 which deals with enhancing the integrity of the judiciary. In addition, new substantive steps have not been taken to increase transparency in the work of the courts and their departments under Output 4.3, in contrast to Output 4.4 whereby a number of measures were taken to develop legal, procedural and technical capacities in prosecuting corruption crimes.

The first stage of the strategy’s implementation also coincided with the catastrophic explosion of the Port of Beirut on August 4, 2020, which led to massive losses of life and property, and deepened the general feeling of insecurity and lack of confidence in state institutions. This tragic event highlighted the deep imbalances in the state, which are inseparable from the problem of systemic corruption affecting the country and brought to the fore once again the importance of an independent, impartial, efficient and effective judiciary. At the time of writing the present report, judicial investigation into the case continues, amid political bickering over the constitutionality of the measures taken and their impartiality in accordance with the laws in force.

Outputs related to the Outcome 4		Progress made
Output 4.1	Judicial independence Strengthened as per international standards	
Output 4.2	Integrity of the judiciary reinforced with a view to enhance trust in the judicial power	
Output 4.3	The work of courts and their departments is more transparent	
Output 4.4	Levels of legal, procedural, and technical capacities are higher in the prosecution of corruption crimes	

### a. Drafting a modern and comprehensive law that enhances the independence and impartiality of the judiciary

Outputs 4.1 and 4.2, which respectively deal with the independence and impartiality of the judiciary, are among the most prominent items on the reform agenda advocated by all parties. Several parliamentary, ministerial, judicial, union and societal bodies have previously developed and proposed legal texts to amend the relevant legislation. In this context, the work of the Legal Agenda has been recently noted, especially regarding the formation of the Civil Coalition for an Independent and Transparent Judiciary under which a special bill was prepared with the sole focus on the judiciary. After the bill was presented by some MPs as a law proposal, the Administration and Justice Committee initiated drafting an integrated law aimed at amending the law regulating the judicial judiciary; however, the law has not been passed as of the date of writing the present report. In parallel, the President of the State Consultative Council drafted a bill on the independence of the administrative judiciary and related due process, which was adopted by some MPs and turned into a law proposal awaiting discussion before the Parliamentary Administration and Justice Committee.

Parliament amended Article 419 of the Penal Code under Law No. 165 dated 8/5/2020, which transformed the act of soliciting a favour from a judge of or against one of the litigants from a mere violation punishable by a small financial fine to a misdemeanour punishable by imprisonment and a fine of up to one hundred times the minimum wage.

The present report also observed executive steps taken by the Minister of Justice to preserve the independence and integrity of the judiciary, including her cooperation with the Higher Judicial Council, within the competence of each, to prepare a draft decree on judicial appointments, following the Council’s unanimous insistence on its draft decree in the face of her observations that she published to inform public opinion. Then, she signed the draft decree and forwarded it to the President of the Republic for promulgation, knowing that it had not been promulgated up to the end of this reporting period. In her remarks, the Minister of Justice considered that the principle of universality, which is supposed to be concomitant with defining objective criteria for judicial appointments, was not fully observed, especially in public prosecutions and investigation departments that play a key role in combating corruption. She also objected to earmarking judicial positions for communities and sects.





In another unprecedented step, the Minister of Justice enshrined respect for the principles of transparency, merit and equal opportunities in judicial appointments made on the basis of her suggestions. The nomination of judge candidates was also opened for those wishing to assume the positions of director of the Institute of Judicial Studies, inspectors at the Judicial Inspection Authority, and chamber president at the State Consultative Council. The announcement was made on the ministry's website, and after the deadline for nominations and interviews with the candidates expired, the judicial inspectors were appointed by a resolution of the Council of Ministers on July 9, 2020.

#### **b. Various measures to strengthen the capacity of the judiciary in prosecuting corruption crimes**

In addition to the need to strengthen the independence of the judiciary and enhance its integrity, success in detecting and punishing corruption crimes requires a combination of factors to support judges in the stages of investigation, prosecution, judgment and implementation, owing to the complex nature of these crimes, the dangerous criminals involved, and the difficulty of detecting them and securing irrevocable judicial convictions. Output 4.4 addresses these factors, which include legal, procedural and technical aspects. Concrete efforts have been exerted to achieve progress in this respect during the first stage of the strategy's implementation, particularly with regard to easing undue restrictions imposed by banking secrecy and functional immunities on the effectiveness of the investigation into corruption crimes.

