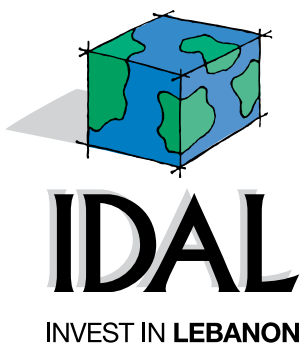




INVESTMENT DEVELOPMENT  
AUTHORITY OF **LEBANON**

Presidency of the Council of Ministers



# CYPRUS - LEBANON BUSINESS FORUM

19 FEBRUARY, 2016

[investinlebanon.gov.lb](http://investinlebanon.gov.lb)

# HEADLINES

## 1. INVESTMENT CLIMATE IN LEBANON

## 2. CYPRIOT-LEBANESE TRADE RELATIONS

## 3. WHY LEBANON

## 4. ABOUT IDAL

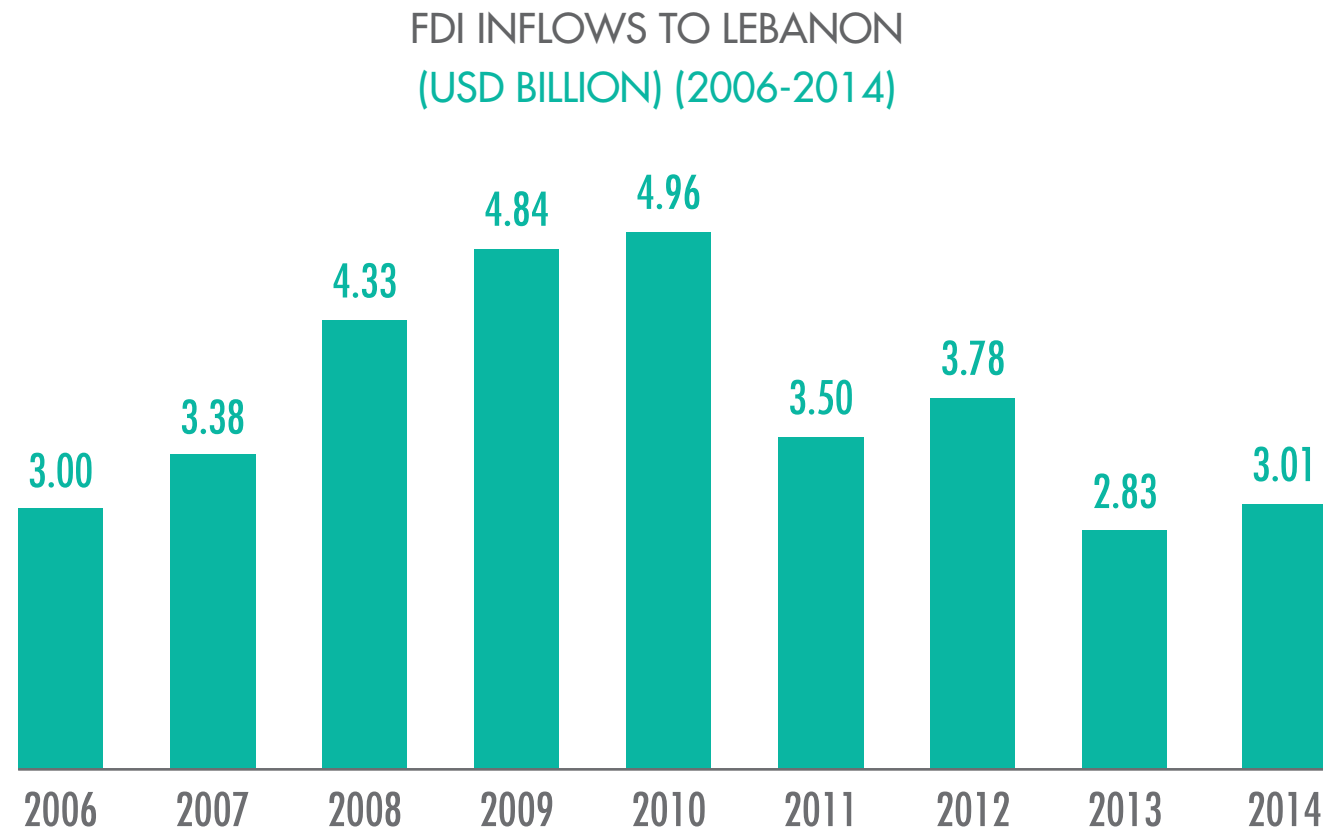
## 5. WHAT ARE THE INVESTMENT OPPORTUNITIES ?

## 6. CONTACT US

# ECONOMIC PROFILE & SYSTEM (2014)

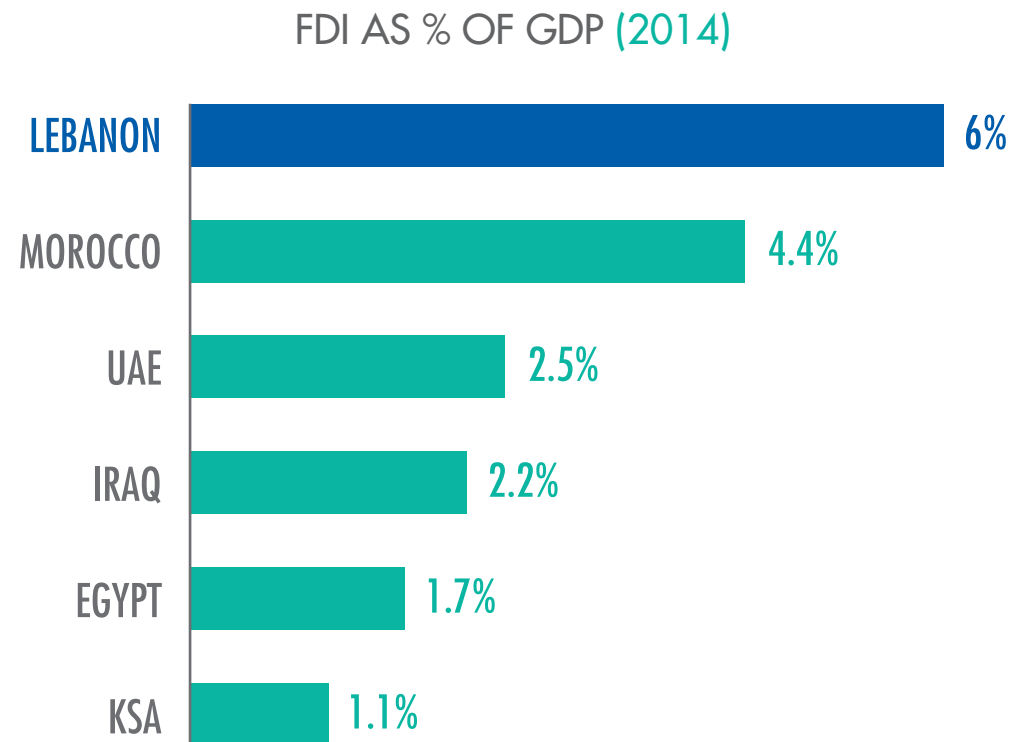
- ▶ FREE MARKET ECONOMY
- ▶ NON-INTERVENTIONIST STANCE  
TOWARD PRIVATE INVESTMENTS
- ▶ ONE OF THE MOST LIBERAL INVESTMENT  
CLIMATES IN THE MIDDLE EAST
- ▶ GDP AT CURRENT PRICES (USD BILLION): **49.9**
- ▶ GDP/CAPITA (CURRENT USD): **11,067**
- ▶ REAL GDP GROWTH: **2.0%**
- ▶ AVERAGE INFLATION RATE: **1.9%**
- ▶ TRADE BALANCE (USD MILLION): **-17,181**
- ▶ FDI INFLOWS (USD BILLION): **3.01**
- ▶ UNEMPLOYMENT RATE (AVG.%): **13%**

# FOREIGN INVESTMENT TO LEBANON HAS SUSTAINED ITS POSITIVE FLOW DESPITE A REGIONAL AND WORLDWIDE DECLINE IN FDI



Source: UNCTAD - World Investment Report 2015

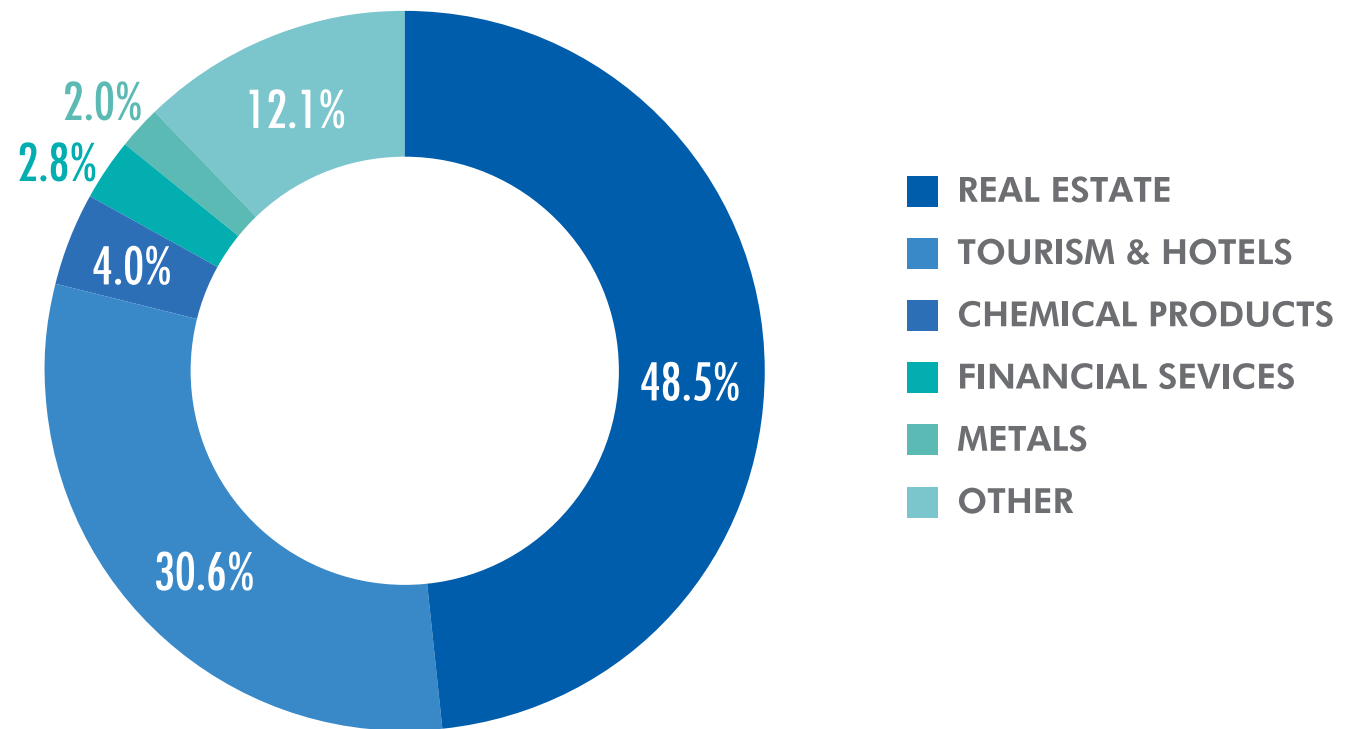
IN FACT **FDI % GDP** WAS THE HIGHEST IN LEBANON COMPARED TO ITS REGIONAL PEERS, HIGHLIGHTING THE IMPORTANCE OF **FDI** TO OUR ECONOMY



Source: UNCTAD - World Investment Report 2015

# REAL ESTATE AND TOURISM ARE THE TOP SECTORS OF INTEREST FOR FOREIGN COMPANIES THAT ESTABLISHED THEIR BUSINESS IN LEBANON

DISTRIBUTION OF FOREIGN COMPANIES BY SECTOR (2003-2015)



Source: IAIGC Report 2015

# EXAMPLES OF FOREIGN COMPANIES IN LEBANON



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**2. CYPRIOT-LEBANESE TRADE RELATIONS**

