



OLIVE OIL INDUSTRY IN LEBANON

➤ 2017 FACTSHEET



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SECTOR OVERVIEW

MAIN GEOGRAPHICAL FEATURES

Olive oil is amongst the most prominent Lebanese signature agro-industrial products, and a proud part of the country's history and culinary tradition. Lebanon's diverse topography, fertile soil, microclimates, and olive varieties allow farmers to produce uniquely flavored products.

Lebanese olive trees are on average

150 years old



and are mostly rain fed

563 km²

is occupied by olive trees

This represents
5.4%

of the Lebanese territory

Or
8%

of total agriculture lands in Lebanon



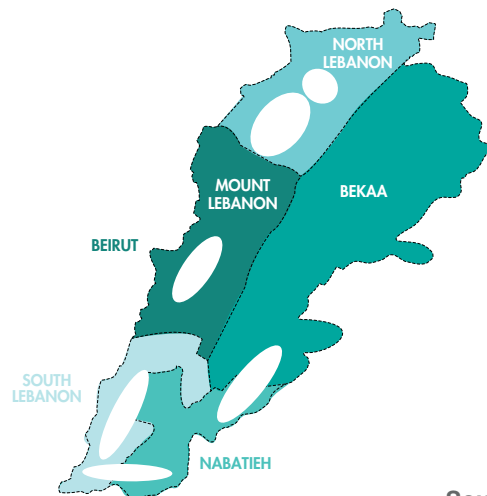
Around 563 km² of land or 56300 ha¹ is occupied by olive trees, which accounts for 5.4% of the Lebanese territory, or 8% of total agricultural lands in Lebanon.

Olive groves are grown in six major regions extending from North to South: Batroun, Koura, Zgharta, Akkar, Rashaya El Foukhar, and Hasbaya, in addition to several other subordinate areas (Figure 1).

Each region offers its produce a special taste, native to the specifics of its land.

Lebanese olive trees are on average 150 years old, and are mostly rain fed (Only 8% of the olives cultivated area is irrigated, the rest is rain fed). Rainfall is relatively abundant in the country at an average of **2.2 billion m³ per year**, significantly higher than the regional average, and greatly beneficial for the growth of olive trees.

Figure 1: Mapping of Olive Groves in Lebanon



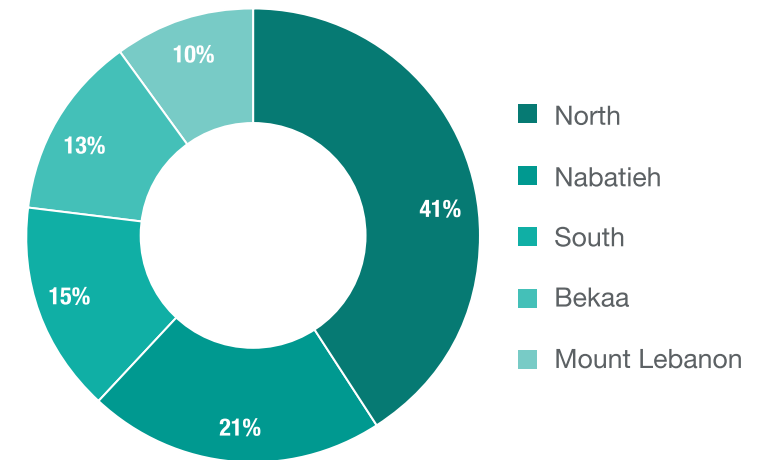
: Olive Groves

Source: Ministry of Agriculture

More specifically, around 41% of olive oil production takes place in the North, of which 18% in Akkar, followed by Nabatiyeh where 21% of the production is located,

15% in the South, 13% in the Bekaa with more than 9% in the caza of Tyre, and 10% in Mount Lebanon (Figure 2).

Figure 2: Distribution of Olive Oil Trees in Lebanon by harvested area | 2010



Source: Ministry of Agriculture

OLIVE OIL PRODUCTION

Olive oil production varies from one year to another, due to the variability of productivity by nature of the crop, as well as the current practices of farmers (Table 1). Productivity varies between 3 to 3.5 tons per hectare in high production years, and between 1.3 to 1.5 tons in low production years. It is to note that around 16% of all olive orchards are less than 10

years old, and that 36% are more than 50 years old.