On the one hand, Parliament sought to pass a law that would eliminate the obstacles, created by banking secrecy, to the effectiveness of investigations into corruption crimes in general, and to the forensic audit in particular, which is to be conducted under the second measure of the "immediate and prompt measures to combat corruption and recover the proceeds of corruption" approved by the Council of Ministers pursuant to Resolution No. 17 dated 12/5/2020. Accordingly, the Subcommittee of the Joint Committees cooperated with representatives of the Ministry of Justice and national and international experts to come up with an appropriate measure for lifting banking secrecy in line with the said purposes. Consequently, the law was passed on May 28, 2020, with measures that did not meet the proposed standards, and the President of the Republic sent it back to Parliament on June 19, 2020, where it is still under discussion. In the meantime, Law No. 200 was issued on December 28, 2020, under which the provisions of the Banking Secrecy Law issued on 3/9/1956 and all articles that refer to it were suspended for a period of one year, in all matters related to forensic audits and/or the criminal investigation determined by the government into the accounts of the BDL, ministries, independent departments, councils, funds and public institutions, whatever the nature of these accounts and the purposes of this audit are, and exclusively in the interest of those conducting it, as stated in Parliament's resolution taken in the session held on November 27, 2020.

On the other hand, Law No. 156 was issued on 8/5/2020, under which Article 61 of the Public officials Regulations promulgated under Legislative Decree No. 112 dated 12/6/1959 was amended. This amendment allows the Public Prosecutor to submit a request to the legally competent authority to approve the prosecution of the public official, attached to the file, provided that the competent authority provides a reasoned decision on the request within a period of fifteen working days. The decision of the competent authority to grant the judge permission to prosecute a public official is irrevocable. However, if the competent authority rejects the Public Prosecutor's request to grant permission to prosecute a public official, it may, within fifteen days from being notified of the rejection, refer the matter to the Public Prosecutor at the Court of

Cassation, which decides on it, with a reasoned decision provided to the concerned parties, within a similar deadline. The expiration of the deadline without deciding upon approval is considered tacit consent to prosecution.

It should be noted in this regard that Law on Asset and Interest Declaration and the Punishment of Illicit Enrichment No. 189 dated 16/10/2020, clearly states in Article 11 that, unlike any other provision, prior permits or licenses notable in Lebanese laws, do not preclude criminal prosecution for the offense of illicit enrichment.

## **5. New initiatives to develop the capacities of oversight bodies**

The National Anti-Corruption Strategy seeks, through its fifth Outcome on making "oversight bodies more specialized and effective in fighting corruption" to develop initiatives dedicated to supporting the important roles assumed by oversight bodies, and to strengthen their cooperation and integration (output 5.6), especially with regard to the capacities of oversight bodies, the Central Inspection Bureau (Output 5.1) and the Court of Accounts (Output 5.3), noting that the Civil Service Board is covered in the second outcome. In addition to these two bodies, there are the High Disciplinary Council (Output 5.2) and the Ombudsman (Output 5.4), who has not been appointed yet, despite the issuance of Law No. 664 dated 4/2/2005.

Furthermore, fostering the internal audit culture and its tools and integrating it effectively into the public sector (Output 5.5) would ease the burden on the oversight bodies and support their performance of the tasks entrusted to them, starting with encouraging the adoption and implementation of internal compliance policies and procedures in line with international standards practices. No tangible progress has been made in this regard during the first stage of the strategy implementation. These policies and procedures are still absent in most state institutions, with some exceptions such as the BDL, especially in the departments, independent funds, councils, bodies and institutions that are not completely controlled by oversight bodies.

This outcome has two main dimensions, namely that there is a need, on the one hand, to strengthen the independence of these bodies and to enhance their cooperation and integration. On the other hand, there is a need to develop their capacities in the area of detecting and handling corruption practices within the competence of each, bearing in mind that the role of these bodies is not limited to fighting corruption, but includes other aspects related to the proper functioning of the administration and the promotion of transparency, accountability and liability in the management of public money and public affairs.

During the first stage of the strategy implementation, efforts focused on the second dimension, which involves formulating and implementing initiatives to develop the capacities of the oversight bodies covered by this outcome. This took place without making any significant progress regarding the first dimension, bearing in mind that the laws establishing these authorities, and the multiple legal texts governing their work, offer them guarantees. However, previous experiences and the practices of successive governments have weakened the important role to be played by the financial and administrative oversight system, in addition to the need to consider updating it so that it is aligned with the requirements of modern administration and the development of the public sector over the past decades that followed the establishment of the said bodies.





