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"Pandora's Papers" Another Reason For Implementing and Developing Laws in Lebanon

Statement issued by the Lebanese Transparency Association – No Corruption

In light of the recent developments regarding the Pandora Papers leak, and given that Lebanon is among the first countries directly concerned with the leaks as the largest number of individuals are Lebanese politically exposed persons (PEPs) and businessmen, the Lebanese Transparency Association - No Corruption (Transparency International's National Chapter) stresses the need for the Lebanese competent authorities to take the necessary actions to investigate these assets and identify their sources, whether legal or illegal, to take the necessary legal measures, if any, and to confiscate and recover funds derived from acts of corruption, if any, or to impose the necessary taxes if these personalities have not declared these assets to the Tax Department.

LTA considers this leak as another reason for the Lebanese government to work on implementing and developing the anti-money laundering and terrorist financing system, with a focus on collecting and auditing information on Beneficial Ownership information.

LTA also calls on the Lebanese government to:

- Reform the Lebanese Tax Regime so as to enhance the auditing capabilities of the Tax Department, especially those related to enhanced due diligence requirements;
- Lift banking secrecy to the competent authorities, especially the Tax Department, so that the latter can audit the total debit/credit of bank accounts and align them with the tax declarations;



- Establish a Public Digital Beneficial Owners Register, and activating the disclosure and auditing of the information of Beneficial Ownership to enhance the effectiveness of the declarations submitted by public officials while fulfilling their obligations under Law No. 189/2020; Financial and Interests Disclosure and the Punishment of Illicit Enrichment Law, in order not to undermine the object and purpose of the law;
- Establish the National Anti-Corruption Commission so that it can begin exercising its jurisdiction to investigate corruption-related crimes and audit financial disclosures and interests of public officials whenever the need arises.

In conclusion, LTA reaffirms the need for the competent authorities within the Lebanese government to audit all the names mentioned in the "Pandora Papers", especially PEPs, to ensure that there is no crime of corruption or money laundering or terrorism financing, and if any, to take the necessary legal measures.