Around 70% of olive trees are destined to the production of olive oil, and the remaining ones are destined to the production of table olives. The oil productivity of olives ranges between 18 and 25%.

Table 1: Olives harvested area and yield | 2008 - 2012

| | 2008 | 2009 | 2010 | 2011 | 2012 |
|---------------------|--------|--------|--------|--------|--------|
| Area Harvested (Ha) | 56,000 | 57,800 | 53,647 | 56,529 | 56,529 |
| Yield (Hg /Ha) Fc | 14,521 | 15,000 | 15,099 | 15,975 | 15,975 |

Source: FAO

¹ Based on latest FAO Statistics

In 2011, olive production was estimated at 90,307 tons, while olive oil production reached 11,300 tons, growing consistently by a CAGR of 6.5% since 2000. Around 30 % of total production consisted of extra virgin olive oil, the most refined type of olive oil, while the remaining served as regular virgin olive oil (**Table 2**). Based on figures released by the Ministry of

Agriculture, there are some 170,000 olive farmers and growers in Lebanon.

It is important to note that this number does not necessarily encompass full-time farmers. Many families, in fact, own a small piece of land of at least 1,000 sqm, and use it to cultivate olives for extra revenues.

Around 77% of olive oil producers in Lebanon are small growers, managing olive orchards of 5000 sqm or less, meanwhile large growers (fields greater than 10,000

sqm) represent 9% of the Lebanese olive oil farms and are owned by large families, religious institutions or major oil bottlers and traders.

Table 2: Olive & Olive Oil Production in Lebanon **Net Weight Tons | 2007 - 2011**

| | 2007 | 2008 | 2009 | 2010 | 2011 |
|-------------------------|--------|--------|--------|--------|--------|
| Olives | 76,200 | 83,000 | 86,700 | 81,000 | 90,307 |
| Olive Oil | 7,500 | 11,000 | 11,000 | 10,000 | 11,300 |
| Virgin Olive Oil* | 5,250 | 7,700 | 7,700 | 7,000 | 7,910 |
| Extra Virgin Olive Oil* | 2,250 | 3,300 | 3,300 | 3,000 | 3,390 |

* Based on IDAL's estimate that 30% of total production is destined for extra virgin olive oil.

Source: FAO

Around
30%



of total production consisted of extra virgin olive oil, the most refined type of olive oil

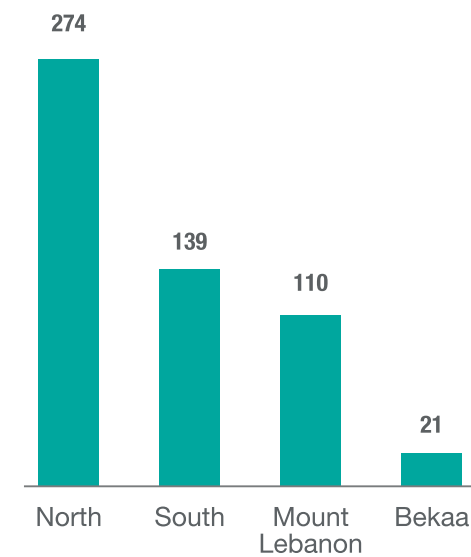
There are some
170,000
olive farmers and growers in Lebanon



OLIVE OIL MILLS

Lebanon has about 544 registered oil mills distributed throughout its regions with the highest concentration in the North, as follows (**Figure 3**):

Figure 3: Existing Mills by Region | 2010



Source: Ministry of Environment

TRADE STATISTICS

EXPORT PERFORMANCE

Exports of olive oil have been on an upward trend since 2014, growing at a CAGR of 29.8%, and reaching 10,013 tons in 2016. Equally noticeable was the predominance of extra virgin olive oil amongst total exports. Indeed, this high-end product

is increasingly being used by Lebanese export partners for its exceptional quality. Despite the export orientation of olive oil, Lebanon remains import dependent, with national consumption estimated at 20,000 tons per year by the Ministry of Agriculture.