Outputs related to the Outcome 5		Progress made
Output 5.1	The Central inspection is modernized and its capacities to detect and fight corruption enhanced	
Output 5.2	The Higher Disciplinary Committee is modernized and its capacities to fight corruption enhanced	
Output 5.3	The Court of Accounts is modernized and its capacities to detect and fight corruption enhanced	
Output 5.4	The Ombudsman Law effectively implemented	
Output 5.5	Internal audit integrated and activated in the public sector	
Output 5.6	Coordination and cooperation to enhance oversight bodies' role institutionalized and effective	

### a. Central Inspection Bureau

The Central Inspection Bureau actively followed up on the aspects of Output 5.1 of the National Anti-Corruption Strategy during the first stage of its implementation. On April 14, 2020, it launched the Inter-Ministerial and Municipal Platform for Assessment, Coordination and Tracking (IMPACT),<sup>18</sup> a digital information platform that aims to enhance its oversight role by analysing the data received from the ministries and municipalities, in addition to coordinating work between these various bodies and following up on the implementation of the decisions taken, and helping to correct them when necessary. This platform has greatly widened the scope of the oversight capacities of the Central Inspection Bureau, especially in light of the limited number of inspectors and resources provided to them. It also enables it to monitor and follow up on all information and decisions taken, in an effort to improve performance in public departments and institutions and municipalities. This contributes to the efforts to prevent and fight corruption, in addition to improving the public services provided to citizens.

It should be noted that the platform, which was developed in cooperation with the British government, contributes to activating the right of access to information, familiarizing people with the role, competence and organization of the Central Inspection Bureau, facilitating learning about its activities, work, and the decisions of body, as well as enabling them to assess the services provided by public administrations, and encouraging them to participate in the process of uncovering and reporting corruption by submitting complaints.

18. The platform can be accessed at: <https://impact.cib.gov.lb/home>

In parallel with the foregoing, the Central Inspection Bureau has made tangible progress towards automating its internal workflow, and has also trained inspectors general and inspectors, in a series of workshops on modern inspection and auditing methods and familiarity with international standards of internal audit with respect to everything that does not contravene Lebanese legal provisions. They were also trained on the concept of risk analysis and ways to leverage it to enhance the effectiveness of oversight work on the ground.

At the strategic level, a "Strategy to strengthen the independence of the Central Inspection Bureau, contribute to the advancement of public administration, and establish the rule of law and good governance, in the service of citizens and enhance their confidence in the State", was prepared for the 2021 – 2026 period. The draft strategy is published on the website (<https://www.cib.gov.lb/ar>) for public consultation, pending adoption by the Central Inspection Bureau. The draft strategy, which was developed in cooperation with the European Union and Expertise France, has five major priorities, namely: empowering and modernizing the work of the Central Inspection Bureau, developing its human resources, activating the relationship with judicial and oversight bodies and authorities falling under the mandate of the Central Inspection Bureau, building a partnership with the community, and improving relations with the public authorities. All and Deputy Secretary General these priorities converge with the outputs contained in the National Anti-Corruption Strategy.

It should be noted that the law proposal aiming to amend Legislative Decree No. 115 dated 6/12/1959 establishing the Central Inspection Bureau, as well as its amendments and a number of related legal texts related to it, are still under discussion in Parliament.

### b. Higher Disciplinary Council

The Higher Disciplinary Council processed most of the files referred to it during the period covered by the present report, bearing in mind that it is unable to follow up on disciplinary files automatically without a referral from a competent authority. It has issued appropriate disciplinary decisions ranging between mere punishment imposed by the competent referral authority, and dismissal or suspension of perpetrators of serious and grave violations. The disciplinary files include referrals from the Ministry of Justice/notaries public, the Ministry of Social Affairs (MoSA)/officers of its Social Development Centres, public institutions and municipalities. The above is covered in Output 5.2 of the National Anti-Corruption Strategy.

### c. Court of Accounts

A set of steps have been achieved that serve Output 5.3 of the National Anti-Corruption Strategy. During the period covered by the present report, the Court of Accounts provided a series of advisory opinions on preventing conflict of interest and enhancing transparency in public procurement and other issues related to the contents of this strategy. It also produced a number of special reports based on the provisions of Article 52 of the Court of Accounts Regulation Law and several reports on cutting off balance accounts, in addition to many decisions withholding consent issued under prior administrative oversight, and judicial decisions on cases of embezzlement and several financial irregularities.

During the period covered by the present report, the Court of Accounts also updated its website ([www.coa.gov.lb](http://www.coa.gov.lb)), prepared and approved an internal code of conduct, and organized extensive training workshops on the concepts and techniques of forensic audit, in cooperation with the World Bank and the European Union. It is also currently automating its work and flow of transactions and using updated archiving and scanning systems.



