



CORRUPTION AND MISINFORMATION

Since mid-November 2015, various Lebanese media outlets and members of the general public have accused Sukleen of corruption and interference in the Lebanese Government's affairs.

Additionally, constant false information has been provided to the Lebanese public in terms of the prices charged by Sukleen for its waste management activities in Beirut and Mount Lebanon areas. Unnamed experts and unreferenced reports have been quoted in this regard, with no clear mention of the so-called "experts" expertise and their academic reference materials in this regard.

Consequently, Sukleen would like to clarify the following for the benefit of the Lebanese public:

1. Sukleen has fully co-operated with the following relevant authorities of the Lebanese Government:
 - The Financial Prosecutor's office, for the investigation into Sukleen's regulatory and contract compliance
 - The CDR, Ministry of Environment, Ministry of Interior and Municipalities, Consultancy Firms and the Municipalities we serve for the current collection and disposal of waste, being under strict instructions with regard to the disposal sites we currently direct the waste to.

2. Sukleen's prices are by no means the highest in the world for the collection, treatment and disposal of waste. As such, the current combined contract price of both Sukleen's and Sukomi's related operations for Beirut and Mount Lebanon area is (without VAT):

a) Basic price - \$99 per tonne (inclusive of collection, treatment and disposal)

b) Sweeping price - \$ 19 per tonne

The prices mentioned above are not inclusive of the \$22 per tonne representing the price of baling and wrapping operations, as required by the provisions of the Sukomi's existing treatment contract, and that are not required by the provisions of the New Bids.

3. The clearest evidence with regard to the inaccuracy of the misleading statement that Sukleen's prices "are the highest in the world" are the prices that have been quoted by various contractors for the Lebanese Government's bid launched in August 2015. For example, for Lot 1 "Beirut & Some Suburbs in Mount Lebanon", these were (without VAT):

a) Basic price – \$ 124 per tonne

b) Sweeping price – \$ 29 per tonne

4. Sukleen's and Sukomi's operations have been **constantly and continuously supervised** by the Consultancy Firms contracted by the CDR and by an independent International Audit Firm especially appointed by the Lebanese Government. The representatives of the Consultancy Firms are controlling each step of the operations undertaken whether on streets or inside the treatment and disposal facilities:

- Weighbridge verification of the collection trucks (incoming and outgoing waste)
- Sorting, composting, recycling and disposal operations.



5. The Lebanese Government, through CDR and the Consultancy Firms, apportions the costs incurred by the waste management operations to the municipalities we serve. We **do not** have any interference, nor input, into these calculations made by CDR/Consultants and further disseminated by the relevant authorities to municipalities.
6. With regard to the recent speculations and gross misinformation related to Sukleen's involvement or potential role in the waste export activities, we would like to inform the Lebanese public that, as of the date of this Statement – 28.12.2015 – we have received **no formal notification/request** from the Lebanese Government in this regard, nor did we have any role nor input into the decisions made.
7. **We cannot and shall not accept any responsibility for matters that are out of Sukleen's and Sukomi's direct control** and, once again, we would like to clarify to the Lebanese public that we have fully, totally and indiscriminately complied with every single requirement of our contracts with the Lebanese Governments.

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