3. WHY LEBANON

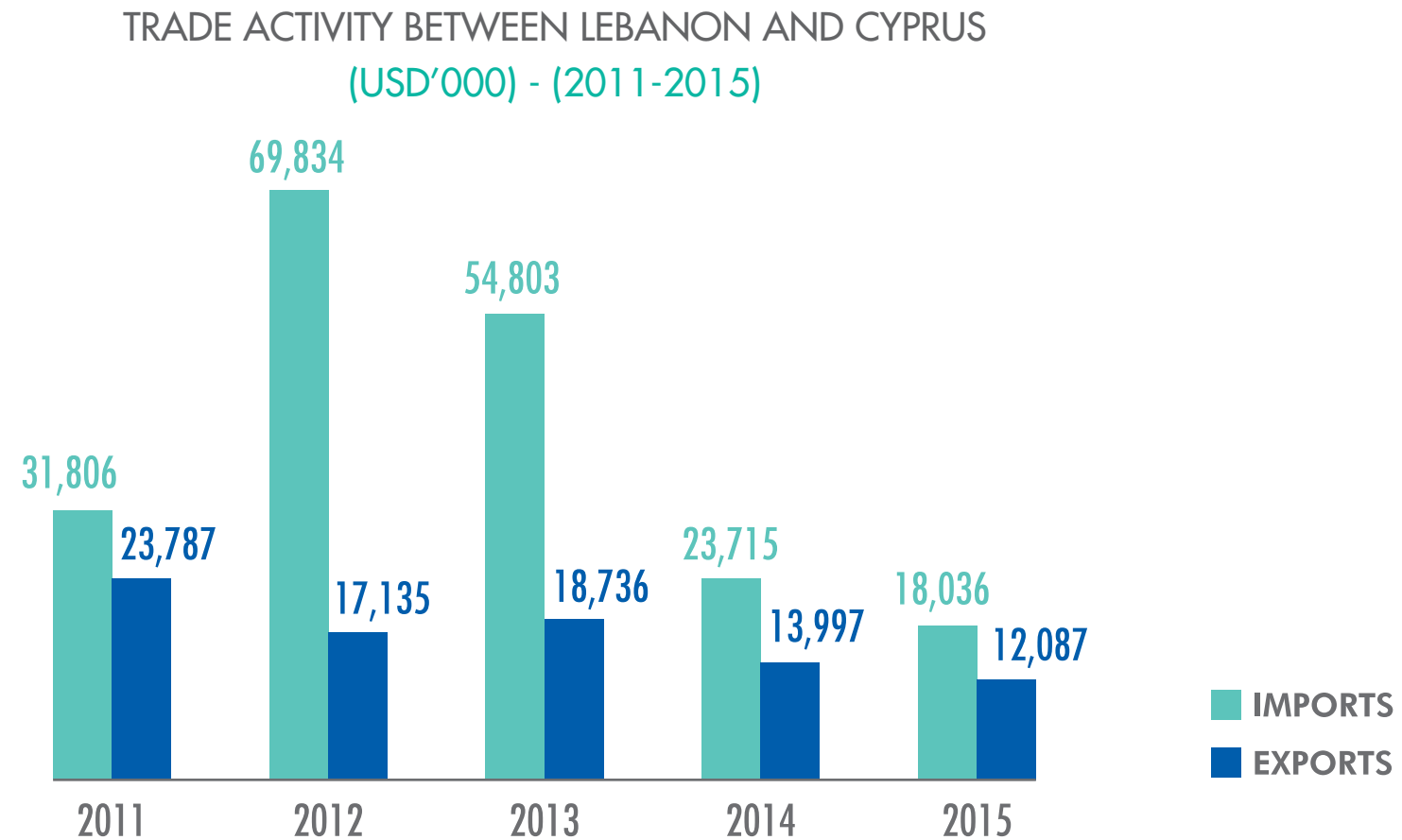
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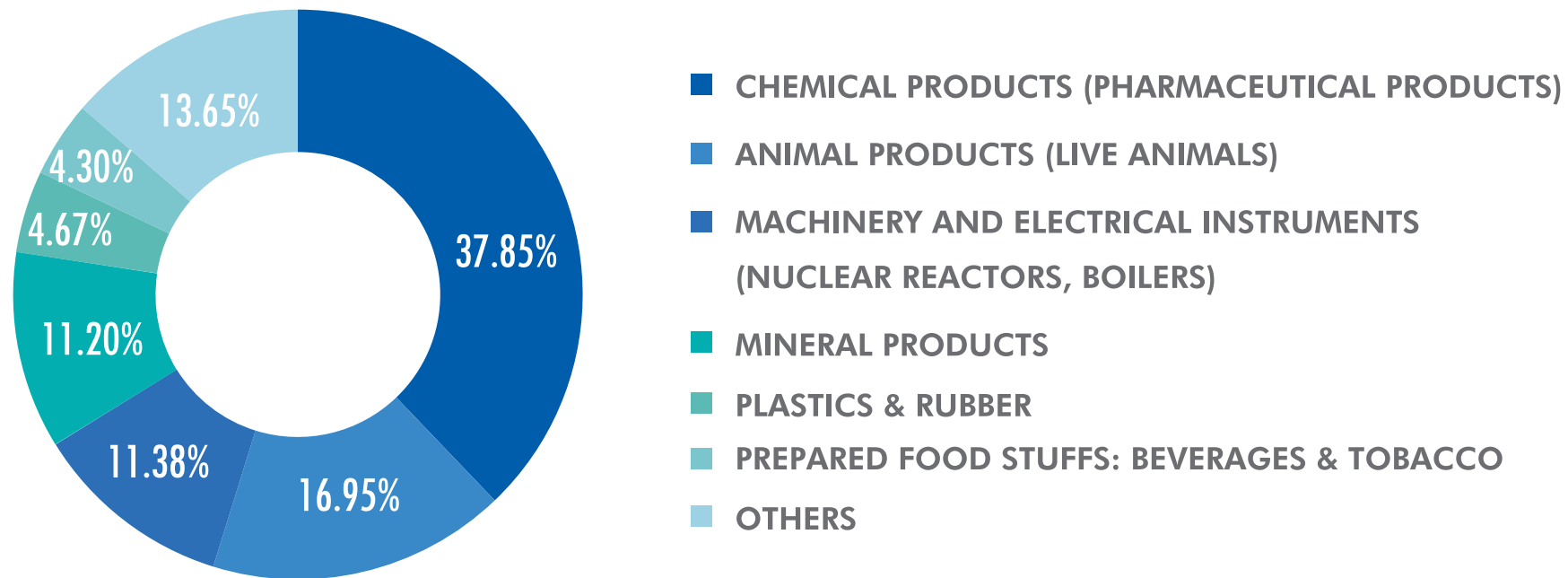
# TRADE ACTIVITY BETWEEN LEBANON & CYPRUS BETWEEN 2011 & 2015 HAS THE POTENTIAL TO INCREASE



Source: Lebanese Customs

# MAJOR IMPORTS FROM CYPRUS ARE CHEMICAL PRODUCTS

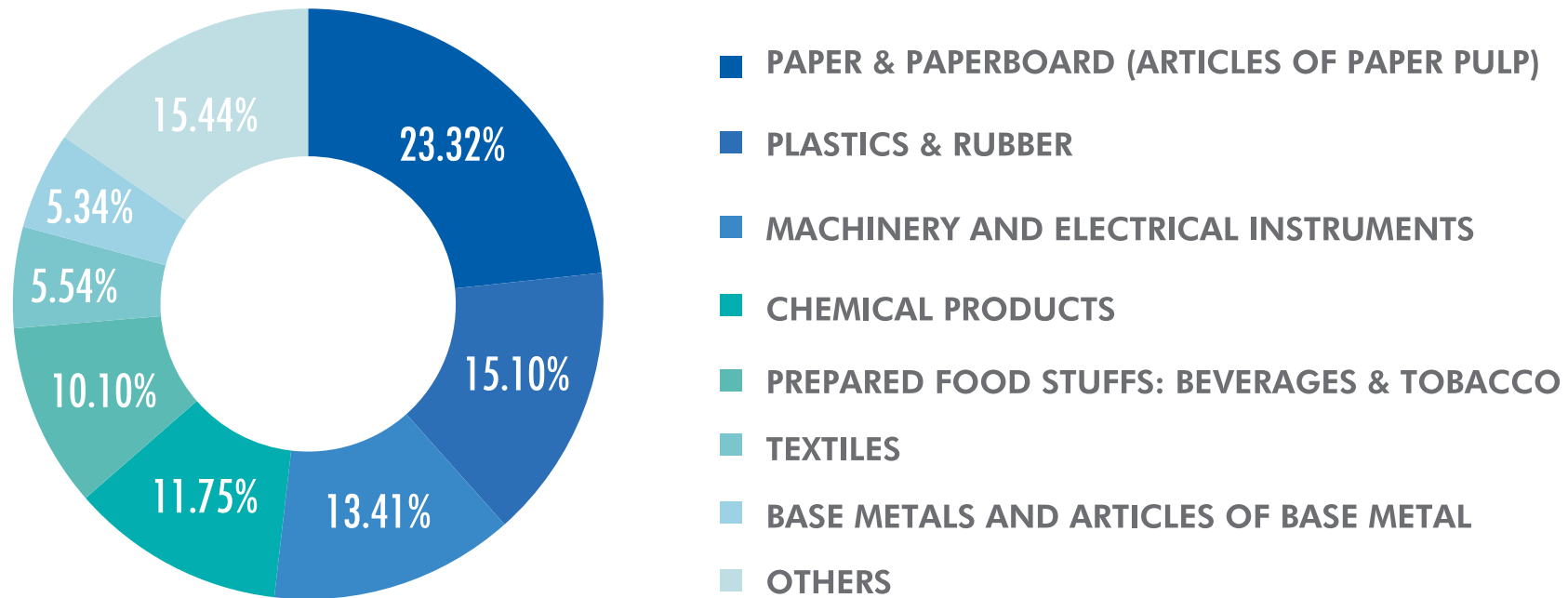
MAJOR IMPORTS FROM CYPRUS (%SHARE) - (2015)



Source: Lebanese Customs

# WHILE MAJOR LEBANESE EXPORTS TO CYPRUS ARE PAPER, PLASTICS & RUBBER

MAJOR EXPORTS FROM CYPRUS (%SHARE) - (2015)



Source: Lebanese Customs

# SEVERAL TREATIES AND AGREEMENTS HAVE BEEN SIGNED BETWEEN LEBANON & CYPRUS

- ▶ Agreement on the **Reciprocal Promotion and Protection of Investments** (**April 2001**)
- ▶ Agreement on **Cooperation in the Fields of Public Health and Medical Science** (**April 2001**)
- ▶ Agreement on **Cultural, Educational and Scientific Cooperation** (**July 2002**)
- ▶ Convention between the Republic of Cyprus and the Lebanese Republic for the **Avoidance of Double Taxation** and the Prevention of Fiscal Evasion with respect to Taxes on Income and on Capital (**February 2003**)
- ▶ Agreement for Cooperation in the **Field of Tourism** between the Government of the Republic of Cyprus and the Government of the Republic of Lebanon (**October 2005**)
- ▶ Lebanese Cypriot business Council comprising 15 members. This council aims to boost economic relations between the 2 countries and attract Cypriot tourists to Lebanon.

# POTENTIAL COOPERATION BETWEEN CIPA AND IDAL

▶ In the Energy Sector Lebanon and Cyprus have great cooperation potential in the field of energy after discovery of natural gas in their territorial waters. Investment opportunities are available in offshore petroleum/gas drilling activity, construction of gas imports and storage facilities, building new or revamping existing power plants, laying out a network of gas pipeline

▶ Partnership with Cyprus to achieve further progress in **IT and Telecommunications sectors** via technical expertise exchange

▶ Signing an MoU between the two agencies will pave an official way of building a frame of collaboration. This MoU will include an “Action Plan” outlining the initiatives for the next years, exchange of information and know-how, as well as international collaboration on issues of common interest

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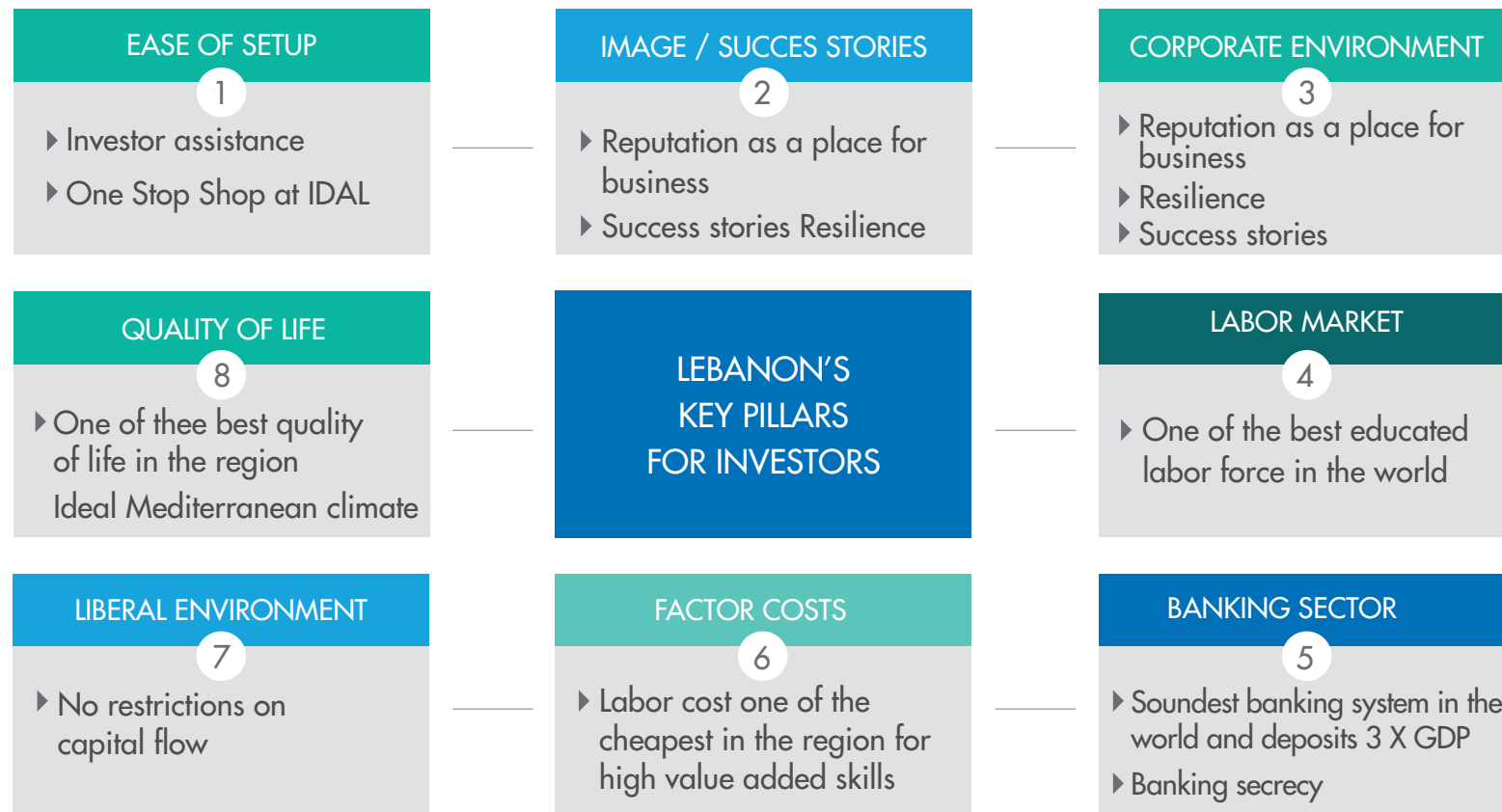
4. ABOUT IDAL