Table 3: Lebanese Olive Oil Exports Net Weight **Tons** | 2012-2016

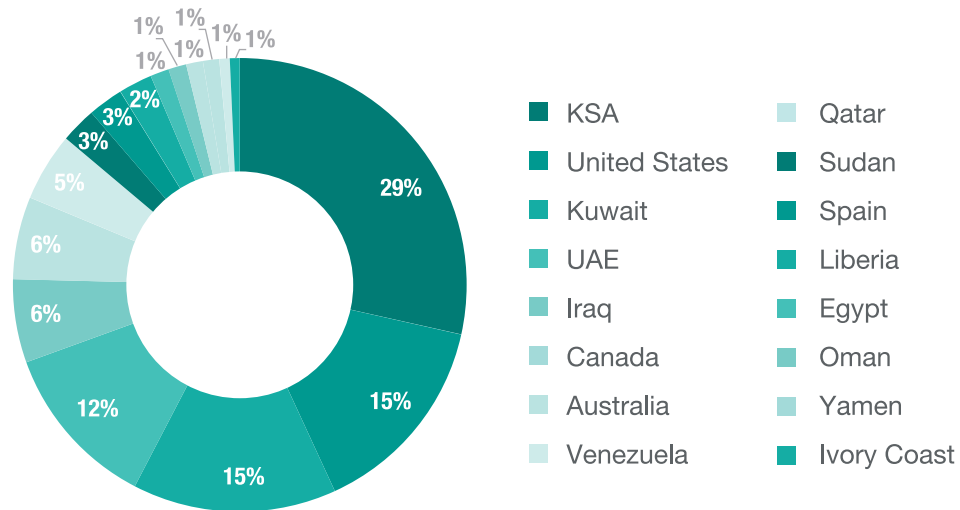
| | 2012 | 2013 | 2014 | 2015 | 2016 |
|------------------|--------------|--------------|--------------|--------------|---------------|
| Virgin Olive Oil | 1,756 | 3,391 | 2,704 | 3,114 | 3,929 |
| Other | 2,406 | 3,694 | 3,240 | 4,407 | 6,085 |
| Total | 4,162 | 7,085 | 5,944 | 7,521 | 10,013 |

Source: Lebanese Customs

Lebanese olive oil exports are mainly destined to the Gulf and North America. More specifically, 26.3% of total exports or the equivalent of 2,635 tons are exported to the Saudi Arabia, and 1,351 tons to the United States or 13.5% of the total. Inter-

estingly, there is a number of **growing export partners** such as Australia, Venezuela, and African countries. In fact, olive oil exports to these parts of the globe have been on the rise in recent years due to the presence of a large Lebanese diaspora.

Figure 4: Lebanese Olive Oil Export Partners | 2016



Source: Lebanese Customs

EXPORT PARTNERS

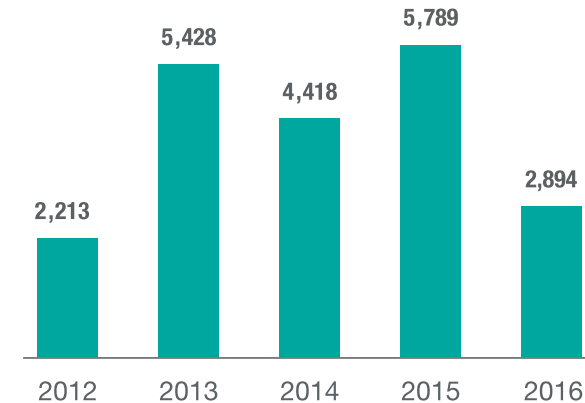


IMPORT TRENDS

Imports of olive oil to Lebanon have been greatly impacted by the civil unrest in Syria, which is Lebanon's leading importer with 2,894 tons of imported olive oil. However, slightly higher prices have allowed this

sector to survive according to experts. In fact, the average selling price of the 500 mL bottle of extra virgin oil in the Lebanese market is USD 4.5, while the 750 mL is sold for USD 6.5.

