



# News Bulletin

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## COVID19- Vaccines: Accessible or not?

Heba Wanis



The development of COVID-19 vaccines has been taking place at record speed worldwide, at the time when it remains unclear if these newly developed vaccines, once approved, will be accessible by those who need them everywhere.

According to the latest version of the WHO's Draft Landscape of COVID-19 Candidate Vaccines, dated 12 November 2020, 8 vaccines under clinical trials have reached Phase III of clinical trials.[1] Global headlines have focused on three of those, namely the ones developed by Oxford AstraZeneca, Pfizer BioNTech and Moderna. However, more data is still needed about the design and results of these clinical trials.

### Vaccine development: an incomplete picture?

This fierce global competition between developers necessitates a rather scrutinised reading by scientific circles, as well as the public, in order to fill in the gaps of unanswered questions. Unfortunately, vaccine developers have been communicating updates through press releases, leaving many questions unanswered in terms of how the vaccines will affect the course of the pandemic.[2] For example, some key groups have been excluded from vaccine trials

conducted by AstraZeneca, Moderna and Pfizer, namely children and adolescents, immunocompromised patients and pregnant or breastfeeding women. Besides, two more important factors have not been included: reduction in the severity of COVID-19, in the form of hospital admission, need for intensive care units (ICU), or death; and interruption of transmission, that is, person to person spread.[3]

Vaccine developers' announcements, have, on the other hand, focused on positive aspects awaited by the public such as effectiveness and production capacity. The Oxford AstraZeneca vaccine has been announced to have up to 90% efficacy.[4] It has also reduced the severity of the disease, according to the University of Oxford website.[5]

In the meantime, Pfizer announced on its website that its vaccine demonstrates 95% effectiveness against COVID-19, consistent across age, gender, race and ethnicity demographics, and that it expects to produce globally up to 50 million vaccine doses in 2020, and up to 1.3 billion doses by the end of 2021.[6]

Moderna's vaccine is publicised as 94.5% efficacious.[7] The company expects to ship

approximately 20 million doses of its vaccine in the USA by the end of 2020, and will manufacture 500 million to 1 billion doses globally in 2021.[8] Moderna will apply for an Emergency Use Authorization (EUA) with U.S. Food and Drug Administration (FDA) in the coming weeks, according to its press release.[9]

The logistical aspects of vaccination have been concerning specialised circles of researchers and clinicians. According to the WHO's target product profiles for covid-19 vaccines, there are certain standards which need to be met including the ability of the vaccine to withstand higher storage temperatures and to have higher thermostability, since this will greatly enhance vaccine distribution and availability.[10] With this in mind, the Oxford AstraZeneca vaccine is being promoted as can be stored at 'fridge temperature' (2-8 °C) and distributed across a wide variety of healthcare systems.[11] On the contrary, the Pfizer and BioNTech vaccine, for instance, requires ultracold storage (reaching -70°C) which might be a logistical obstacle in many places.[12]

## Global access initiatives: will they succeed?

Last April, the WHO launched an initiative to support the development of tests, treatments and vaccines needed globally, called Access to COVID-19 Tools Accelerator (ACT Accelerator). The vaccines pillar of the ACT Accelerator, named COVAX, seeks to ensure the equitable distribution of vaccines in all countries with the aim of having 2 billion doses available by the end of 2021.[13] In theory, through COVAX, all participating countries, regardless of their income level or purchasing power, will have equal access to these vaccines once they are developed. In other words, the COVAX system seeks to include all countries unable to afford vaccines, by boosting their purchasing power through a single procurement platform.[14]

While COVAX has been able to secure commitments amounting to USD 700 million, participating high-income countries are opting for non-binding purchase agreements within the facility, which allow them to terminate purchase contracts, an attractive option for countries seeking bilateral agreements with vaccine producers, thus placing COVAX at a financial risk. Besides, the pricing of vaccines through the COVAX facility still remains an ambiguous aspect.

On a different multi-lateral front, the World Trade Organisation (WTO) Council for Trade-Related Aspects of Intellectual Property Rights (TRIPS) is witnessing calls by developing countries to waive intellectual property rights of COVID-19

related technologies to ensure an effective response through rapid access to affordable medical products including diagnostic kits, vaccines and medicines.[15] Unfortunately, this initiative is being opposed, and even blocked, by developed countries at the WTO, particularly the USA, the European Union, Japan and Switzerland.[16]

Access to vaccines: only by countries that can afford them?