5. WHAT ARE THE INVESTMENT OPPORTUNITIES ?

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# LEBANON HAS MAINTAINED ITS ATTRACTIVENESS TO INVESTORS DUE TO KEY FUNDAMENTALS

## KEY PARAMETERS FOR ATTRACTING INVESTORS



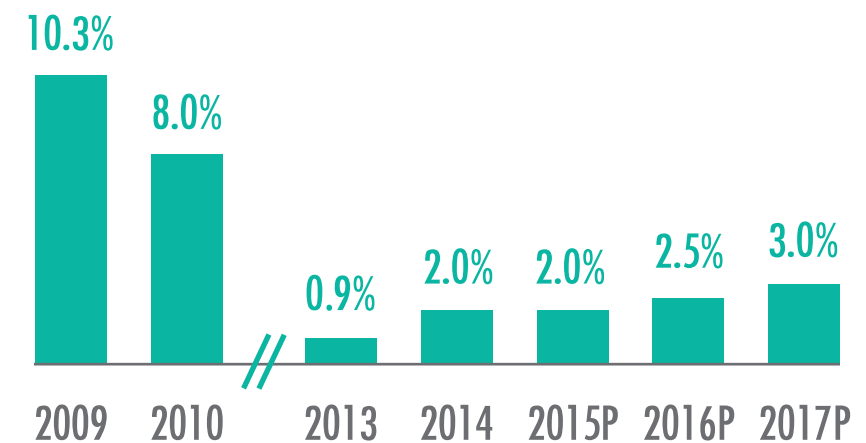
## EXCELLENT ECONOMIC FUNDAMENTALS

# LEBANON HAS A RELATIVELY RESILIENT ECONOMY DESPITE THE REGIONAL CHALLENGING ENVIRONMENT

► Lebanon was one of the global performers in 2009, amidst the worldwide financial and despite the Arab Spring managed to maintain stable growth levels.

► GDP growth was estimated at **2.0% in 2014** up from **0.9% in 2013**, in part driven by the Central Bank's stimulus package.

REAL GDP GROWTH (%)



Source: IMF



## ...AND GLOBAL RANKING HIGHLIGHT LEBANON'S RELATIVELY STRONG ECONOMY...

► According to World Economic Report, IMF projected Lebanon's economic growth to remain stable at **2.5% in 2016** and to accelerate to a much higher **4.0% by year-end 2020**.

► The report highlighted that Lebanon outperforms many advanced as well as emerging economies.

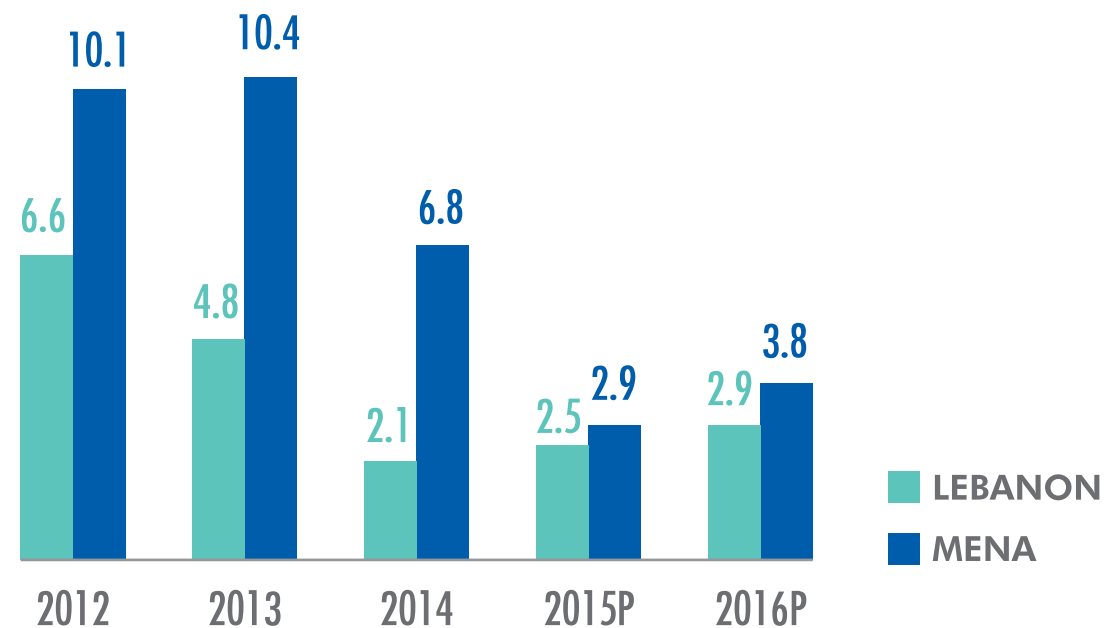
	2014	2015*	2016*	2020*
<b>LEBANON</b>	<b>2.0</b>	<b>2.5</b>	<b>2.5</b>	<b>4.0</b>
<b>ADVANCED ECONOMIES</b>	<b>1.8</b>	<b>2.4</b>	<b>2.4</b>	<b>1.9</b>
<b>EMERGING ECONOMIES</b>	<b>4.6</b>	<b>4.2</b>	<b>4.7</b>	<b>5.2</b>
<b>GERMANY</b>	<b>1.6</b>	<b>1.6</b>	<b>1.7</b>	<b>1.3</b>
<b>FRANCE</b>	<b>0.4</b>	<b>1.2</b>	<b>1.5</b>	<b>1.9</b>
<b>KSA</b>	<b>2.7</b>	<b>2.0</b>	<b>2.5</b>	<b>4.2</b>

\*Projected growth source: IMF

## ...WITH A LOW INFLATION RATE REGIME...

- ▶ A low inflation environment provides business certainty for investors.
- ▶ Over the past 3 years Lebanon was able to maintain a low inflation rate compared to the MENA average inflation rate.

INFLATION (YEAR-OVER-YEAR % CHANGE)

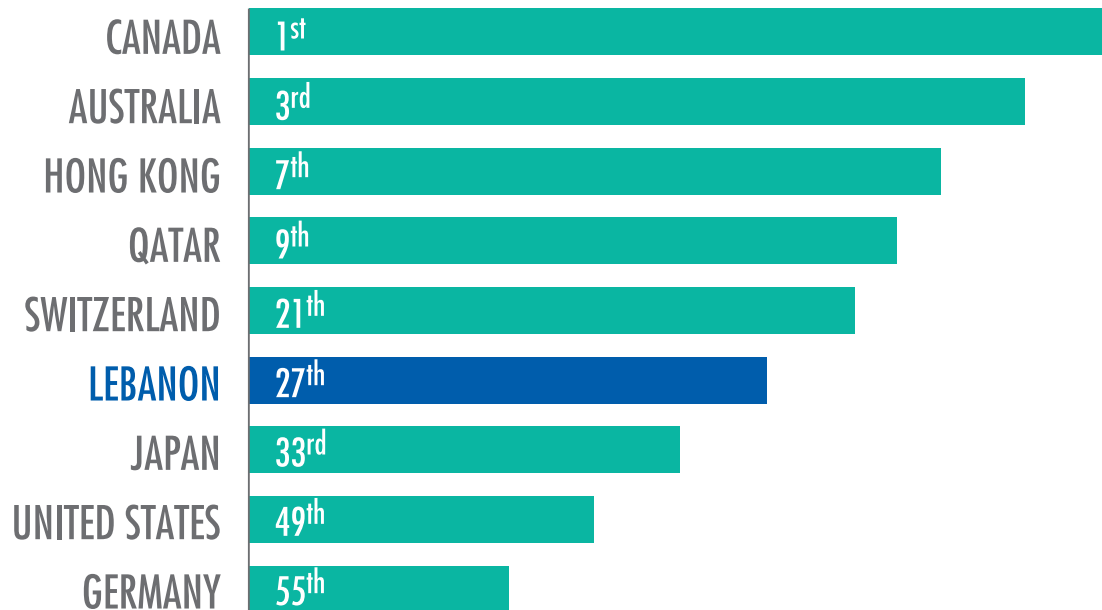


Source: IMF

# EXCELLENT ECONOMIC FUNDAMENTALS

- ▶ Lebanon offers key advantages to investors through a very sound banking system and minimum restrictions on capital flows

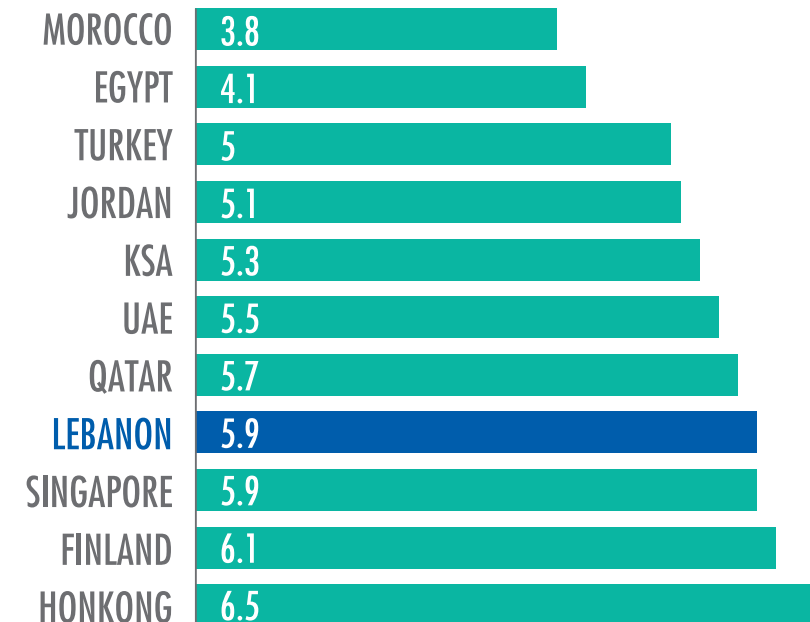
SOUNDNESS OF BANKS RANKING (2015)



NOTE: STANDING AMONG 144 COUNTRIES

Source: World Competitiveness Report 2015-2016

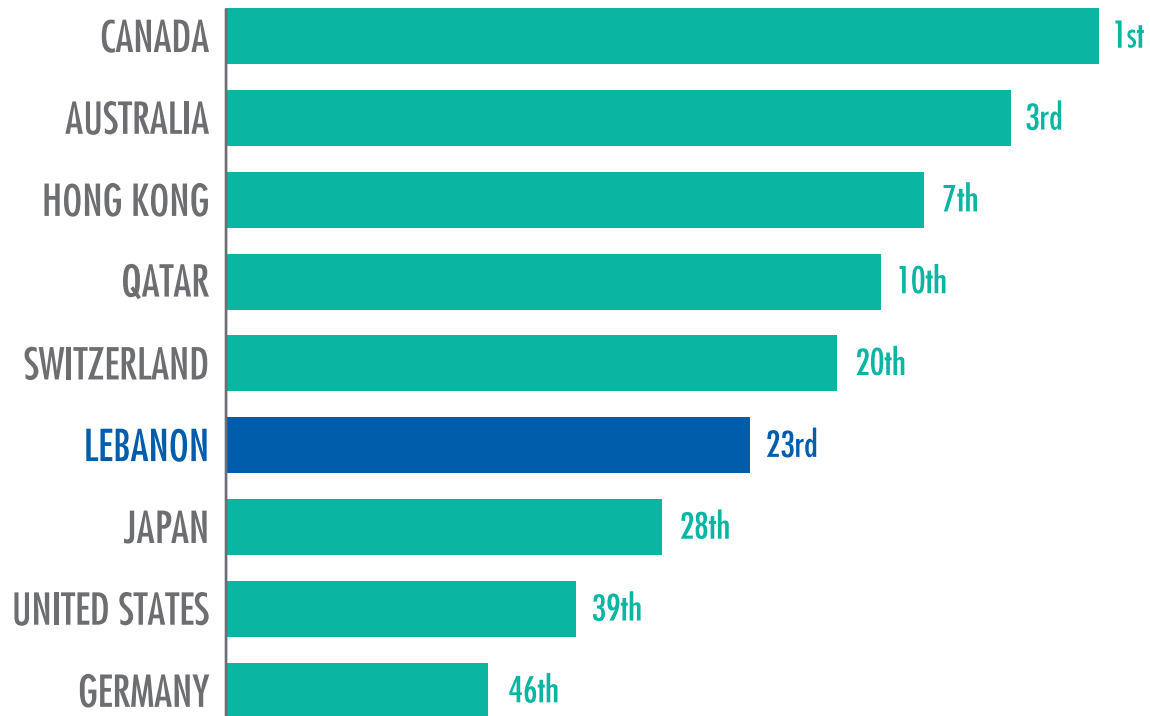
RESTRICTION ON CAPITAL FLOWS (2010)