Figure 5: Evolution of Olive Oil Imports Tons | 2012 - 2016



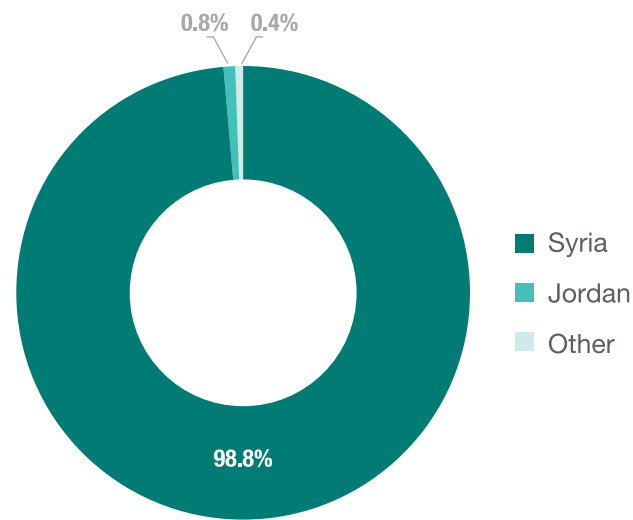
Source: Lebanese Customs

IMPORT PARTNERS

Lebanon's main import partners are from the MENA region representing more than 99.6% of total olive oil imports to Lebanon

with Italy and France contributing to minimal yearly shares.

Figure 4: Main Olive Oil Import Partners % | 2016



Source: Lebanese Customs

PACKAGING HOUSES

Below is a list of the packaging houses operating in Lebanon and registered at IDAL. It would be interesting to note that

owners of packaging houses are also producers, but not all producers have their packaging houses.

Table 4: List of packaging houses registered at IDAL

| CONTACT PERSON | LOCATION | EMAIL |
|-------------------------|---------------|---------------------------------|
| Mitindustry | North Lebanon | info@mitindustry.com |
| Said Saifan | North Lebanon | s-saifan@inco.com.lb |
| Boulos Olive Oil, ATYAB | Mount Lebanon | atyab@atyab-lb.com |
| Kobayter Brothers | North Lebanon | kobayter@destination.com.lb |
| Antoine Halim el Lakkis | North Lebanon | - |
| Tabarak | Bekaa | alyakout_2009@hotmail.com |
| Bechara Joseph Chakr | Bekaa | besharas@hotmail.com |
| Al Wadi Al Akhdar | North Lebanon | pios.coussa@alwadi-alakhdar.com |
| Willani | North Lebanon | info@willani.com |
| Industrial Kingdom | North Lebanon | basel.rafi@gmail.com |
| Olive Trade | North Lebanon | youssef.fares@olivetrade.com |



INVESTMENTS IN THE SECTOR

INVESTMENT TRENDS

As Lebanese olive oil gains more ground and recognition in both domestic and international markets, a number of local producers have sought to specialize specifically in the production of **extra virgin olive oil**, which has a growing export potential. While competition with more prominent countries remains fierce, Lebanese producers are working on strengthening the packaging and labeling of their bottles, perfecting the quality of their oil through rigorous testing, and diversifying the flavors of their products. These efforts have generated very positive results in recent years.

On another note, **organic olive oil** is becoming more popular, with some 300 ha of land currently dedicated to this field. Furthermore, a program led by the Ministry of Agriculture (MOA) put in place in 2012, is designed to provide assistance to producers by encouraging them to work with cooperatives as well as the creation of cooperative unions in line with the standards and specifications that are established beforehand by MOA. Thereafter, the oil is pressed marketed by the Cooperative Union. The purpose of this program is to reduce production costs and therefore the price of olive oil. It should be noted that the project Olio del Libano performed several activities in this area.

INVESTMENT OPPORTUNITIES

Overall, the olive oil market in Lebanon is a very promising one, whose full potential hasn't yet been reached. Presently, demand far exceeds supply in the country, and Lebanese consumers sometimes rely on imported products. This leaves room for various investment opportunities. As mentioned, production of extra virgin olive oil, flavored or not, and organic olive oil, both hold favorable prospects. At the same time, exporters can benefit from government support, part of IDAL's Agri Plus program.

The program provides support for packaging, and assists Lebanese producers in tapping foreign markets by organizing training sessions, and participating in food fairs around the world. Finally, other factors such as skilled labor, devoted research (eight agricultural colleges and various laboratories for testing across Lebanon), and a number of public and private support initiatives, also make investments in olive oil highly attractive.