High-income countries increasingly seek to bilaterally secure their vaccine supplies through pre-purchase orders, undermining multi-lateral efforts taking place. Agreements have taken place even before the announcement of the results of Phase III clinical trials. For example, the UK government has secured deals with seven vaccine candidates, and a total of 340 million doses.[17] It has also signed a deal with AstraZeneca for the supply of one million doses of COVID-19 antibodies to protect those who cannot receive the vaccine, such as cancer and immunocompromised patients, in a precedence of pre-purchasing a pharmaceutical product prior to its clinical approval.[18] The US government signed agreements with both Moderna and Pfizer for the supply of 100 million vaccine doses from each company, at the cost of USD 1.5 billion and USD 2 billion respectively.

Developments are rapid, with commercial and political interests at play. Will all who need the vaccine be able to access it? The answer is unclear yet.



## Tunisia: separating politics from the economy

Salaheddine Al-Jourchi

The difficult path of democratic transition may be more costly than the period of authoritarianism. The Tunisian experience ten years after the revolution attests to that. It was not enough to topple the head of the regime or change the government or draft an alternative emancipatory constitution or for new faces that represented the opposition to reach decision-making positions after spending time in jail or exile. It was not sufficient to hold free and, to some extent, fair elections or to impart Parliament with broad powers, making it the strongest authority in the new political regime and putting an end to all means allowing a president to become the only leader who may not be criticized. It all happened in Tunisia, making it the only Arab country to be allowed into the club of democratic nations. Nevertheless, Tunisians face a deep economic and social crisis. They live in an unprecedented state of chronic anxiety, waiting impatiently to get out of this tunnel.

### Alarming Figures

In contrast to the eight governments formed since the revolution, the government of Hisham El-Mechichi presented a draft budget for 2021 that included the correct numbers, without the usual concealment or evasion. It came as a strong shock when it became apparent that Tunisia is heading towards

bankruptcy. If the situation continues for a few months, the government might not be able to pay public sector salaries.[1] For the first time in the country's history, expenditures exceeded the volume of income, causing a current budget gap of 11,248 million dinars, of which 2,400 MD is internal borrowing and the rest will be secured through resorting to external borrowing. However, experts are warning against resorting once again to medium and long-term external debt, which broke a record of about 80.957MD. The Central Bank Governor expected that the medium and long-term external debt service would reach 9.501 billion dinars in 2020, [2] which made creditors doubt the ability of the Tunisian state to honor its commitments to pay its debts and interests for the first time, making negotiations more difficult and painful. Also for the very first time, the Central Bank Governor refused to respond to government requests to finance the 2020 budget deficit, in the absence of an explicit mandate from Parliament. He considered that the issuance of additional securities would lead to an insane increase in prices, which could cause a social uprising.

### The Trade Union Movement in the Hot Zone

The trade union movement is in a difficult position. The deterioration of purchasing power as a result of high prices is still pushing the UGTT and the rest of the unions to demand the government and the private sector to raise wages, while experts consider that the wage mass in Tunisia is equivalent to 17% of the GDP, which is the highest in the world. [3] While the government aims to embark on implementing major reforms, including reforming bankrupt public institutions, and proposes to sell or deeply restructure some of them, the trade unions reject the policy of giving up these institutions. They are calling for other solutions to be considered. The disagreement continues with the government over the issue of reducing the wage bill.[4]

### Failure to Link the Political with the Economic

Among the major dilemmas revealed by the Tunisian revolution is the link between political and economic reforms, given their close ties. However, the rope is still missing ten years after the revolution. The important political democracy that has made great strides has not yet been able to help the

economic movement move towards a better situation. On the contrary, the economy was greatly affected by political and governmental instability, causing the growth rate to decline from about 5% in 2010 to negative 2.2%. The COVID-19 pandemic further damaged the mechanisms of the local economy, leading to "a decline in GDP, at 2019 prices, during the second third of 2020, at the unprecedented rate of minus 21.6%."

Unemployment, on the other hand, became worse than before the revolution. According to the amended 2020 Budget bill, the unemployment rate increased to 18% during the second quarter of 2020, compared to 15.1% during the first quarter of the same year. It jumped by 3 points in a single third. The bill indicated that male unemployment amounted to 15.2% compared to 25% for females.[5]

The Tunisian economy is ill. Economist and former Finance Minister Hakim Ben Hammouda expected a major economic downturn during 2020. He considered that the COVID-19 crisis will be behind this decline by 3.8% in 2020, which is "the most serious rate of contraction in the economy that Tunisia has known since independence." [6]