The Council of Ministers approved the request of the Court of Accounts to task the Civil Service Board with holding an open competition to appoint controllers and auditors in its cadre, pursuant to Resolution No. 3 dated 24/4/2020. To this end, job description cards were prepared in cooperation with the Civil Service Board, and the examination materials and fundamentals have been determined, but the competition has not been scheduled yet. This initiative, if completed, will set an example in the recruitment process based on the standards of transparency, merit and equal opportunities, as the Court of Accounts decided to task Civil Service Board with holding the competition, bearing in mind that it is authorized to conduct it by itself. The two parties also ensured that the competition is organized on the grounds of objectivity and specialization, based on a job description card prepared in advance in line with the principles of the competency-based modern human resource management.

As for the state's financial audit covering the period since 1997, the results of which were referred by the Ministry of Finance to the Court of Accounts in 2019, it was initiated despite the limited financial and human resources available for this task, following the Court of Account's approval of cutting off balance accounts of 2017, 2018 and 2019.

## 6. Increased role of civil society in disseminating and consolidating a culture of integrity

The sixth Outcome of the National Anti-Corruption Strategy, which is to achieve a "society empowered to participate in disseminating and consolidating a culture of integrity", highlights the major role played by society in the fight against corruption, whether at the level of individuals or organizations, so that it also involves associations, unions, schools, universities, religious institutions, and the various media.

The severe political, economic and social crises and dire living conditions prevailing during the period covered by the present report greatly affected the space available for these different components to work in the target area. On the one hand, it seems that public awareness of the risk of corruption has increased, and interest in reform and anti-corruption efforts has increased. On the other hand, the stressful conditions reduced the capacity of societal forces to engage effectively and continuously in this type of work which necessitates specialization, commitment, and follow-up. All this is happening in the midst of sharp polarization reflected in the media and social media, which makes it more difficult for the concerned parties to cooperate and engage in joint action.

Despite the foregoing, the Minister of State for Administrative Reform, in his capacity as Chairman of the Technical Committee supporting the Ministerial Anti-Corruption Committee, initiated on July 8, 2020, a process aimed at engaging civil society in strategy implementation efforts in a systematic and consistent manner. This process has been followed up since then, through specialized seminars to build the capacities of the interested community actors, and periodic joint meetings with non-governmental organizations specialized in this area, to inform them about the implemented activities and to discuss with them the existing challenges, priorities and steps ahead.

During the months following the strategy adoption, a series of initiatives have been led by civil society to build a heightened awareness of the effects of corruption on the lives of citizens and their role in fighting it (Output 6.1), to increase the youth preparedness to actively engage in

efforts to enhance integrity (Output 6.2), and to prepare a national index to measure integrity and corruption (Output 6.5). No new specialized efforts made by unions and religious institutions to increase their capacity for social accountability and promoting a culture of integrity have been observed. This stands in contrast to the associations that were active in this area, especially in the period following the catastrophic explosion of the Port of Beirut (Output 6.3). Isolated initiatives continue and enormous efforts are made by a number of journalists and media professionals to shed light on cases of corruption and the reform efforts made to combat it (Output 6.4) in the absence of adequate sponsorship and support. There is ongoing concern about legal and reality obstacles that affect their capacity to collect reliable information and follow up on sensitive issues.

Outputs related to the Outcome 6		Progress made
Output 6.1	Citizens more aware of the impacts of corruption on their lives and aware of their role in confronting it	
Output 6.2	Integrity values and behaviors better fostered among future generations	
Output 6.3	Associations, syndicates, religious institutions and civil society organizations more capable of engaging in social accountability and promoting a culture of integrity	
Output 6.4	Journalists and media professionals more capable to highlight cases of corruption and reform efforts made to counter them	
Output 6.5	A national index to measure integrity and corruption defined and disseminated and its results published periodically	

### a. Dissemination of specialized knowledge to raise community awareness

In light of the multiple awareness-raising initiatives implemented through advertising campaigns or public seminars, seeking to raise community awareness of corruption issues and the need to combat it and support related reforms, initiatives seeking to disseminate specialized knowledge in this area are undertaken in a way that makes it easier for the general public to access it. These initiatives are highlighting the roles the public can play, and urging them to engage in relevant efforts.

