

Panama Tax Transparency – June 12th, 2017

Thank you Madame Chair, thank you Severine, very happy to see you in a better shape.

Good morning ladies and gentlemen.

Today, I am glad to report that my country, Lebanon, stood to the challenge. Some months ago, our delegation could tell that many of you, and rightly so, were questioning the ability of the Lebanese system to evolve and introduce the many changes that were required so that we could fully comply with the tax transparency agenda in due time.

Indeed, as you may remember, we were struggling without a president, and without a parliament that would convene to address our issues, and without a government able to introduce reforms. Our country was – and is still – carrying the enormous burden of refugees representing one-third of its population, and facing daily security challenges due to extremist elements in the region.

On a different note, we were used to our banking secrecy law which was introduced as early as 1956, and many of my fellow citizens strongly believed that any breach in this law would induce ravaging effects to our economy.

For these reasons, ladies and gentlemen, Lebanon deserves a great amount of credit. For passing the many laws that put our country in compliance with tax transparency requirements. For implementing them immediately in the most effective manner, while responding positively to any detail that may arise in the shortest period of time. For succeeding in fulfilling all the requirements to secure the information to our partners according to the rules that were established, despite the lack of functioning institutions at the time. And finally, for introducing in such a swift and effective manner a deep change in our local culture in favor of transparency. And to be fair, Madam Chair, we can only be very thankful to the PRG for having offered Lebanon a chance to catch up. To each one of you, ladies and gentlemen, a warm thank you.

Mrs. Chair, we stand here today to express once again, now that our institutions are nearly back to normal, Lebanon's strong commitment to the transparency agenda, as asserted by the efforts that brought us so quickly and effectively to where we stand today.

Mrs. Chair, Lebanon is very comfortable with the report, and I will not take you again through the details of what we achieved, as it is well reflected in the said report. I would like to acknowledge the professionalism of the remarkable team that worked on Lebanon, and to seize the opportunity to thank all the team, particularly Severine, Donal, Hakim, and Monica of course, for their efforts and effectiveness.

To conclude, I would like to emphasize that Lebanon welcomes the monitoring to come, and that we will ensure that your recommendations are fully taken into consideration. We are convinced that the efforts undergone benefit the country and we are fully committed to the whole process.

On this path, and for a start, allow me to briefly address some of your remarks and questions as a clarification, without any incidence on the content of the report:

On elements B1 and C5, the report reflects the situation, but I would like to reassure you that in 2016, all requests submitted to our authorities were answered. And after a specific request from one of our partners,

we started immediately to provide all required supporting documents together with our answers. The relevant authorities have issued clear instructions in this regard. On the other hand, Lebanon is also now sticking to the three months limit to provide non-banking information.

Two other important points were raised during the process, and I would like to reiterate the answers: On the first one, it is not possible for the Special Investigation Committee at the central bank to refuse to provide information, and on the second one, it is not possible for bearer share holders to reclaim ownership after it has been shifted to the State.

Thank you very much.

Alain Bifani