## Ennahda: Crisis with the Leadership

Faced by this alarming scene, parties and trade unions seem unable to contribute to its confrontation or improvement. The continuing conflict among its components is at its most intense, eliminating its ability to at least present an alternative proposal. The crisis of confidence with the public continues, as Tunisians still assert that parties have not done anything to advance the country since the beginning of the democratic transition. Making things worse, several major parties faced successive internal crises, the latest of which was the wide open conflict within the Islamic Ennahda movement. It was due to the refusal of its leader, Rashid Ghannouchi, to abide by the internal law of the movement that prevents him from running for a third term for the movement's leadership during its eleventh conference,[7] which was postponed under the pretext of the COVID-19 epidemic. Ennahda is considered the most prominent and most organized party. In the event of its division or the resignation of a large number of its cadres in the first and second ranks, its chances in the upcoming parliamentary elections will be weaker. It will open the way for the disruption of the balance of power and the possibility of the rise of the Free Constitutional Party Led by Abeer Moussa, who explicitly calls for putting the revolution on hold, returning to the pre-2011 era, and trying to reproduce the experiments of former president Zine El Abidine Bin Ali.

## Hope Remains

The situation is complex and dire, which explains the tendency of Tunisians to pessimism, which reached 79.6% regarding their belief that the country is on the wrong path. However, many assert that Tunisia is not a hopeless situation and that the opportunity still exists to get out of the current impasse, a natural stage of democratic transition. The important thing is to find the economic key that will open up different horizons for Tunisians so that their revolution does not fall into the clutches of the old regime.



# The Public Procurement Law in Lebanon: First Serious Step Towards Combating Corruption

Mahmoud El Natour

## Causes of Corruption

Since independence, Lebanon has suffered from an integral crisis in the style and approach of running the state. Although several institutions and legislations are there to ensure effective and transparent governance, successive Lebanese administrations have failed to develop them and enable them to keep up with the times. For decades, Lebanese authorities functioned through circumventing these institutions and legislations. They were merely used for political, sectarian, and personal interests by exploiting legal loopholes and controlling institutions through appointments based on absolute subordination to the ruling authority.

The above situation contributed to the spread of corruption, bringing the country - burdened with a frightening public debt and looted public finances - to the brink of collapse. The persistent and systematic plunder of public funds relied heavily on public deals in all fields and services.

## Public Procurement in Lebanon

The state is the biggest buyer in the market all around the world. It meets its labor, supply, and services needs through contracts with suppliers, making it its largest

expenditure after salaries. In Lebanon, this constitutes 13% of the state budget, without counting the deals conducted by public institutions and municipalities. Consequently, procurement becomes of utmost importance in Lebanon and has a direct impact on the state's finances and economy.

The governing system lacks unity and falls under separate - and largely outdated - laws. The Public Accountability Law issued in 1963 and the Tender Law promulgated in 1959 and amended in 1962 are old and lost their objective validity. Consequently, the quality of the public procurement system in Lebanon declined significantly, where the indicator for efficiency of the public procurement cycle reached 48/100 with international bodies.

## Importance of Reform

A fundamental reform of the procurement system thus becomes necessary. It entails a modern public procurement law and its tools, such as clear terms of reference and procedures. The law is of the main pillars in the fight against semi-legalized corruption and waste, armed with loopholes in the current texts and the political cover of consensual contracts. The law's approval is a key condition in all rescue plans presented

to the Lebanese state, from the CEDRE conference to the IMF.

The Public Procurement Bill currently under discussion in the relevant parliamentary committees, presents a modern approach. It addresses the disarray in tenders and procurement at its core, in addition to various legislative gaps in the public procurement system in Lebanon. Estimates by the Basil Fuleihan Financial and Economic Institute show that its approval could achieve annual savings of \$500 million, increasing the state's investment spending. It will also open the way for SMEs to actively participate in government contracts, by addressing the prevailing problems related to delay in payment in current procurement by 75% annually. It also provides access to information regarding deals and their conditions, in the interest of developing the Lebanese economy.

## Key Reforms and Impact

The bill comprehensively covers all deals by the Lebanese state, its institutions, and facilities. It provides the capacity for the Public Procurement Department to intervene to stop any violations. For the first time, it ensures accountability in tenders based on the right to access information

that necessitates absolute transparency, preventing corruption to a large extent.

In its introduction, the proposed law identifies the following basic principles:

- Apply competitive procedures as a general rule.
- Provide equal opportunities without discrimination to participate in public procurement.
- Provide fair, equal, transparent, and responsible treatment to all exhibitors and contractors.
- Ensure the openness, integrity, and professionalism of the procedures through oversight and accountability.
- Encourage local economic development and national production on the basis of the best value from spending public money, without compromising efficiency.

Procurement processes are subject to the rules of good governance and take into account sustainable development requirements without any exception.