Under Output 6.1, special note should be made of the efforts made the Gherbal Initiative which has prepared and published a Citizen Guide: Access to Information Law in both Arabic and English,<sup>19</sup> in cooperation with OMSAR and OECD. The guide consists of 18 pages with illustrations and photos to explain the law and facilitate an understanding of how to submit a request for information. The initiative also contributed, through its interactive website (elgherbal.org), to bringing citizens closer to public administrations by cooperating with them on collecting information in accordance

19. The document is available at: <https://elgherbal.org/reports/4iF4Y52Tobiz9U43cTxb>



with the law, and then convert it into figures and data, and finally present them in an interactive and simplified manner. These include and are not limited to the Lebanese Administrations Directory, which comprises web pages on more than 200 administrations with information about them and their most important data; a website devoted to the state budget, with limited data available, that allows browsing budget items and their year-on-year changes, the same being true for the state revenues, the statistics produced by Ministry of Finance, and the information released by the BDL on its budget and some economic data. The initiative also focuses on the local level, through its work with municipalities and municipal unions, on profiling them and collecting and disseminating information related to them, including the analysis of revenues and expenditures, albeit unevenly and incompletely, due to the varied level of cooperation between the Initiative and local authorities in the different Lebanese areas.

During the period covered by the present report, special reference should be made to the work done by the Institute of Finance Basil Fuleihan at the Ministry of Finance in reaching out to the public in order to raise awareness of issues related to public affairs and empower interested people from the general public to build their positions and views. For instance, the Institute prepared and published, in cooperation with UNICEF, The Citizen Budget 2020<sup>20</sup> which aims to enhance fiscal transparency and help citizens understand the importance of the budget and how it affects their daily lives.

Furthermore, to contribute to the dissemination of specialized knowledge to the public, the Lebanese Executive Magazine undertook the initiative to build a partnership with the UNDP, under which it prepared a series of in-depth articles and published them in a first Special Report on Anti-Corruption in Lebanon<sup>21</sup> released on August 20, 2020. Work was also begun on a series of video episodes addressing priority topics under the National Anti-Corruption Strategy, with the participation of experts, to be posted on the social media.

In addition, the Lebanon Certified Anti-Corruption Managers (LCACM) made efforts to raise the level of specialization in this area, through its training programs and the certificates awarded after completing curricula specifically designed for this purpose. The organization carried out courses which graduated dozens of people, and cooperated with the Lebanese Army to share these experiences with the officers during the reporting period.

## **b. Preparing the youth to play a greater role in enhancing integrity**

Output 6.2 of the National Anti-Corruption Strategy involves ambitious action aimed at working with future generations, including young children, young women and men, as partners in building a better future that is fairer and less prone to corruption.

The Minister of State for Administrative Reform considers this issue a priority in the first stage of the strategy implementation, as he cooperated in implementing a special initiative in this respect, in cooperation with the UNDP and Liban Post, a provider of postal services and products, and a number of universities and civil society organizations. During the period from September until the International Anti-Corruption Day on December 9, 2020, the activities of the initiative consisted of a competition for talented youth aged between 15 and 29 years on designing a postage stamp through which they would convey their thoughts and feelings regarding corruption in Lebanon and its impact on their lives, as well as the importance of combating it for a better future. The

20. The document is available at: <http://www.finance.gov.lb/en-us/Finance/BI/ABDP/Annual%20Budget%20Documents%20and%20Process/Citizen%20Budget%202020ar.pdf>

21. The document is available at: <https://www.executive-magazine.com/special-report/special-report-on-anti-corruption-in-lebanon>.

competition coincided with field activities across Lebanon that enabled the youth to engage in advocacy efforts, and to monitor and follow up on the implementation of anti-corruption reforms, including this strategy. The initiative concluded in an activity implemented on December 12, 2020, during which the top 10 stamp designs were announced, and the participating youth groups made presentations on what they had learned from their field work over the previous months. This was followed by open dialogues with participating officials and stakeholders involved in implementing the strategy, on progress, lessons learned and steps ahead. It was agreed to turn the International Anti-Corruption Day into an annual platform for dialogue with youth on corruption, the efforts made to combat it and the steps required to strengthen them from their own perspective.

In December 2020, Saint Joseph University (USJ) in Beirut and the Lebanese Association for Taxpayers' Rights (ALDIC), in cooperation with the European Union and Expertise France, launched a national campaign entitled Against Corruption led by university students to enhance the capacities of the anti-corruption watchdogs and support national efforts to enhance transparency. The students participating in the campaign made field visits to leading institutions and public figures to urge them to sign the Anti-Corruption Declaration which they prepared after receiving specialized training. This was followed by an outreach national campaign to urge citizens to sign the declaration, with more than seven thousand signatures collected to date, to be followed by field awareness-raising and training activities.