SUPPORT TO THE SECTOR

FINANCING

IDAL

IDAL provides local and foreign investors in the agro-food sector with a set of financial incentives that can range up to 100% exemption on paying corporate income tax for a period of 10 years if certain criteria are met. To learn more about the incentives you can obtain from IDAL please check our [website](#).

KAFALAT

Kafalat is a loan guarantee financial institutions that provides guarantees to loans in productive sector including agriculture and agro food. Kafalat Agriculture is a scheme implemented in the framework of the ARDP (Agricultural and Rural Development Programme) funded by the European Union which finances activities related to agriculture business in all its aspects. Other schemes can be found on Kafalat's [website](#).

TECHNICAL ASSISTANCE

IDAL

IDAL is mandated as per Investment Law No. 360 to assist in the support, promotion and marketing of Lebanese products, especially agricultural and agro-industrial products including olive oil. As a result, IDAL has signed a protocol of cooperation in 2004 with the Syndicate of Agro Food industries (the AGROMAP protocol), whereby it committed to actively promote the export of agro-food products, mainly through its co-sponsorship of Lebanese pavilions in international food fairs. As of today, IDAL has managed to subsidize the organization of 9 regional and international fairs, disbursing an estimated value of USD 414,000 and enabling the showcase of Lebanese products of at least 30 producers.

MINISTRY OF AGRICULTURE

The Ministry of Agriculture created in 2010 a national committee for olive and olive oil in order to engage sector stakeholders to development of the olive and olive oils value chain. The Ministry issued a number of decisions to improve the quality of olive oil, including that the registration of olive oil mills take place at the Ministry of Agriculture needs to comply with health and hygiene requirements and performing official controls (MoA decision 657 July 20 2011).

The Ministry is equally working on establishing a union of marketing cooperatives and the establishment of a national laboratory for the certification of high quality olive oil.

APPENDIX LISTS

List of Main Olive Oil Brands & Sellers in Lebanon

| FIRM NAME | CONTACT PERSON | ADDRESS | PHONE NUMBER | EMAIL AND WEBSITE |
|--|--|---|--|--|
| Achkar Trading Est. | Mr. Albert Achkar | Sahel Alma, Kesrouane | 09 830 196 | www.achkarfoods.com |
| Al Dayaa Proucts | Mr. Fadi Tanous | Amioun Al Koura Kfarakka P.O.Box: 12 Amioun | 06 952 838 03 303 962 06 952 828 | aldayaa@hotmail.com www.aldayaa.com |
| Al Rabih | Mr. Samir Nasraoui | Dbayeh P.O.Box 70070 Dbayeh | 04 541 207 03 543 737 04 541 209 | sonaco@alrabih.com.lb www.alrabih.com.lb |
| Al Wadi Al Akhdar | Mr. Georges Obaji Mrs. Angela Karam | Zalka, Amaret Chalhoub P.O.Box: 11-2652, Beirut, Lebnon | 09 920 361 01 892 035 01 898 974 | info@alwadi-alakhdar.com angela.karam@ocph.com www.alwadi-alakhdar.com |
| Bechara Jospheh Chakr | Mr. Joseph Chakr | Aitanit | 03 322 478 08 650 058 | chakrbesharas@hotmail.com |
| Boulos Olive Oil ATYAB | Mr. Tony Maroun | Mount Lebanon P.O.Box 1646 Jounieh | 09 918 525 09 910 090 | atyab@atyab-lb.com www.zeitboulos.com |

| FIRM NAME | CONTACT PERSON | ADDRESS | PHONE NUMBER | EMAIL AND WEBSITE |
|--|------------------------|---|--|--|
| Boutros Msallem for General Trade | Mr. Wissam Msallem | Bziza, Al Koura, North Lebanon | 70 799 799 | wmsallem@hotmail.com www.msallem.net |
| Cortas | Mr. Raja Cortas | Cortas Building, Dora,Beirut P.O.Box: 11-2652, Beirut, Lebanon | 01 257 171 03 342 811 01 257 272 | rcortas@cortas.net sales@cortas.com.lb www.cortasfood.com |
| Daher Foods | Mr. Andre El Hajj | Bourj Al Mou-louk, South of Lebanon | 03 716 939 | www.daherfoods.com |
| Ahmed M.S Al Dirani & Bro | Mr. Samir Al Dirani | Ksarnaba, Bekaa, Lebanon | 03 276 534 | www.ahmaddirani.com |
| Gardenia | Mr. Nicolas Bou Khater | Gardenia Center, GF, Ksara, Zahleh, Bekaa | 08 814 897 03 322 550 08 818 661 | info@gardeniaspices.com export@gardeniaspices.com www.gardeniaspices.com |
| Golden Star Industry S.A.L | Mrs Rose Achkar | Mina Jadida, Kesrouane | 06 831 234 | www.goldenstarlb.com |