It also includes the creation of an independent Public Procurement Department to organize and supervise the procurement system and a Complaints Committee that hears reviews and objections. The law proposal also ensures the ability of the Public Procurement

Department to directly intervene to stop violations. It provides the capacity for the Public Procurement Department to intervene to stop any violations. For the first time, it ensures accountability in tenders based on the right to access information that necessitates absolute transparency, preventing corruption to a large extent.

On the other hand, the law proposal deals with the curse of terms of reference that have always been prepared for the benefit of certain individuals or companies. It defines their contents, such as the accurate description of the need or the required commodity, the terms of contracts, the currency used, and all forms of grace periods.

### **The Bill's Downside**

The discussion of the Public Procurement Law by Parliamentary Committees initiated a public debate between supporters and opponents. All experts and stakeholders agree on the need for such a law, but some believe the current proposal suffers from a fundamental problem. It transfers the current tendering administration to the procurement administration stipulated and reduces its role in the interest of ministers who are not subject to administrative accountability. It also takes away from the role of the supervisory authority, restricting it to monitoring and issuing reports. The proposal also fails to give the head of the Public Procurement Department the needed financial and administrative powers. It kept them to be determined by a decree issued by the Council of Ministers, unlike the rest of the heads of other oversight bodies.

### **The Bill's Future**

According to experts, the Law, if approved, will be an advanced step in the direction of controlling waste, combating corruption, and developing the procurement and contracting system in Lebanon. However, they unanimously agree that it will be insufficient unless accompanied by a package of measures and reforms that begin with identifying all parties authorized to public procurement and setting the limits of their powers. They should also include developing the administration of tenders to allow access to electronic procurement that ensures integrity and transparency and raises the level of confidence in the state among the public and investors alike.

In conclusion, the approval of the Public Procurement Law is one of the main conditions for the international community and donors to agree to help Lebanon overcome its economic and financial ordeal, in addition to the law on the independence of the judiciary and electricity sector reform. The question remains about the extent to which the political class in Lebanon is serious about undertaking the required reforms to avoid the dissolution of the state in light of the existing political balances and its close intertwining with the financial interests of individuals and groups that make up this class. Is there a possibility of it relinquishing the gains it made through suspicious deals voluntarily, knowing that they remain a key reason for its existence as a force that controls the state of affairs in Lebanon.



## Lebanon in crisis: is there an exit?

Ziad Abdel Samad

The Beirut Blast of August 4 is the manifestation of the major governance failure of the state institutions.

Both Corruption and negligence disabled the main agencies from doing their job properly; even the reaction and the response of the state agencies indicated the extent to which the public institutions are paralyzed and dysfunctional, there was no coordination, weak responsiveness and lack of a clear vision. Thanks to the local and international civil society and global agencies and the coordination led by the UN agencies, people managed to get the minimum required needs and recovery.

It is worth mentioning, that the bar association with other syndicates (contractors, engineers, auditors, etc.) managed also to play a coordination role, mainly in assessing the damages and removing the robbers in a professional way and rehabilitate few houses highlighting the importance of the role of civil society institutions and groups.

Despite this sad reality, the ruling elite keeps on doing business as usual, which is very clear in the negotiations held to form the governments;

first with the appointed PM Moustafa Adib, who failed to form an independent government as per the requirements of the initial French initiative, and the demand of the Lebanese people, (because the national unity government and this for male of powers sharing have low popularity) and this is, by the way, the important result of the uprising where people don't appreciate any more power sharing namely by appointing Saad Hariri who is one of the main responsible of the failure; to remind us, Mr. Hariri was the PM in October 17, his government imposed the taxation law and is responsible of the looming economic collapse that prompted the uprising, Mr. Hariri decided to resign after the rejection of the reform he proposed on October 21st by the protestors involved in the uprising.

The pressure that the political elite is doing now, is to form "the government of national unity" based on the power sharing equation. They insist to be all represented. The way they conduct negotiations around the distribution of the portfolios among them, shows their way of thinking and the intention to keep on protecting their proper interests and of the interests of their cronies and clients.

The government of national unity (which is

basically the consociational government) is the demand of the international community assuming that this will help in adopting the reform agenda and implement it. The reason is that they are in the parliament and they can vote for the suggested reforms or reject them;

Although this political elite is the main responsible for the failure because of their corruption they even lost legitimacy in October 17, they are not representing the political will and aspirations of the Lebanese people anymore but they still have the legal status.

The Lebanese people gained legitimacy since October 17, when hundreds of thousands went to the streets in the different regions of Lebanon and with different political and social backgrounds, but now they don't have the legality, this is the main reason behind the political stagnation that we are witnessing nowadays.