In 2021, the Integrity Club at Notre Dame University (NDU) held specialized anti-corruption seminars, in cooperation with the UNDP. The seminars began with a workshop on February 23, 2021 aimed to discuss Lebanon's ranking in international indices measuring the level of corruption and how to combat it, followed by other seminars during the months of April and May focusing on the Right of Access to Information Law, as well as on the institutional and legal framework for combating corruption in Lebanon and limiting its spread.

## **c. Initiatives to strengthen social accountability**

Many initiatives were launched by civil society organizations to strengthen social accountability during the first stage of the strategy's implementation, in line with Output 6.3. Some are based on laws passed in Parliament in the past years, such as the Right of Access to Information Law, as well as on the work done by oversight bodies, especially the Court of Accounts. This has not been accompanied by significant specialized initiatives undertaken by unions and religious institutions, despite the important roles that these parties can play in strengthening social accountability and disseminating a culture of integrity.

On August 25, 2020, the American University of Beirut collaborated with the LTA to launch another initiative aimed at monitoring corruption and the misuse of public funds in recovery and reconstruction efforts in the wake of the catastrophic explosion of the Port of Beirut on August 4, 2020. The initiative, which is part of the Lebanon Crisis Observatory established by the university at the beginning of 2020, monitors, tracks and assesses the transparency and effectiveness of the aid provided. On a related front, the LTA, the national chapter of Transparency International, in cooperation with the Lebanese Behavioural Economics Association launched the Transparent Hearts initiative on September 9, 2020.<sup>22</sup> The initiative works on enhancing transparency and accountability within the framework of humanitarian relief and reconstruction efforts made by NGOs and international organizations and by other initiatives undertaken in the area of relief in Lebanon. Also within the framework of the initiative, the Lebanese Behavioural Economics

22. Additional information about the initiative is available at: [www.Transparent-Hearts.org](http://www.Transparent-Hearts.org).





Association implements behavioural insights and empirical methods to urge the improvement of specific benchmarks on enhancing confidence in NGOs and their credibility, and other initiatives undertaken in relief and reconstruction efforts. The Transparent Hearts initiative allows donors and citizens to determine the level of transparency regarding relief aid and reconstruction efforts and also provides a mechanism for citizens to report irregularities and malpractice observed in those efforts.

#### d. Towards a national index to measure integrity and corruption

The development of a national index to measure integrity and corruption and publishing its results periodically, in line with Output 6.5 of the strategy, would create a common reference for all parties to monitor and assess the efforts and reforms undertaken to combat corruption in Lebanon. In a related vein, a group of civil society organizations,<sup>23</sup> in cooperation with the European Union and Expertise France, took the initiative to prepare the Corruption Risk Index and launched it on July 30, 2021. The goal of the index is to assess the limitations and forms of corruption at the institutional and practical levels by collecting quantitative and qualitative data that reflect an accurate picture of the conditions in Lebanon.

## 7. Launching initiatives to integrate preventive anti-corruption measures at the sectoral level

The seventh and final Outcome, namely “preventive anti-corruption measures integrated at the sectoral level” provides a large workspace for ministers, heads and leaders of public administrations, public institutions, departments, independent funds, councils, bodies and institutions that are partially or fully funded by the state, in addition to the different private sector entities. Through this outcome, they can develop and implement initiatives to prevent corruption in their sectors where they have a greater margin of freedom of decision and action.

This outcome did not bring about the desired progress during the period covered by the present report, owing to the obstacles faced by the previous government and the difficult conditions prevailing in the country in general. For instance, no new initiatives were launched or clear achievements were made under the existing initiatives regarding the simplification of interactions between the public administration and public service users and enhancing the transparency in their relationships (Output 7.1), nor at the level of engaging the private sector in preventing corruption (Output 7.4). Limited positive steps comprise the integration of corruption risk management methodologies and tools in one ministry and the initiation of work on this in two municipal unions (Output 7.2) without, of course, reducing the risks of corruption in the specified areas yet (Output 7.3), pending the start of implementing the risk management programs to be prepared during the next stage of the strategy’s implementation.

23. Democracy Reporting International - Lebanon, the Gherbal Initiative, the Lebanese Transparency Association-No Corruption, and the “Nahnoo” organization.