Source: World Economic Forum

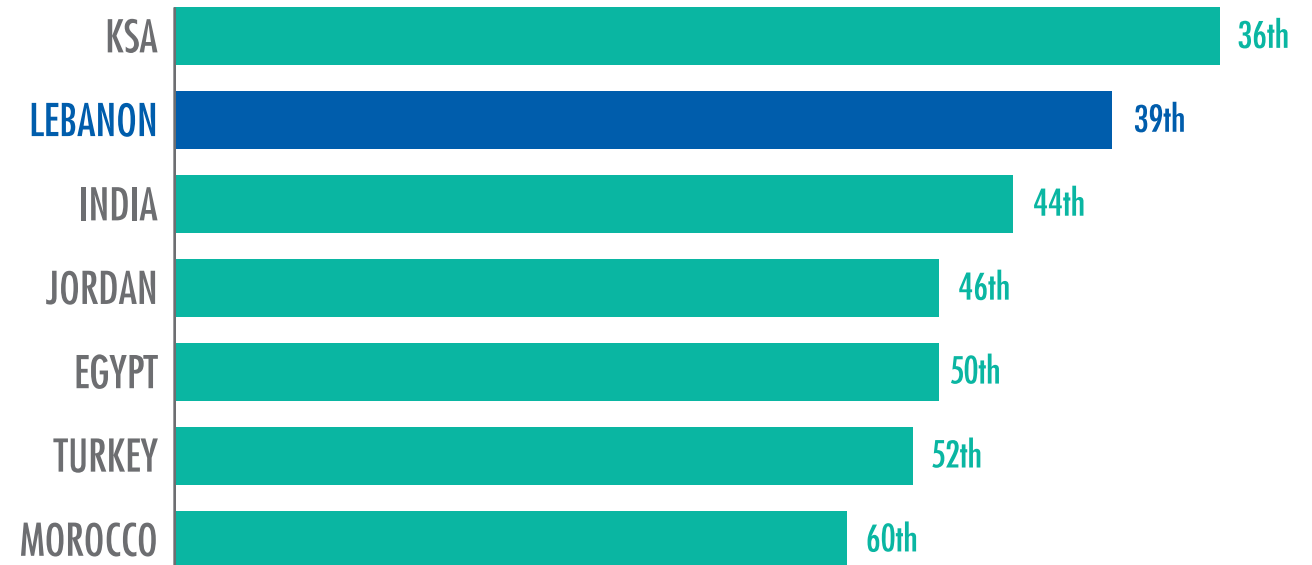
# LEBANON HAS THE SOUNDEST BANKING SYSTEM IN THE REGION.

SOUNDNESS OF BANKS (2015)



Source: World Competitiveness Report 2015-2016

EASE OF CAPITAL INDEX

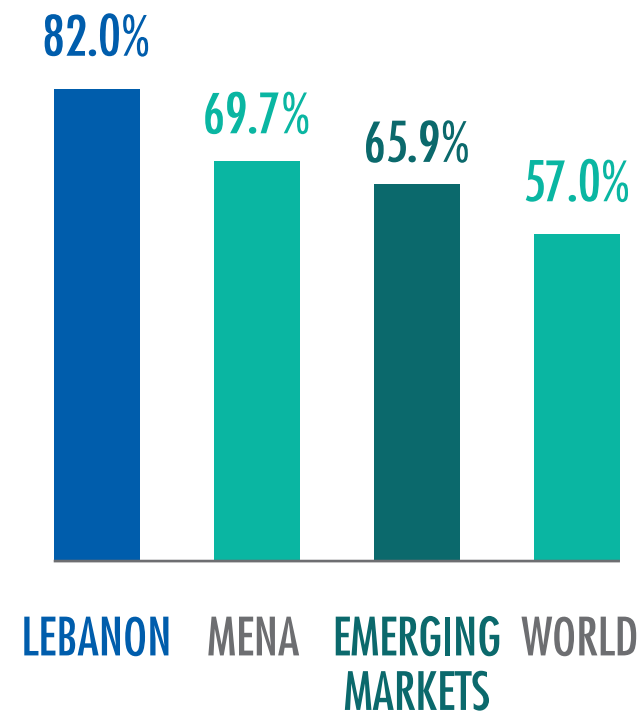


Source: Milken Institute, 2010

## ...WITH HIGH LIQUIDITY RATIO...

► Lebanese banking sector maintained a strong liquidity levels with a **liquidity ratio equal to 82%**, among the highest regionally and globally, thus enabling the commercial banks to finance the government and private sector needs while maintaining a stable interest rate structure.

LIQUIDITY RATIO (2014)

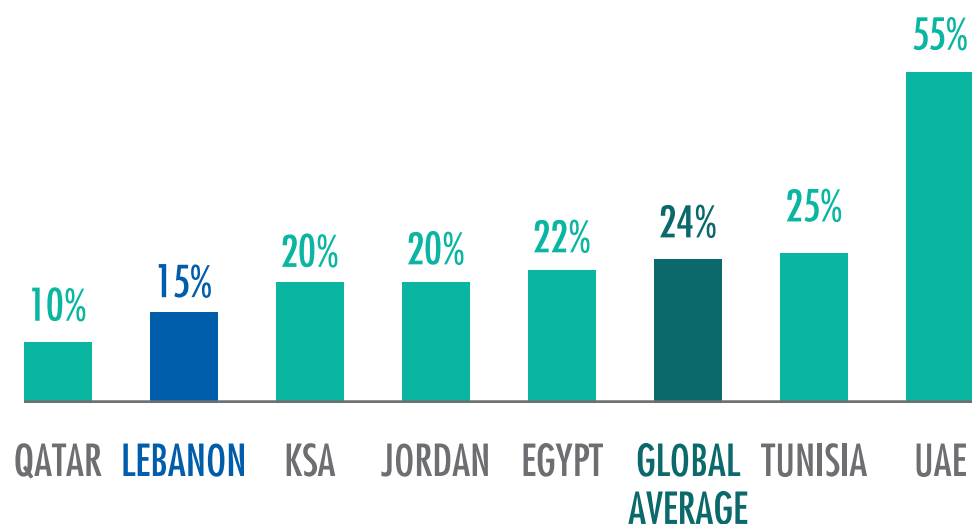


Source: IMF

# LEBANON OFFERS AN OVERALL TAX ADVANTAGE FOR FIRMS TO EXPAND & EASE OF PAYING TAXES...

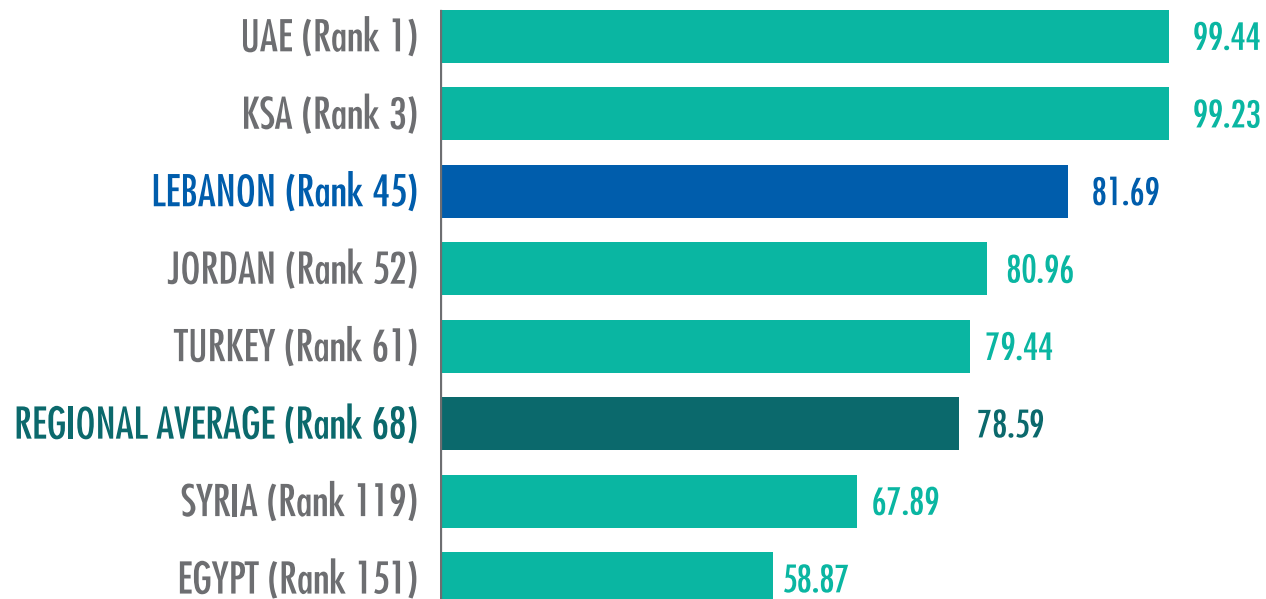
- ▶ Lebanon's low corporate tax rates and competitive taxation scheme have also played a defining factor in channeling investments to the country.
- ▶ Globally, Lebanon stands at 45 in the ranking of 189 economies on the ease of paying taxes.

CORPORATE TAX RATES (2015)



KPMG Corporate Tax Rates Table 2015

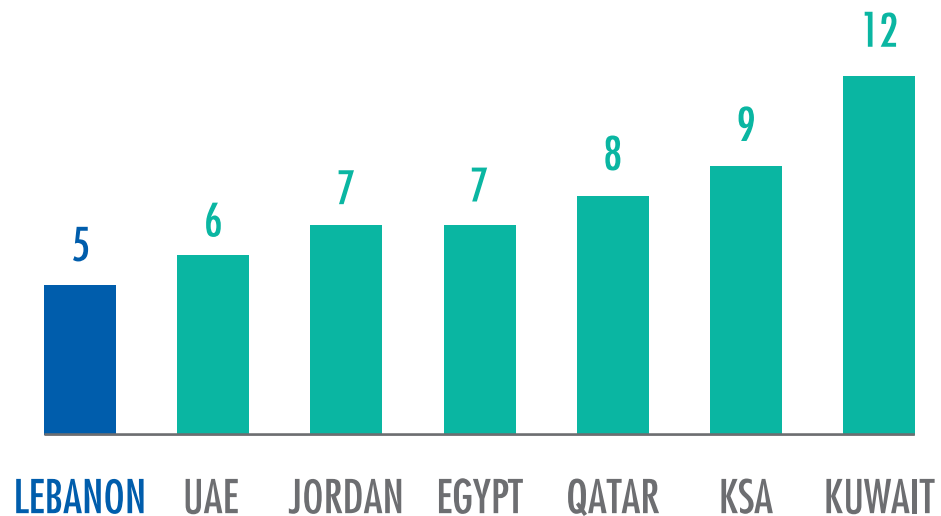
EASE OF PAYING TAXES (SCORE OVER 100)



Source: Doing Business Report 2016

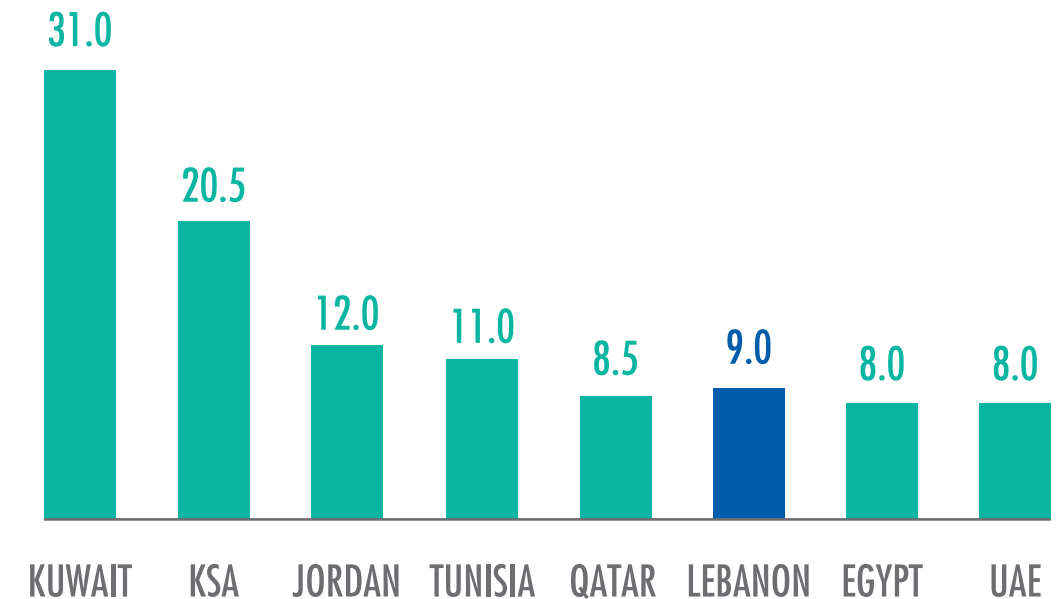
# ESTABLISHING A BUSINESS IN LEBANON INVOLVES RELATIVELY FEW STEPS AND LESS TIME.

