

## **Kulluna Irada welcomes the Lebanese government's decision to suspend payments on its stock of debt, awaiting the adoption of a fair and comprehensive rescue plan with adequate and pre-secured sources of financing**

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March 9, 2020

The Lebanese government announced that the payment of the March 9 Eurobond maturity is suspended, and the Lebanese State will seek to restructure its debt in accordance with national interest. Kulluna Irada welcomes this decision which despite its delay, remains the first to acknowledge size of the crisis Lebanon is passing through. Additionally, it prioritizes national over private interests by prioritizing the use of remaining foreign currency reserves to ensure the basic needs of the Lebanese people.

It is now urgent to adopt a comprehensive macro-fiscal-monetary-financial stabilization plan with adequate and pre-secured sources of financing. The plan should outline a general framework to exit the crisis, manage a fair distribution of losses, while setting the foundations to transit from a rentier to a productive economy. It should further restore the notions of justice, efficiency, transparency and accountability to state institutions. The government should adopt a clear, comprehensive, organized plan to regain the trust of the Lebanese people and international creditors.

It is imperative to stress that total transparency allows for true accountability, which in turn increases confidence. Kulluna Irada calls on the government to promptly allow free public access to the online Official Gazette and to publish its agenda online. We also advocate for the publication of all governmental decisions in full text on the official website of the Presidency of the Council of Ministers as soon as they are issued. We wish to reiterate that transparency in the context of managing the financial crisis starts by lifting total banking secrecy, disclosing BDL accounts and respecting Article 117 of the Monetary Code.

Kulluna Irada also announces its readiness to participate in the national efforts and engage in the debates around financial, fiscal and economic reforms. Likewise, it is urgent to discuss structural and sectoral revisions for this phase, while supporting every step which goes towards establishing rule of law and decent living in Lebanon.