Outputs related to the Outcome 6		Progress made
Output 7.1	Transactions between public administration and public service users simplified and transparent	
Output 7.2	Corruption risk management methodologies and tools incorporated in a first sample of public administrations, institutions and municipalities	
Output 7.3	Corruption risks reduced in priority areas and sectors	
Output 7.4	The private sector actively partnering in corruption prevention	

#### a. Enhancing transparency and positivity in the public administration’s dealing with citizens

Among the “immediate and prompt measures to combat corruption and recover the proceeds of corruption” which were approved by the Council of Ministers pursuant to Resolution No. 17 dated 12/5/2020, attached to Output No. 7.1 of the strategy is the seventh measure related to activating administrative self-monitoring, oversight and accountability, in order to enhance transparency and positivity in the public administration’s dealing with citizens. Each department receives complaints submitted to it and, after being duly registered, they are referred to the complaints office with a copy forwarded to the supreme head of the administration. A follow-up of the implementation of this measure revealed the existence of similar complaints mechanisms in a large number of departments, but they are not sufficiently activated, while there is a need to establish such mechanisms in other departments, some of which have taken the initiative to do so. Examples include, but are not limited to, Decision No. 2 taken by CAS’s Director General on 1/6/2021 establishing a complaints office. Other bodies have also automated their complaints mechanism, such as the Central Inspection Bureau, which added the feature of submitting complaints to its website, and also added a new feature allowing citizens to assess the transaction or administrative unit they deal with.

#### b. Initiating the integration of corruption risk management methodologies and tools into public administrations

The Ministry of Social Affairs has adopted and implemented the Corruption Risk Management program in implementation of Output 7.2 of the National Anti-Corruption Strategy, which makes it the first state institution following this sectoral preventive path successfully implemented in a number of Arab countries and the world. The first phase of the program was completed in cooperation with the UNDP, and MoSA formed a working group headed by its Director General. In





In addition to training the working group on the sectoral corruption risk management methodology, it was provided with technical support by international experts. Throughout the period between October 2020 and July 2021, the working group studied and analysed corruption risks in the following areas of the MoSA's work: determining the entitlement of the social service provider and its registration, contracting with service providers, how the service is provided, disbursing funds, following up on contracts, and the process of re-contracting with service providers. MoSA's working group completed the corruption risk assessment and developed an action plan to deal with the identified and evaluated risks, to be followed by expanding the scope of assessment to a second stage that involves new areas in MoSA's work on the one hand, and following up on the implementation of the recommendations issued as a result of the first stage of the assessment on the other hand. During the first stage of strategy implementation, a national workshop was held on June 30, 2021, which underscored in its conclusion the need to open the door for communication and cooperation with civil society organizations working in the social affairs sector in order to build their capacities in this area and engage them in future efforts to manage corruption risks.

The scope of work on integrating corruption risk management into administrations has recently expanded, as similar efforts have been initiated by the Union of Becharre Municipalities in the North Governorate and the Union of Bouhayra Municipalities in the Bekaa Governorate, in cooperation with the UNDP. Work was begun in August 2020, when specialized training courses were offered to members of municipal councils and mayors on the application of the said methodology, and follow-up teams were formed at the level of each union, where the study and analysis of corruption risks are underway in preparation for developing a plan to deal with these risks and implement it on the ground.

### **c. Towards engaging the private sector in preventing corruption**

Under the Anti-Corruption Initiative implemented by USJ and ALDIC, an anti-corruption educational program targeting the private sector was prepared and launched. Aside from that, no significant steps are observed under Output 7.4 of the strategy.

## **Challenges facing the implementation of the National Anti-Corruption Strategy**

The first stage of the implementation of the National Anti-Corruption Strategy coincided with the exacerbation of the political, economic and social challenges faced in the country for years. Their seriousness increased in the wake of the explosion of the Port of Beirut and its painful repercussions, with the citizens and all state institutions placed under pressure caused by the Covid-19 pandemic, the collapse of the national currency, and the stressful living conditions.

This reality resulted in a marked decrease in the institutional work required to implement the strategy, and work has suffered repeated disruptions, especially after the government resignation in August of 2020, which placed the bulk of the implementation efforts under the umbrella of caretaker status. But, fortunately, work did not stop completely, thanks to the official and institutionalized tracks that were established and nurtured for years by Parliament, as well as by the executive branch through the Ministerial Anti-Corruption Committee and the Technical Committee supporting it. This was helped by the expansion of civil society's efforts over the past months and its openness to keeping pace with the efforts made by the institutions.

In this regard, the context in which no further progress has been made in implementing the strategy is manifested, despite the successes achieved, as indicated in the present report, in the failure to pass long-awaited crucial laws, launching a series of initiatives to implement these laws, and strengthening of the roles of the judiciary and oversight bodies.