NUMBER OF PROCEDURES TO START A BUSINESS  
(2015-2016)



Global Competitiveness Report 2015-2016

TIME REQUIRED TO START A BUSINESS NUMBER OF DAYS  
(2015-2016)



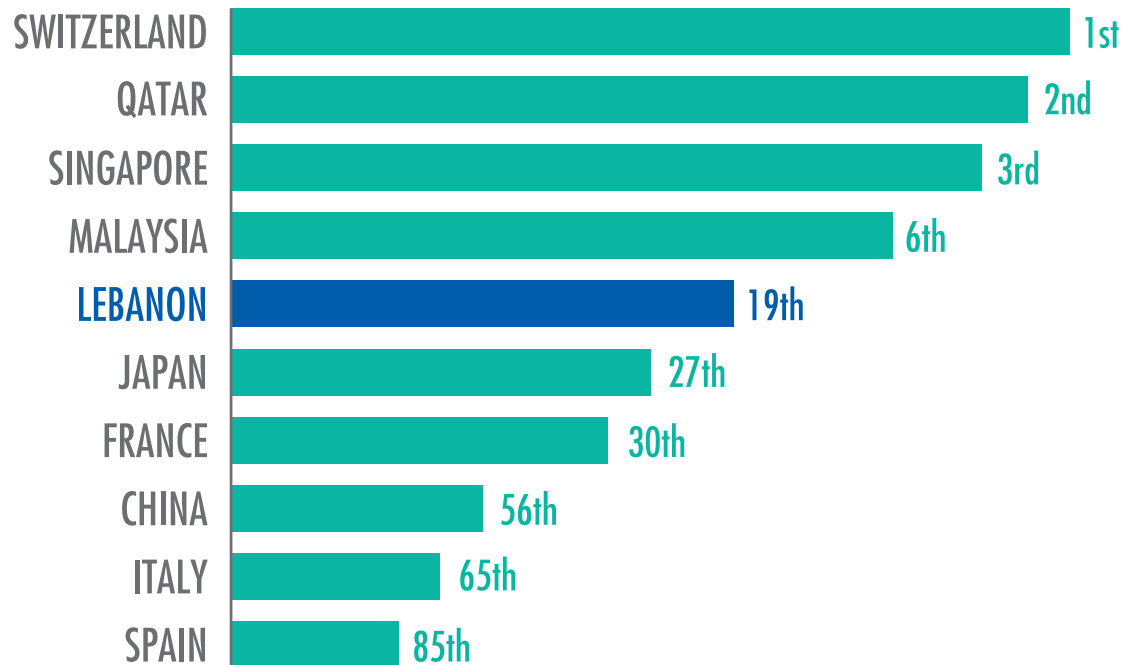
Global Competitiveness Report 2015-2016

# A DYNAMIC WORKFORCE:

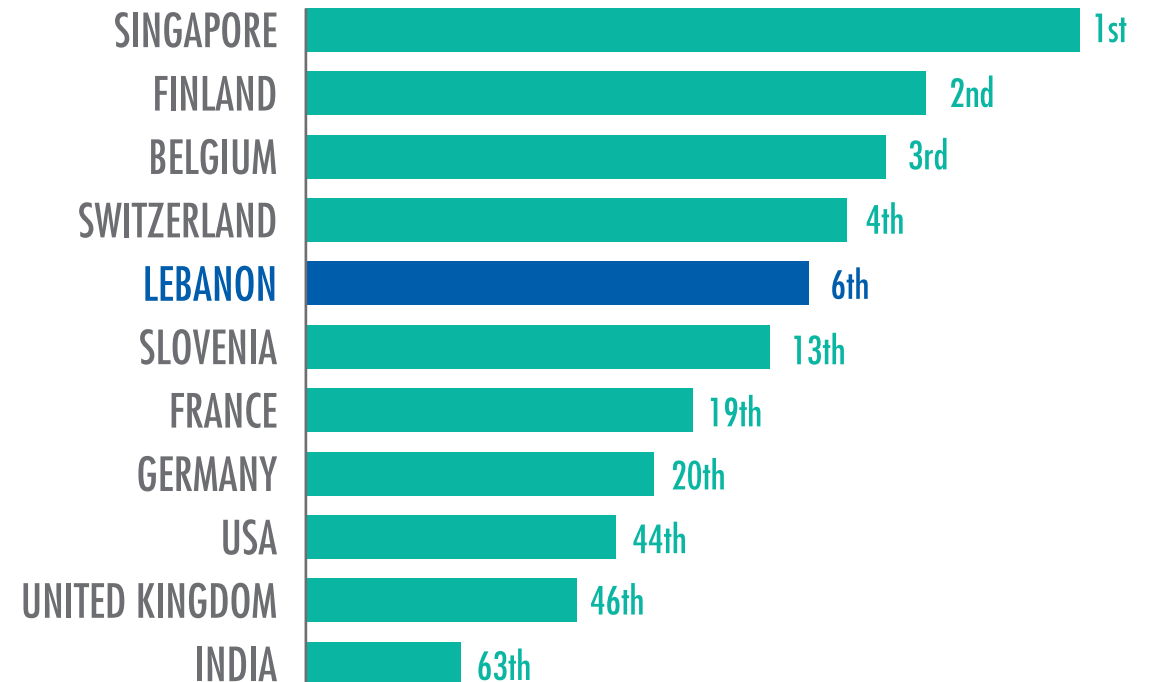
## LEBANON HAS ONE OF THE WORLD'S BEST EDUCATED WORKFORCES

► In the latest report published by the Global Competitiveness Report 2015-2016, Lebanon ranked 19th globally in the overall quality of the educational system and 6th globally in the quality of math and science education

OVERALL QUALITY OF EDUCATION (2015-2016)



QUALITY OF MATH & SCIENCE EDUCATION INDEX (2015-2016)



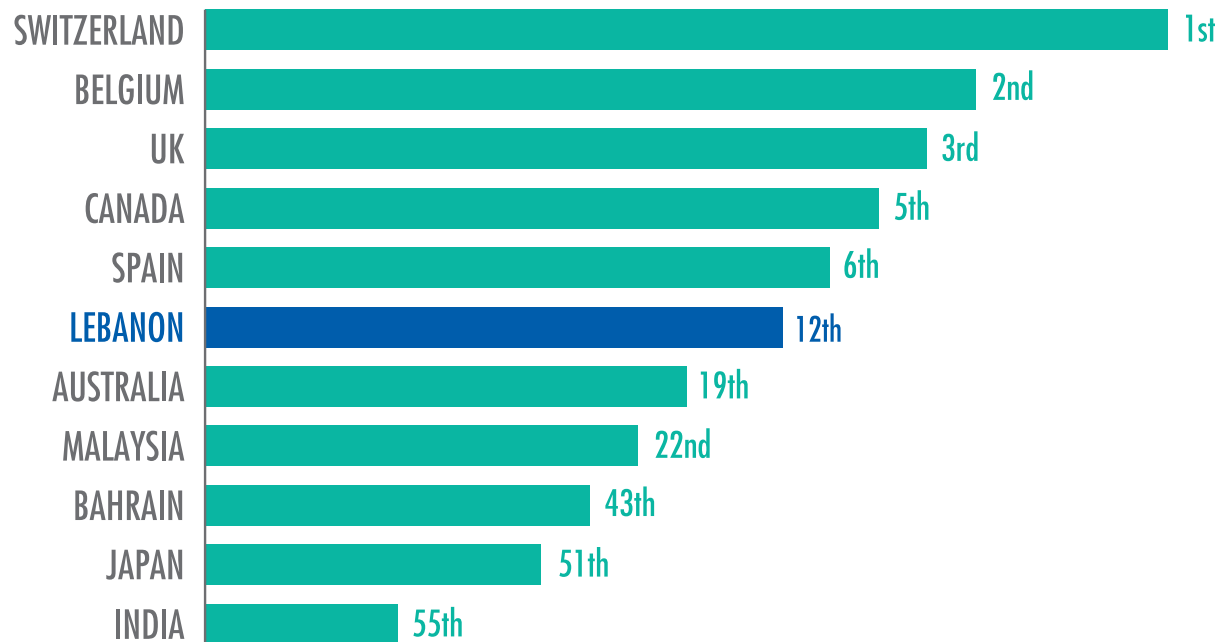
Source: World Competitiveness Report 2015-2016



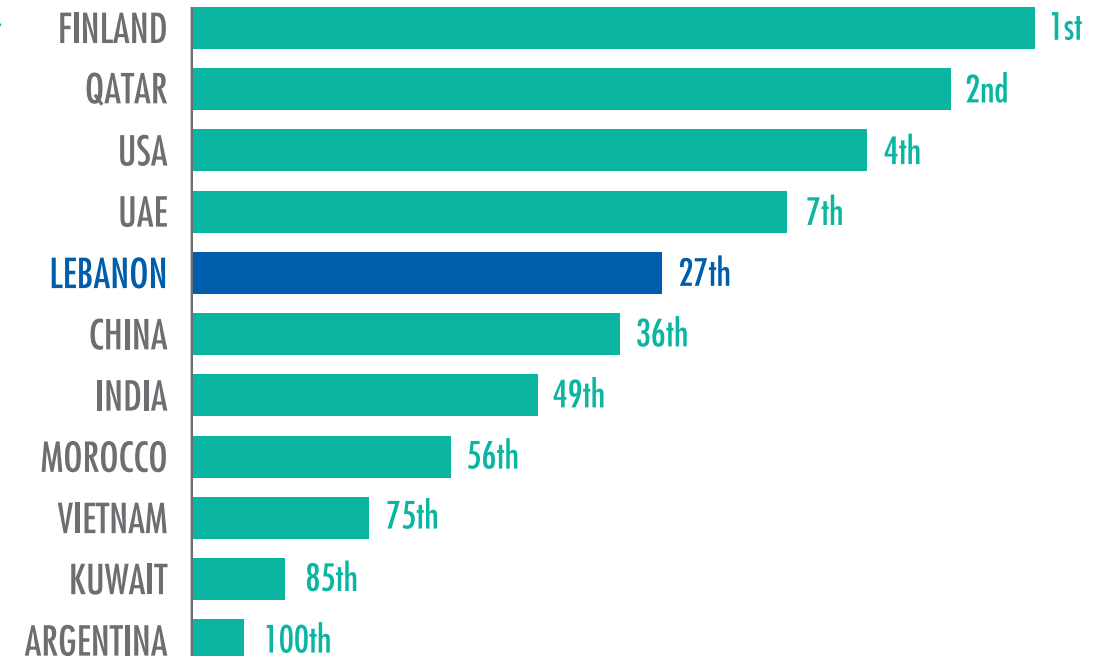
# SUPERIOR MANAGEMENT EDUCATION WITH READILY AVAILABLE OF QUALIFIED SCIENTISTS AND ENGINEERS

- ▶ Lebanon ranked 12th globally among 140 countries in terms of quality of management schools
- ▶ Lebanon ranked 27th globally in terms of the availability of qualified scientists and engineers

QUALITY OF MANAGEMENT SCHOOLS (2015-2016)



AVAILABILITY OF SCIENTISTS AND ENGINEERS (2015-2016)

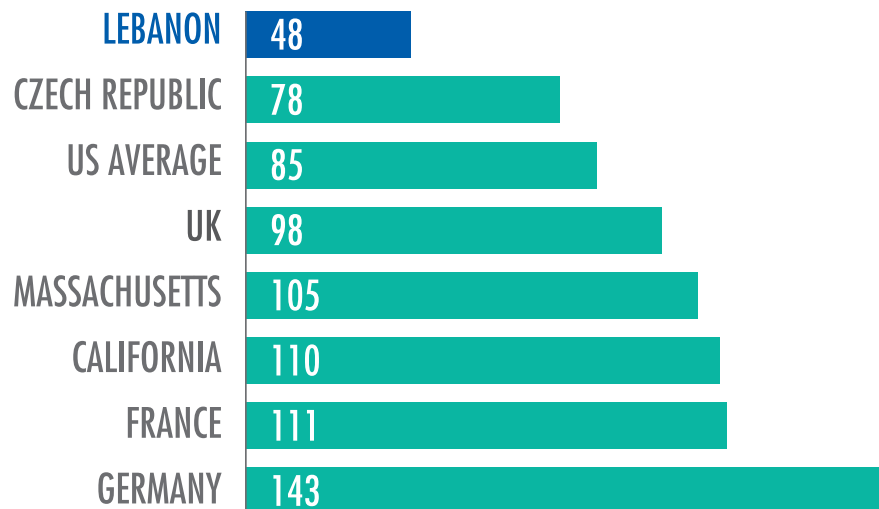


Source: World Competitiveness Report 2015-2016

# COST-COMPETITIVE WORKFORCE

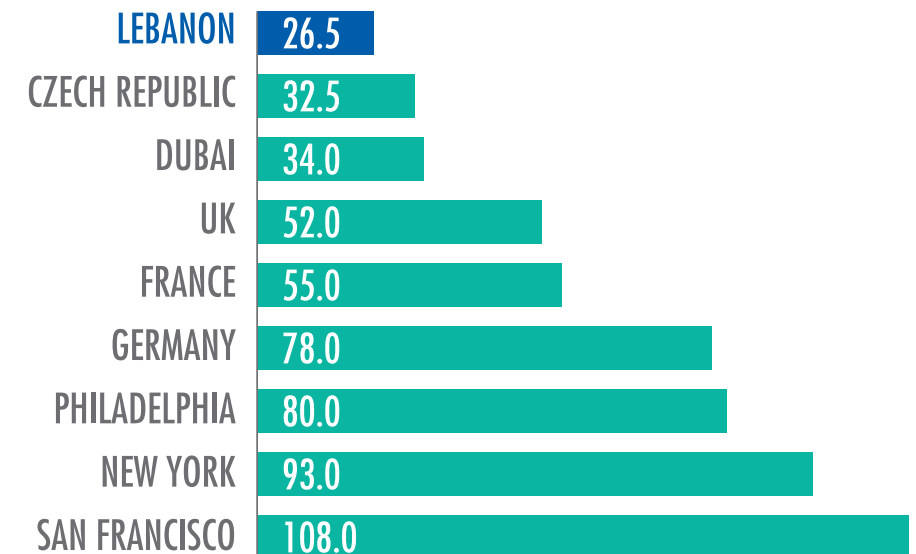
- This labor force is equally cost efficient, especially in sectors with high value-added