They are literally occupying the state, practicing grave violations of the constitutional law and many other laws. (for example Amal and Hezbollah insist to keep the ministry of finance under their control, the same two parties insist to nominate all the Shia ministers in the government, which is anti-constitutional),

October 17 was a turning point in Lebanon, it unified Lebanon and the Lebanese, some say that it was the factual end of the Lebanese war. This explains the aggressive reaction of the parties in power, namely "the alliance between the mafia and the militias". They severely suppressed popular uprising using different tools including direct assault, pressure on the space for freedoms basically freedom of assembly and freedom of expression. They mobilized intruders to sabotage the manifestations.

The key demands of the October 17 uprising went far beyond the resignation of the government, it was asking for a deep political and systemic changes towards the civil state (in other words to end sectarianism and the power sharing formula among the community representatives and create a secular system starting from adopting a new electoral law and the civic code besides other reforms).

The priority of the uprising was given to nominate an independent government of transition with some legislative authorities to realize the above mentioned agenda. Unfortunately, the fast deterioration of the social and economic conditions, the scale of the pandemic spread in addition

to the severe suppression in different forms slowed down the uprising. Not to forget the geopolitical and regional contexts where Lebanon is in the middle between an occupation from one side and a civil war from the other side. Moreover, the region witnesses a complicated geopolitical struggle among global and regional actors with a high influence inside Lebanon.

Nowadays, the negotiations to form a new government are ongoing! It is obvious that the process led by the traditional elite goes towards the creation of "a government of national unity" while the popular movement opposes and rejects any form of power sharing and is asking to go back to the initial demands of the revolution which is to form "an independent government of transition with some legislative authorities" to fulfil at least two main tasks:

- The First task is to adopt a new electoral law and conduct free and democratic elections organized by an independent commission with an international observation. The law should be based on the constitution, i.e. adopt a secular electoral law to elect a parliament free from sectarian representation and to create a second chamber, the senate, to represent the different legally recognized sects in Lebanon. The senate aims at protecting the rights and interests of the different sects.

- The Second task will be to adopt the administrative decentralization law securing the equal and just development and prosperity among the regions, something very needed in a highly centralized system. In addition, the uprising demands the adoption of an urgent reform agenda and implement a social protection system to assist and protect people from the mounting needs and threats due to the

humanitarian, economic, social, monetary crisis. The aim will be to address the high percentage of poverty which is more than 60%, unemployment which exceeds 30%, inflation rate that became more than 115%, besides the health conditions and obstacles to education in times of the pandemic as well as the food security threatened by the inability to import goods with the lack of foreign currency

It is worth noting that these reforms don't require any constitutional amendment; on the contrary, they are included in the constitution of 1990 but were never implemented, it was the same elite who prevented their implementation.

A number of political groups, some of them existed before the uprising, others are newly established after October 17, are trying to create coalitions and fronts. There is a coordination with the professional syndicates, such as the bar association, the engineers, medical doctors, pharmacists, and the main academic non-profit establishments and universities, along with trade unions and labor unions, and others. The aim is to create a new balance of power between the people's movement and the ruling elites to achieve the two above mentioned big but important objectives.

The intention is to create a strong coalition with fairly good representation and take the lead to exert more pressure and defy the current system. The recovery of the state and probably the stolen assets, is primordial as well as the liberation of the public institutions from all forms of clientelism and nepotism.

These groups are planning to elaborate policy alternatives basically the economic and social dimensions. The challenge is to move towards a productive and redistributive economic system. They are also conducting open national dialogue around the needed political reform to phase out from the crisis.

It is worth noting that rethinking the whole economic and social approaches. The social dimensions won't be perceived as a by-product of the economic growth and social policies. It is important to widen the perspective from implementing safety nets programs to a more comprehensive social protection system with universal coverage including different social groups, sectors and regions.

The international community and the solidarity movements and groups have a role to play mainly by supporting this emerging stream. It goes without saying that the collapse of Lebanon will create serious threats to the region and the whole Mediterranean. Lebanon is hosting more than one million Syrian refugees, and around 500 thousand officially registered Palestinian refugees (maybe only 180 thousand remain living in different parts of Lebanon but the others don't lose their rights as refugees registered in Lebanon even if they live abroad)

Finally, it is important to underline that any external pressure and sanctions can enormously help, but they will never have the expected results unless they rely on a strong local movement able to break the status-quo and lead the nation towards real changes and this is why the plan is to create such a coalition or a movement in the coming future.



The Arab NGO Network for Development works in 12 Arab countries, with 9 national networks (with an extended membership of 250 CSOs from different backgrounds) and 23 NGO members.

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