



Professional Coalition of
Certified Public Accountants Group



Beirut, November 11, 2021

The Lebanese Transparency Association - No Corruption (LTA), the Lebanese Association for Taxpayers' Rights (ALDIC), the Lebanese Certified Anti-Corruption Managers (LCACM), the Legal Agenda and the Professional Coalition of Certified Public Accountants Group are alarmed by the recent discussions over the temporary suspension of the adoption of the IFRS (International Financial Reporting Standards) in Lebanon, namely IFRS 9 and 29.

Suspension of the adoption of IFRS will have a drastic effect on the transparency, integrity and credibility of the financial statements of all public and private institutions including banks and insurance companies. This also, will negatively affect the quality of financial information and will disable foreign and local investors to make appropriate investment decisions. Consequently, it will undoubtedly impede economic development and long-term growth that we need most right now. In addition, the elimination or suspension of the International Standards, will help the suspects in evading accountability and responsibility notably as regards to banking laws on bankruptcy (2/67) and guardianship (110/91). Accordingly, suspending the application of IFRS would increase the risk of non-transparent measures that would increasingly shake the trust in the banking and financial sector in Lebanon, and put in danger the rights of depositors. Such an action could fire back on the socio-economic fragile stability.

It is important to highlight that IAS 1 (International Accounting Standards) stipulates that institutions are required to provide an explicit and unreserved statement of the full compliance with IFRS; therefore, the IFRS cannot be partially adopted and implemented should Lebanon be in compliance with IFRS (that includes IFRS, IAS, IFR Interpretation Committee -IFRIC, and Standards Interpretation Committee -SIC).

Therefore, the State of Lebanon, namely the prime minister, the Ministry of Finance, the higher council of accountants and LACPA board are requested to refrain from any measure that would cause the non-application of the IFRS in Lebanon and for which they will be held liable and accountable.