AVERAGE ANNUAL WAGES IN THE HIGH  
TECH SECTOR (USD'000) (2009-2010)



Source: The Tech America Foundation, Global 50,  
Remuneration Planning Report 2009/2010, Watson Wyatt Data

AVERAGE ANNUAL WAGES OF SOFTWARE  
ENGINEERS (USD'000) (2011-2012)

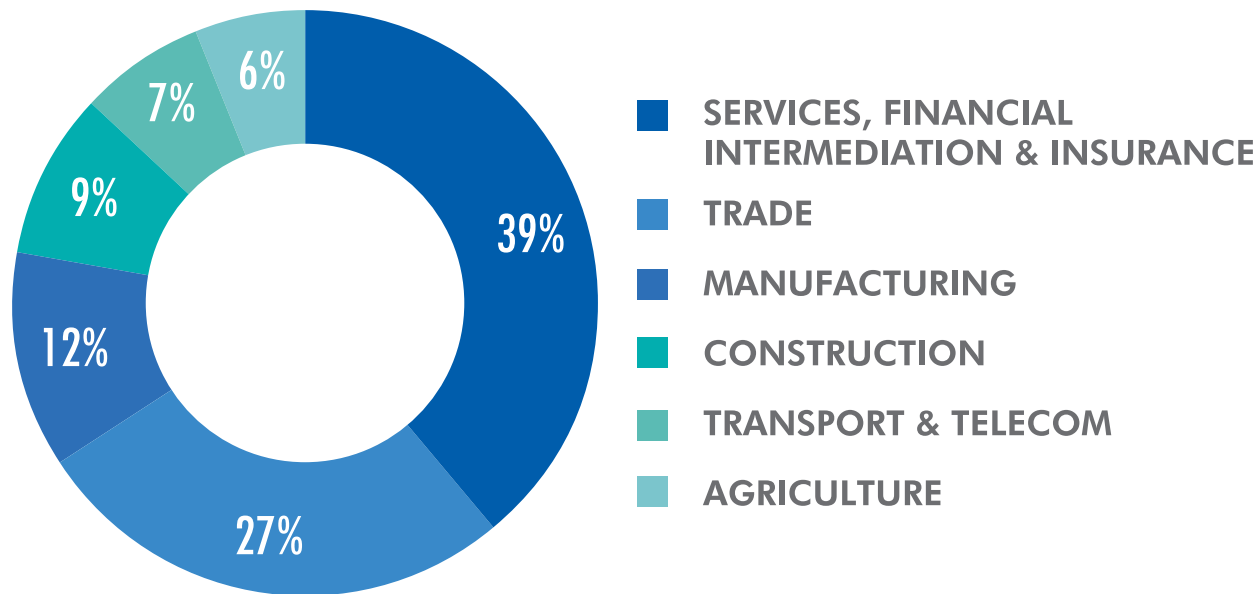


Source: Glassdoor, Global 50, Remuneration Planning Report  
2011/2012, Watson Wyatt Data Services, InfoPro

# SERVICE-ORIENTED WORKFORCE

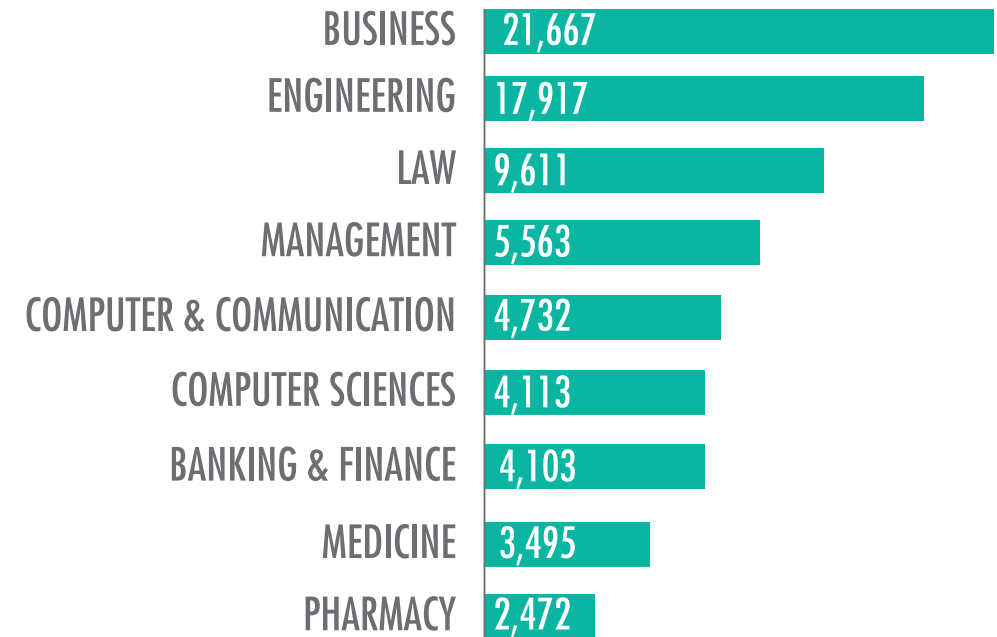
- ▶ A workforce that has perpetually been service oriented with 39% of the population employed in the services sector

ACTIVE LABOR FORCE BREAKDOWN  
BY ECONOMIC ACTIVITY (2009)



Source: Central Administration of Statistics

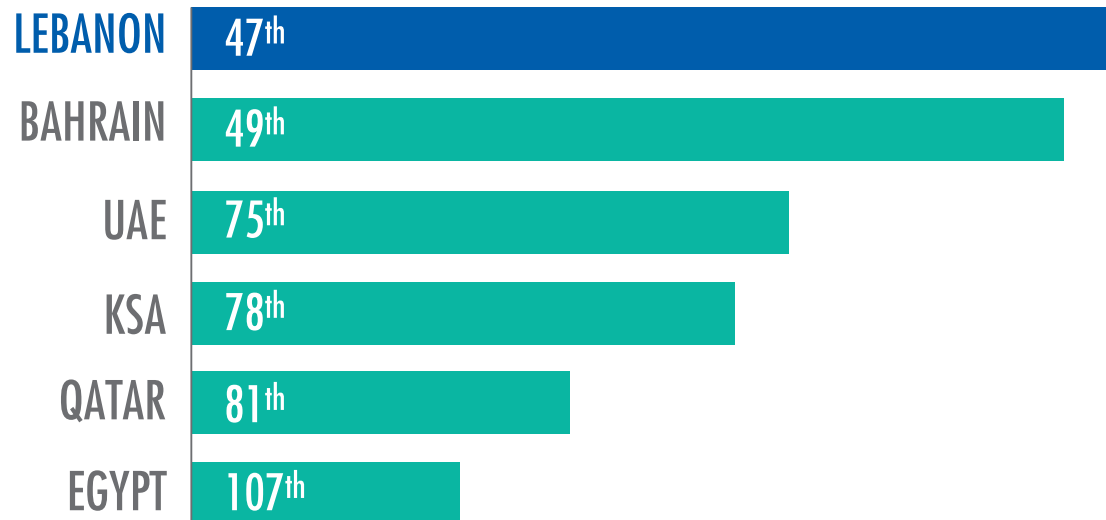
NUMBER OF STUDENTS IN MAJOR FIELDS OF STUDY  
(2011-2012)



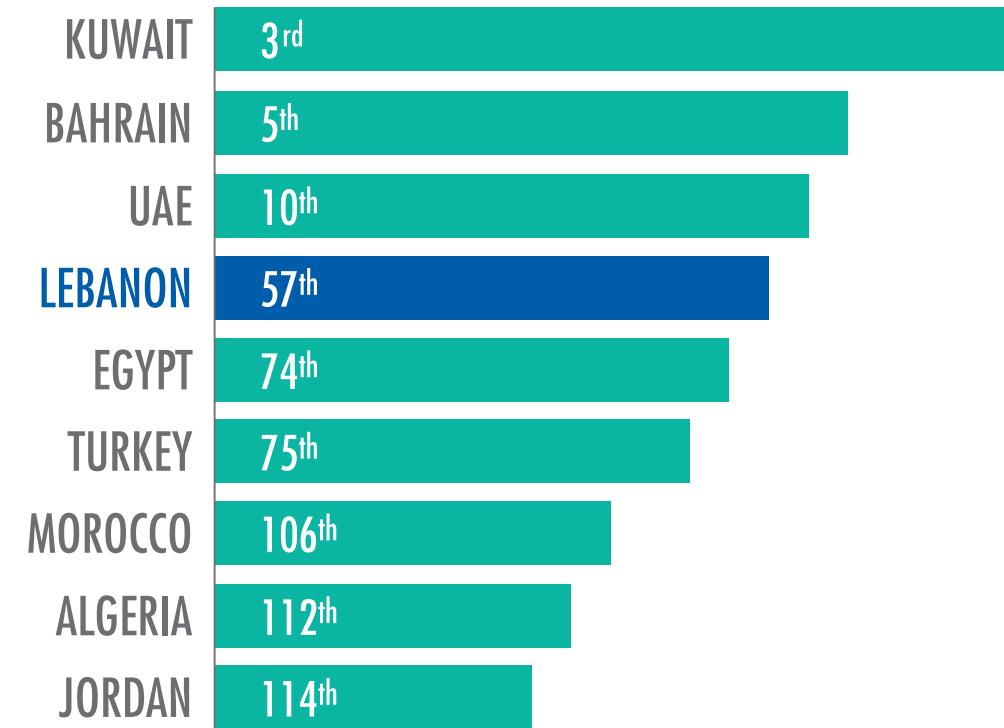
Source: Ministry of Education and Higher Education

# STRONG ENABLING INFRASTRUCTURE

FIXED-BROADBAND SUBSCRIPTION PER 100 CAPITA (2015)



MOBILE BROADBAND SUBSCRIPTION PER 100 CAPITA (2015)



NOTE: STANDING AMONG 189 COUNTRIES

Source: The State of Broadband Report 2015, ITU

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# THE GOVERNMENT OF LEBANON, THROUGH IDAL, OFFERS INVESTORS A RANGE OF FACILITATION SERVICES AND FISCAL EXEMPTIONS

---

## ABOUT US

The National Investment Promotion Agency of Lebanon

## HISTORY

Established in 1994 with the aim of promoting Lebanon as a key investment destination and attracting, facilitating & retaining investments in the country

## GOVERNANCE

IDAL reports to the Presidency of the Council of Ministers (who exercises a tutorial authority over it) and has financial and administrative autonomy

## LEGISLATION

Investment Law No. 360 was enacted in 2001 to regulate investment activities in Lebanon

# OUR MANDATES

## INVESTMENT PROMOTION

- ▶ Provide economic, commercial and legal information of relevance to investors
- ▶ Identifies business opportunities across various economic sectors
- ▶ Provide in depth analysis of sectors
- ▶ Grant fiscal exemptions and fees reduction to investment projects
- ▶ Facilitate issuance of permits and licenses
- ▶ Provide on-going support for investment projects
- ▶ Actively promotes Lebanon as key investment destination

## EXPORT PROMOTION

- ▶ Provide data on external markets
- ▶ Support companies in accessing external markets
- ▶ Subsidize participation in foreign fairs
- ▶ IDAL currently has in place 3 export promotion programs:

### **1. Agri Plus (2012):**

Which provides subsidies and support to exporters of agricultural products

### **2. AGRO MAP (2004):**

Which subsidizes the participation of agro food companies in foreign fairs licenses

### **3. M LEB MAP (2015):**

Which provides subsidies and support to exporters of Lebanese products to the Gulf countries and Jordan

---

# IDAL OFFERS INVESTORS A RANGE OF SERVICES THROUGHOUT THEIR DIFFERENT STAGES OF OPERATION

---

## 1 PRE-INVESTMENT STAGE MARKET INTELLIGENCE

Information on investment opportunities  
Data on economic sectors with growth potential  
Legal, financial, industrial information  
Data on investment climate.  
Business Matchmaking support

## 2 FINANCING STAGE PACKAGE OF INCENTIVES

### **FISCAL INCENTIVES:**

Exemptions from corporate income tax generated by the project which can go up to 100% exemption for 10 years

### **FINANCIAL INCENTIVES:**

Fees reductions such as reduction on land registration fees

### **NON-FINANCIAL INCENTIVES:**

Employees for the project are granted work permits with the support of IDAL

## 3 LICENSING AND AFTER-CARE STAGE ONE STOP SHOP

IDAL serves as a One Stop Shop for Investors. We supersede all public administrations, authorities and municipalities in issuing administrative permits and licenses except those granted by the Council of Ministers. We follow up with investors after the start of their operations