List of Main Olive Oil Brands & Sellers in Lebanon

| FIRM NAME | CONTACT PERSON | ADDRESS | PHONE NUMBER | EMAIL AND WEBSITE |
|------------------------------------|---|---|--|---|
| Industrial Kingdom | Mr. Basel Rafii | Al Baddawi, Industrial Area, Tripoli | 06 384 389 03 832 200 | info@industrialkingdom.com www.industrialkingdom.com |
| Khater Brothers | Mr. Bahij Khater Mr. Jamil Khater | Hamad Bldg., Mama Str., Tallat el Khayyat, Beirut | 01 815 136 01 815 137 03 828 562 | |
| Kobayter Brothers | Mr. Hossam Kobayter | North Lebanon | 06 400 550 06 400 785 | kobayter@destination.com.lb |
| Lakkis | Mr. Antoine Halim El Lakkis | Kfarzina, Zgharta North Lebanon | 06 555 777 03 686 644 | |
| LEBOLIVE | Cheikh Farouk Al Khalil Mr. Joseph Al Gharib | Beirut, Lebanon | 01 739 895 01 340 800 03 486 417 01 340 800 | joseghar@hotmail.com joseph@time-ltd.com |
| Local International Company | Mr. Jean Saad | Beirut, Lebanon | 04 542 144 07 555 678 03 611 706 | jeansaad@hotmail.com |
| Le Potager Sarl | Mr Gabriel Khoury | Hazmieh, Lebanon | 03 242 469 | www.lepotager-lb.com |

| FIRM NAME | CONTACT PERSON | ADDRESS | PHONE NUMBER | EMAIL AND WEBSITE |
|-------------------------------------|---------------------|---|--|---|
| Maalouf Industry for Trading | Mr. Ibrahim Maalouf | Koura, North Lebanon | 06 651 009 03 341 970 | info@mitindustry.com www.maaloufoliveoil.com |
| Nafez FARAH | Mr. Nafez Farah | Kfar-akka, Koura, North Lebanon | 03 702 792 | |
| Olive Harvest | Mr. Chafic Maalouf | North Lebanon | | chafic@oliveharvest.com www.oliveharvest.com |
| Olive Trade | Mr. Youssef Fares | Mount Lebanon | 09 936 265 09 936 265 | youssef.fares@olivetrade.com info@olivetrade.com www.olivetrade.com |
| Oliveco Sarl | Mr. Salim Ghannam | Baakline, Chouf, Lebanon | 05 306 035 03 256 451 | olivcosoap@gmail.com www.olivcosarl.com |
| Olivera Ilc | Mr. Najib Greije | Kfaraqqa, El Koura, North Lebanon | 06 951 290 03 178 550 | www.olivera-leb.com |
| Said Saifan Est. | Mr. Sami Saifan | Kfarsaroun, Amioun, North Lebanon | 06 950 258 | s-saifan@inco.com.lb www.saifanest.com |
| Second House Products | Mr. François Rizk | Mazraat Yachouh, Industrial Zone, Maten | 04 915 391 03 660 350 04 922 350 | shp@cyberia.net.lb shp@secondhouseprod.com www.secondhouseprod.com |
| Societe Libanaise De Boisson | Mr Nabil Mechaalany | Mreijat, Zahle, Lebanon | 08 545 929 08 542 383 | www.mechaalany.com |