In parallel, a series of challenges have emerged, foremost of which is the lack of political will with politicians preoccupied with their usual conflicts, rather than attaching the required importance to anti-corruption reforms, filling the vacancies in the administration, addressing arbitrary employment, and making judicial appointments in a manner worthy of the judiciary. Among the challenges is the widening of the confidence gap, and consequently the potential productive cooperation between the state on the one hand, and civil society, the international community and the private sector on the other hand. In addition, there is the state's inability to provide financial resources to the parties concerned with following up on the strategy's implementation. Such parties have a long history of discouraging investment in them, especially the oversight bodies that are severely understaffed and lack continuous training opportunities, automated work methods, modern archiving systems, and modern websites allowing interaction with users.

Further challenges that have hindered the implementation of the strategy include the delayed launch of digital transformation efforts according to a comprehensive strategy in this area as well as the slow tracks followed in debating and passing new laws that reinforce the judiciary, modernize oversight bodies and enhance their independence; Additional contributing factors are the lack of means to exchange information between the state's financial, oversight and judicial institutions, and the lack of effective mechanisms to follow up on the commitment and compliance of public administrations, public institutions, departments, independent funds, councils, bodies and institutions that are partially or fully funded by the state, with the laws, decrees and decisions issued recently, despite the efforts made in this regard, especially those related to the Right of Access to Information Law and Law on Asset and Interest Declaration and the Punishment of Illicit Enrichment.



## Conclusion

There is no doubt that the fight against corruption in all countries of the world encounters enormous difficulties. Those who have a stake in the perpetuation of corruption often establish networks that can use the best expertise to their advantage and infiltrate the most powerful institutions through inducement and coercion. They seek to secure political and security protection, and do not hesitate to use force to defend their interests. These networks benefit from political disparities and gaps in economic and trade mechanisms and modern technology, as well as from the inadequacy, weakness and contradictions of existing legal and institutional frameworks, and from structural and value imbalances in the state and society. From these and other perspectives, the observer can imagine the difficult task in the Lebanese context where the factors contributing to the spread of corruption have taken root, and the challenges and reform needs have accumulated over the past decades.

In light of the foregoing, the viewpoints on combating corruption in Lebanon had been numerous, coupled with a failure to agree on a clear and implementable national reform roadmap, prior to the adoption of the National Anti-Corruption Strategy. The strategy holds promising content and targeted results, and is based on robust work and a cumulative, participatory process that is worth endorsement and follow-up. This document is in no way exhaustive or the end line in this complex struggle between integrity and corruption. It is rather an indispensable starting point, and a common ground to build on.

In its conclusion, this first report recommends the need to follow up on the strategy implementation with a focus on the establishment and activation of the National Anti-Corruption Commission, as well as the Public Procurement Authority and the Objections Commission, provided that appointments meet the standards of transparency, merit and equal opportunities in accordance with the two laws establishing these bodies, while ensuring their financial, administrative and functional independence. It also recommends assigning a high priority in the next stage to speeding up the passage of a law that enhances the independence, integrity and effectiveness of the judiciary in accordance with international standards and the aspirations of Lebanese; ensuring the full implementation of the Right of Access to Information Law; and taking all the necessary measures to follow up on the obligations stipulated in the Law on Asset and Interest Declaration and the Punishment of Illicit Enrichment, in addition to issuing implementation decrees and decisions necessary to implement the various laws issued in the first stage. Furthermore, it is necessary to support the Court of Account, the Civil Service Board, the Central Inspection Bureau, the Higher Disciplinary Council, and the State Consultative Council, given the key reform role they can play in the work of the administration. It also necessary work to enhance their cooperation and integration, and to invest in strengthening their human resources and modernizing their work tools.

These recommendations do not supersede the general and comprehensive commitment to implement the components of the national strategy to the extent possible through the Ministerial Anti-Corruption Committee and the Technical Committee supporting it, in cooperation and coordination with civil society, while better engaging the private sector in targeted efforts in the future.

Efforts to implement the strategy have achieved a number of good steps in the first sixteen months, despite the daunting challenges and unfavourable conditions prevailing in the country. The work will continue, but this does not contradict the possibility—indeed, the need—to expedite further measures to introduce structural reforms to the public sector in order to restructure it, set digital transformation on the right track, and modernize the existing institutional arrangements in the legislative, executive and judicial branches, oversight bodies and the personnel system, as well as at the level of the relationship between the state and citizens in order to improve everyone’s living conditions, achieve recovery and reconstruction, and restore to Lebanon its rightful place.

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For your comments and suggestions regarding any additions to or revisions of this report, you can email the Office of the Minister of State for Administrative Reform at the following address:

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**National Anti-Corruption Strategy**  
2020 - 2025