# EIGHT SECTORS ARE ELIGIBLE FOR OUR INCENTIVES

IDAL PROVIDES INCENTIVES  
TO EIGHT SECTORS WITH  
GROWTH POTENTIAL  
AND READINESS FOR  
DEVELOPMENT

THESE SECTORS WERE  
INCLUDED IN LAW N.360  
IN 2001



INDUSTRY



FOOD AND  
BEVERAGES



TOURISM



AGRICULTURE



INFORMATION  
TECHNOLOGY



TECHNOLOGY



TELECOM



MEDIA

## TWO TYPES OF INCENTIVE SCHEMES:

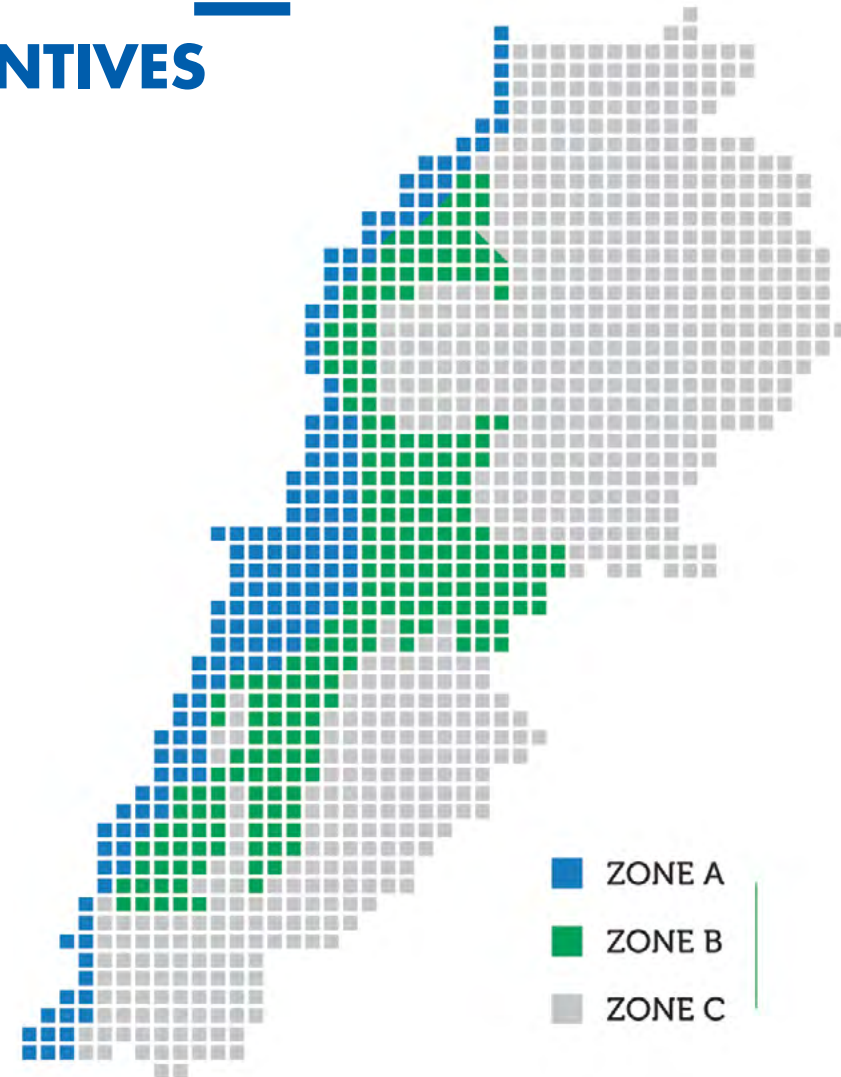
### 1. REGION & SECTOR BASED INCENTIVE

- Also called Investment Projects by Zone (IPZ)
- Provided to projects based on:
  - (1) Geographical location across 3 Zones: A, B, C
  - (2) Investment size
  - (3) Sector

### INCENTIVES PROVIDED

- Up to 100% tax exemptions for 10 years for projects located in remote areas (Zone C)
- Work Permits granted

## OUR INCENTIVES



## TWO TYPES OF INCENTIVE SCHEMES:

### 2. JOB CREATION BASED INCENTIVE

- Also called **Package Deal Contract (PDC)**
- Provided to projects based on:
  - (1) Investment size
  - (2) Number of jobs created
  - (3) Sector

### INCENTIVES PROVIDED

- 100% exemption of Income Tax
- 100 % exemptions on Taxes on Project Dividends for up to 10 years
- Up to a 50% reduction on Work and Residence Permit Fees
- Up to a 50% reduction on Construction Permit Fees
- Full exemption from Land Registration Fees

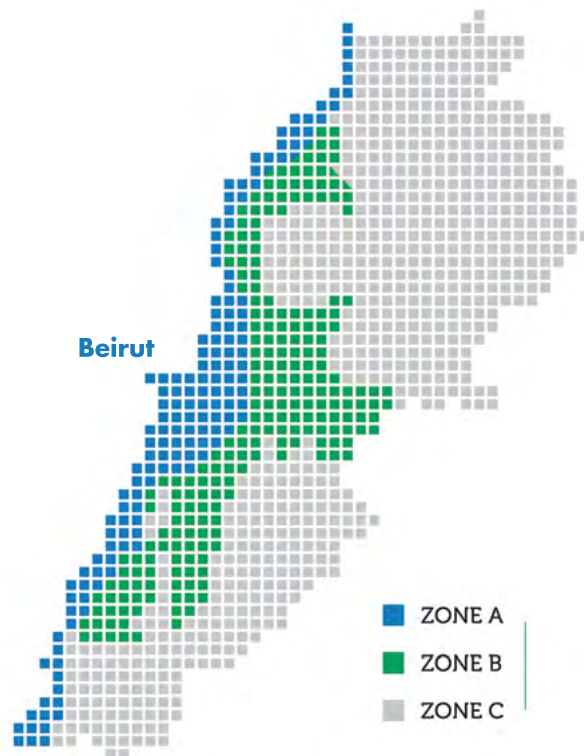
## OUR INCENTIVES



# REGION BASED INCENTIVE

## Investment Projects by Zone (IPZ)

### ► EIGHTS SECTORS ARE ELIGIBLE FOR OUR INCENTIVES



### INCENTIVES GRANTED BASED ON GEOGRAPHICAL DISTRIBUTION AND INVESTMENT SIZE

ZONE A	ZONE B	ZONE C
Work permits for all categories.	Work permits for all categories.	Work permits for all categories.
Full exemption from corporate income tax for a two-year period provided that at least 40% of the company's shares are listed on the Beirut Stock Exchange.	A 50% reduction on corporate income tax and taxes on project dividends for a five-year period.	Full exemption from corporate income tax and taxes on project dividends for a ten-year period.
	Full exemption from corporate income tax for two additional years provided that at least 40% of the company's shares are listed on the Beirut Stock Exchange.	Full exemption from income tax for two additional years provided that at least 40% of the company's shares are listed on the Beirut Stock Exchange.

# SECTOR BASED INCENTIVE

## Investment Projects by Zone (IPZ)

### ELIGIBILITY CRITERIA

SECTORS	MINIMUM INVESTMENT REQUIRED (USD)		
	ZONE A	ZONE B	ZONE C
TOURISM	10.000.000	4.000.000	1.000.000
INDUSTRY	5.000.000	3.000.000	1.000.000
AGRO-INDUSTRY	2.000.000	1.500.000	1.000.000
AGRICULTURE	1.500.000	1.000.000	500.000
INFORMATION TECHNOLOGY	200.000	200.000	200.000
TECHNOLOGY	200.000	200.000	200.000
TELECOMMUNICATION	200.000	200.000	200.000
MEDIA	200.000	200.000	200.000

# JOB CREATION & SECTOR BASED INCENTIVE Package Deal Contract (PDC)

## INCENTIVES GRANTED BASED ON JOB CREATION & SECTOR BASED

- |   |   |
|---|---|
| ▶ 100% Exemption on Income Tax for up to 10 years   | ▶ Zero Land Registration Fees                                     |
| ▶ Up to 50% Reduction on Construction Permit Fees   | ▶ 100% Exemption on Taxes on Project Dividends for up to 10 years |
| ▶ Up to 50% Reduction on Work and Residence Permits | ▶ Obtaining Work Permits of all categories                        |

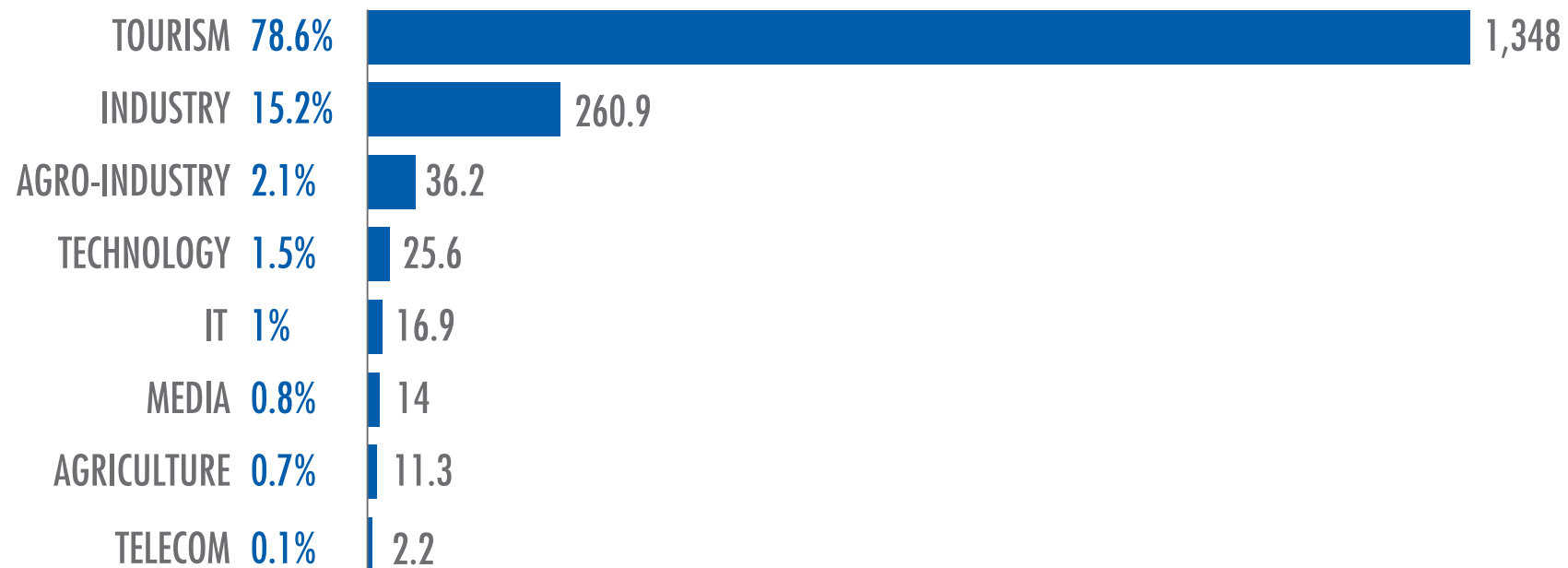
# JOB CREATION & SECTOR BASED INCENTIVE Package Deal Contract (PDC)

## ELIGIBILITY CRITERIA

SECTORS	MINIMUM INVESTMENT REQUIRED (USD)	MINIMUM JOB CREATION
TOURISM	15.000.000	200
INDUSTRY	10.000.000	100
AGRO-INDUSTRY	3.000.000	60
AGRICULTURE	2.000.000	50
INFORMATION TECHNOLOGY	400.000	25
TECHNOLOGY	400.000	25
TELECOMMUNICATION	400.000	25
MEDIA	400.000	25

# OUR ACHIEVEMENTS

## INVESTMENTS ATTRACTED THROUGH IDAL (USD MILLION) (2003-2015)

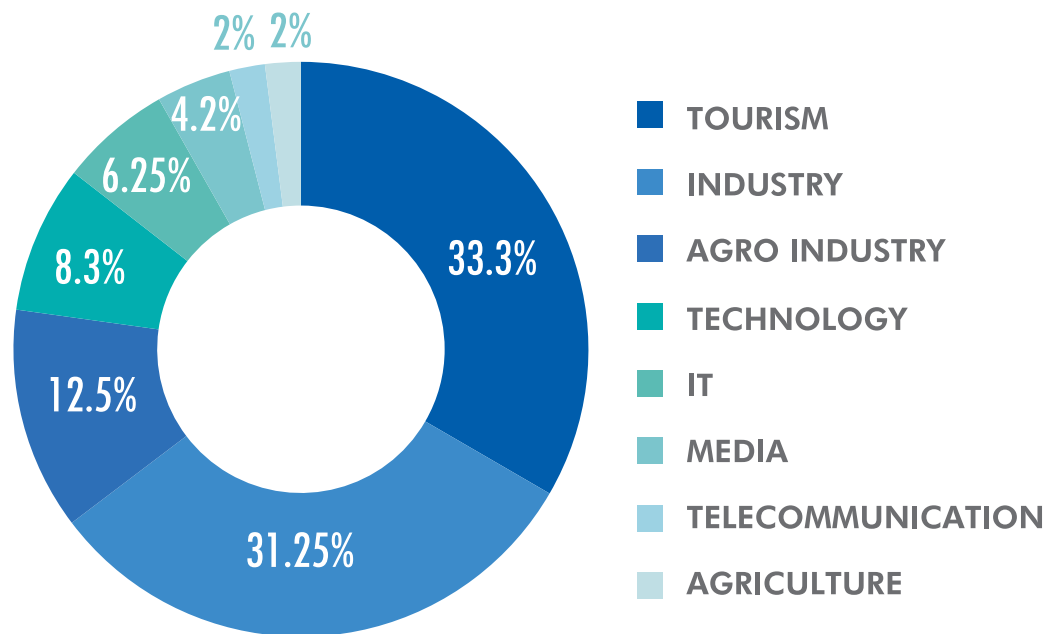


TOTAL: 1,715,108,960 USD  
Source: IDAL's Calculations

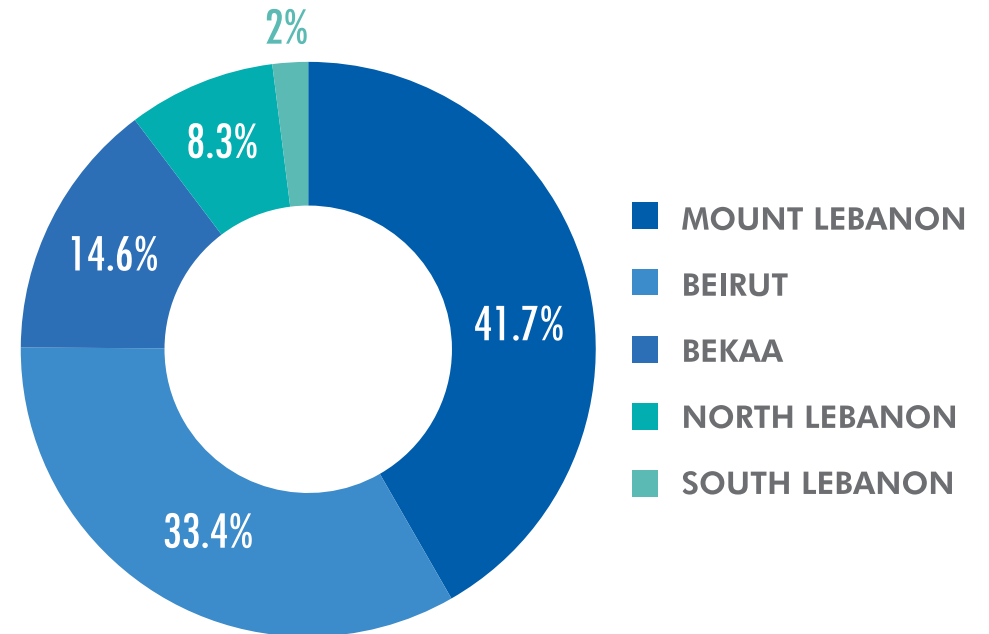


# OUR ACHIEVEMENTS

DISTRIBUTION OF PROJECTS BY SECTORS  
(%) (2003-2015)