| FIRM NAME | CONTACT PERSON | ADDRESS | PHONE NUMBER | EMAIL AND WEBSITE |
|----------------------------|--|--------------------------------|--|--|
| Tabarak | Mr. Samir Dirani | Qsarnaba, Bekaa, Lebanon | 08 911 322 03 276 534 | alyakout_2009@hotmail.com |
| Wadi el Kheir Foods | Mr. Fadi Jamal | Al Mouhaiatha, Bekaa, Lebanon | 08 591 383 08 231 951 08 561 555 | fadi-jamal@wadielkheirfoods.com info@wadielkheirfoods.com www.wadielkheirfoods.com |
| Willani | Mr. Joseph Al Khoury | Zgharta, Lebanon | 05 555 552 03 228 849 | info@willani.com |
| Yamama | Mr. Adnan Ataya | Mazraa, Beirut P.O.Box 14-5445 | 05 600 006 05 600 346 | adnanataya@yamama-lb.com www.yamama-lb.com |
| Zeytouna Foundation | Mr. Nabil Mouawad Mr. Roland Andari | Zgharta, North Lebanon | 06 720 078 06 666 093 03 270 137 03 590 920 | can.rmf@hotmail.com roland_and@hotmail.com |

List of Main Coop of Olive Oil in Lebanon

| FIRM NAME | CONTACT PERSON | ADDRESS | PHONE NUMBER | EMAIL AND WEBSITE |
|--|--|--------------------------|--|----------------------------|
| Cooperative of Olive Farmers in Chouf | Mr. Ziad Abou Ajram Mr. Hassib Haydar | Chouf, Mount Lebanon | 05 300 988 05 303 304 03 726 780 | amine_bou_mattar@yahoo.com |
| Cooperative of Olive Farmers in Nabatiyeh | Mr. Hassan Salameh | Nabatiyeh, South Lebanon | 07 435 366 | |
| Cooperative of Olive Producers in Zgharta | Mr. Sleiman Daher | Zgharta, North Lebanon | 06 550 122 06 550 252 | dahersc@hotmail.com |
| General Cooperative of Hasbaya | Mr. Rashid Zowayhed | Hasbaya, South Lebanon | 03 499 361 | |

List of Main Organic Olive Oil Sellers in Lebanon

| FIRM NAME | CONTACT PERSON | ADDRESS | PHONE NUMBER | EMAIL AND WEBSITE |
|--------------------|-----------------|----------------------------------|--|---|
| Bio Gourmet | Mr. Guy Khoury | Zouk, Keserwan, Mount Lebanon | 03 559 911 70 597 053 09 225 125 | guykhoury@gmail.com |
| Green Pack | Mr. Serge Fadel | Barti, East Saida, South Lebanon | 03 538 837 | sergefadel@hotmail.com info@greenpacklb.com www.greenpacklb.com |

USEFUL ADDRESSES & CONTACTS

Various public and private actors play a major role in shaping the agro-industrial sector; these main stakeholders are listed below.

Ministry of Agriculture-MoA
www.agriculture.gov.lb

Industrial Research Institute-IRI
www.iri.org.lb

Ministry of Economy & Trade-MoET
www.economy.gov.lb

Quality Programme-QUALEB
www.qualeb.org

Investment Development Authority
of Lebanon-IDAL
www.investinlebanon.gov.lb

Lebanese Standards
Institution-LIBNOR
www.libnor.org

The Federation of the Chambers of
Commerce Industry and Agriculture
in Lebanon
www.cci-fed.org.lb

National Council for Scientific
Research Lebanon
www.cnrs.edu.lb

▶ Beirut and Mount Lebanon
www.ccib.org.lb

KAFALAT s.a.l
Loan guarantee company
www.kafalat.com.lb

▶ Tripoli and North Lebanon
www.cciat.org.lb

▶ Saida and South Lebanon
www.ccias.org.lb

▶ Zahleh and the Bekaa
www.cciaz.org.lb



CONTACT US

If you require any further information on investing in Lebanon or on the services IDAL can offer you, please do not hesitate to contact us at the following:

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investinlebanon.gov.lb

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 [@Invest_Lebanon](https://twitter.com/Invest_Lebanon)

 [Investmentdevelopmentauthorityoflebanon](https://www.linkedin.com/company/investmentdevelopmentauthorityoflebanon)

 [InvestInLebanon](https://www.youtube.com/InvestInLebanon)