DISTRIBUTION OF PROJECTS BY REGION  
(%) (2003-2015)

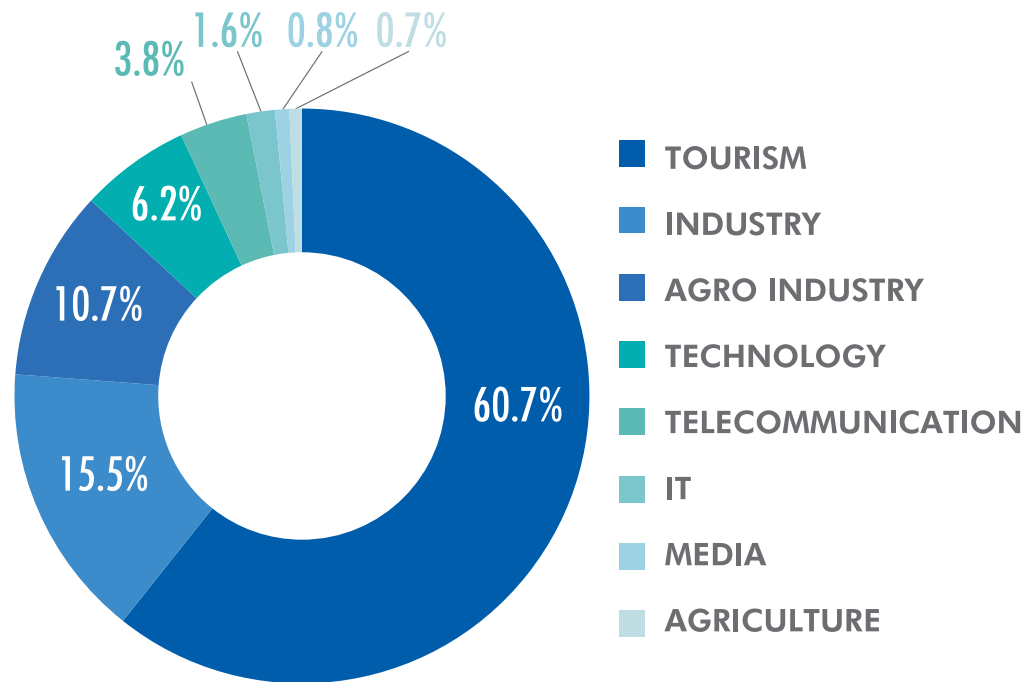


TOTAL: 48

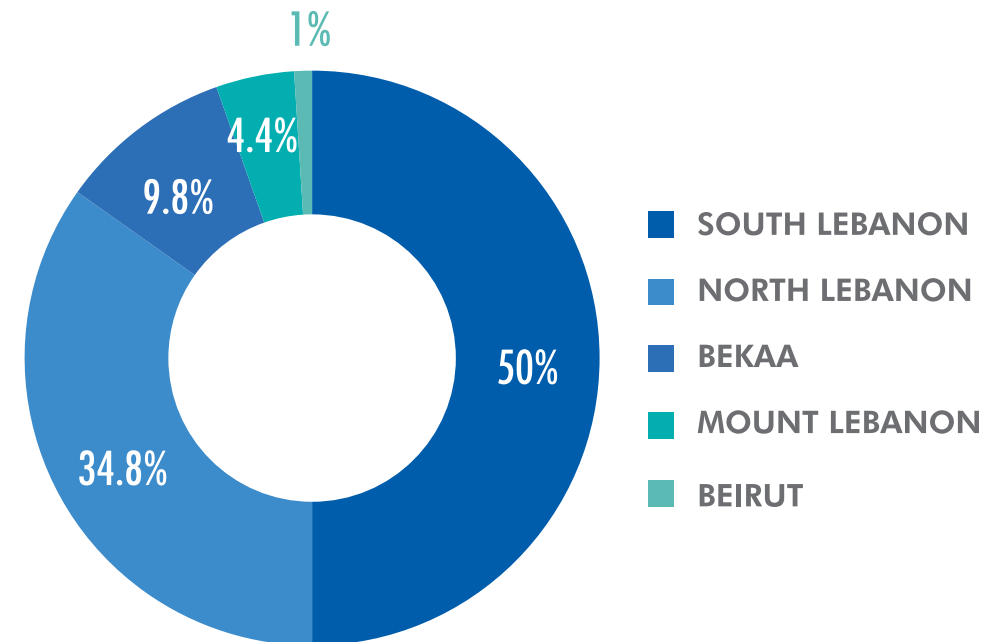
Source: IDAL's Calculations

# OUR ACHIEVEMENTS

TOTAL JOBS CREATED BY SECTOR  
(%) (2003-2015)



TOTAL JOBS CREATED BY REGION  
(%) (2003-2015)



TOTAL: 5,775  
Source: IDAL's Calculations

# HEADLINES

1. INVESTMENT CLIMATE IN LEBANON

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# HEALTHCARE TOURISM SECTOR

## WHY IS THERE POTENTIAL?

- ▶ **One of the highest ratio of doctors to population:** 32 doctors per 10,000, close to the ratio of European region with 32.1 doctors per 10,000
- ▶ Lebanon has a total of **130 hospitals spread throughout the country** of which, 105 fall under the private sector and 20 under the public sector
- ▶ **Directly contributes to 10% of the country's GDP** and indirectly to around 35%
- ▶ **One of the largest employer in the country:** generating 125,000 direct jobs in 2011 and 448,500 direct and indirect jobs in total
- ▶ The average **expenditures per health tourist** in Lebanon is around USD 6,900 during the treatment period

## WHERE ARE THE OPPORTUNITIES?

- ▶ **SPAs and wellness centers:** today there are very few destination wellness resorts in Lebanon and ample opportunities.
- ▶ **Specialized physical rehabilitation centers:** Today there are no privately run long-term care centers in specialized areas whereas the supply of doctors is immense
- ▶ **Specialized treatment centers**
- ▶ **Centers for alternative medicine**

## WHY IS THERE POTENTIAL?

- ▶ The media industry accounted for nearly 4.75% of Lebanese GDP in 2013 and generated an added value generated of around 55.3%
- ▶ The Film industry has seen a significant growth over the last 4 years as measured by the numbers of Lebanese films produced per year, hovering at 31 units in 2015, with an approximate investment value of USD 32.4 million
- ▶ The online platform in the Arab World is expected to be worth nearly 1 billion by 2016
- ▶ Every year, around 220 students are estimated to graduate with a degree in audiovisual arts
- ▶ Cost-competitive workforce: workers in the media sector are highly skilled with average wages usually 50%-60% lower than in GCC countries
- ▶ Lebanon's advertising expenditures rank continuously amongst the highest in region and reached USD 151.1 million in 2013

## WHERE ARE THE OPPORTUNITIES?

- ▶ Production and Post-Production facilities: Lebanon has **the potential to become the hub** in production and post-production
- ▶ Online Advertising
- ▶ **Online Gaming:** Today there are only few companies involved in gaming and as such there are ripe opportunities
- ▶ **Specialized 3D Animation**
- ▶ **Development of Arabic content:** supported by Lebanon tri-lingual workforce and less than 1% of content in the Arabic Region is actually in Arabic, whereas more than 60% of users in the region tend to prefer Arabic content.

## WHY IS THERE POTENTIAL?

- ▶ Lebanon ranked **5th in the MENA region** on the ICT Development Skills Index, which measures ICT capabilities and skills.
- ▶ **Strong human capital base with a world-class educational system:** Lebanon ranked 28th worldwide for the Quality of its Educational System, and 5th globally for the Quality of Math and Sciences Education
- ▶ **Cost-competitive workforce:** the average wage of Software Engineers is nearly 40% lower than in the GCC and 50% lower than in selected developed economies
- ▶ Companies engaged in the creation of Software Products and Services employ **a total of around 5,000 high skilled individuals**

## WHERE ARE THE OPPORTUNITIES?

- ▶ **Consumer internet:** there is an especially high demand for Arabic content creation
- ▶ **AdTech:** especially in mobile, search, and video
- ▶ **Gaming:** specifically on tablets and smartphones
- ▶ Value Added Services
- ▶ **E-platforms:** e-government and e-health
- ▶ **Enterprise software and cloud computing:** Software as a Service (SaaS) for the banking and finance, and insurance sectors

# THE TECH SECTOR

## WHY IS THERE POTENTIAL?

- ▶ Lebanon is moving up the value chain in the ICT sector, diversifying from software development to the manufacturing of ICT components
- ▶ Opportunity for **Lebanon to become outsourcing base** for the manufacturing of electronics due to its low cost compared to the region and EU wages
- ▶ **Competitive salary base:** the average wage of software engineers is nearly 40% lower than in the GCC and nearly 50% lower than in selected developed economies
- ▶ A technology cluster is fast Emerging
- ▶ Around **3000 engineers** graduate each year and join a labor force currently comprising USD 1.3 million

## WHERE ARE THE OPPORTUNITIES?

- ▶ **Manufacturing of ICT Components** and more specifically the manufacturing of communication equipment, computers and peripherals, fiber optic cables, other electronics and wire cables, manufacturing of electronic equipment and boards
- ▶ **Manufacturing of Medical Components** mainly the manufacturing of healthcare equipment & supplies such as prosthetics
- ▶ **Research and Development** in the following areas: Biotechnology and the development of genetic research. With proper cooperation with universities this sector has potential to grow

## WHY IS THERE POTENTIAL?

- ▶ **Ideal climate and landscape:** with agricultural areas covering around 65% of the Lebanese territory
- ▶ **Rich soil** favor versatile and high quality agricultural production
- ▶ **Abundant water resources:** Rainfall in the country is significantly higher than the regional average
- ▶ **Exposure to a wide market:** Lebanon is a point of entry to the Middle Eastern market
- ▶ **High government support for the sector:** Investors obtain soft loans at low interest rates. IDAL has also in place its Agri Plus program that monitors quality control of Lebanese fresh produces to meet international standards

## WHERE ARE THE OPPORTUNITIES?

- ▶ **Fish farms**
- ▶ **Livestock**
- ▶ **Traditional farms of vegetables and eggs**
- ▶ **Packaging centers & Materials**



# PHARMACEUTICAL SECTOR

## WHY IS THERE POTENTIAL?

- ▶ Lebanon ranked **28th worldwide** for the Quality of its Educational System, and 5th globally for the Quality of Math and Sciences Education
- ▶ More than **1500 students graduate yearly** in the fields of Biology, Chemistry, Pharmacy and Medicine and are recruited by local, regional and international pharmaceutical companies
- ▶ Rapidly growing health services market: Lebanon's pharmaceutical market is estimated at around **USD 1.48 billion (2014), a 8.4% growth from 2013 levels**
- ▶ Importers share in the market is 92%-95% (146 importers/agents)
- ▶ In 2014, imports were estimated at **USD 1,720,474 million**, an increase by 4.6% from 2013 levels

- ▶ Sector dominated by 13 pharmaceutical companies mostly
- ▶ More than **6,346 pharmaceuticals products and 2,185 community pharmacies**
- ▶ IP system that protects patents

## WHERE ARE THE OPPORTUNITIES?

- ▶ JV for Patented Drugs
- ▶ Production of Generics
- ▶ Production of OTC Drugs
- ▶ Production of Natural Products

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# CONTACT US

INVESTMENT DEVELOPMENT  
AUTHORITY OF LEBANON



/InvestInLebanon



@Invest\_Lebanon



/investmentdevelopmentauthorityoflebanon



/InvestInLebanon



T + 961 (1) 983306/7/8

F + 961 (1) 983302/3



invest@idal.com.lb  
export@idal.com.lb



Lazarieh Tower, 4th Floor,  
Emir Bechir Street,  
Riad El-Solh, Beirut, Lebanon  
**P.O.Box: 113-7251**  
[www.investinlebanon.gov.lb](http://www.investinlebanon.gov.lb)