

# U.S. Country Commercial Guides



Lebanon

2017

## Table of Contents

<b><i>Doing Business in Lebanon</i></b> _____	<b>6</b>
Market Overview _____	6
Market Challenges _____	7
Market Opportunities _____	7
Market Entry Strategy _____	9
<b><i>Political Environment</i></b> _____	<b>10</b>
Political Environment _____	10
<b><i>Selling U.S. Products &amp; Services</i></b> _____	<b>11</b>
Using an Agent to Sell U.S. Products and Services _____	11
Establishing an Office _____	11
Franchising _____	11
Direct Marketing _____	12
Joint Ventures/Licensing _____	12
Selling to the Government _____	13
Distribution & Sales Channels _____	13
Express Delivery _____	14
Selling Factors & Techniques _____	14
eCommerce _____	14
Trade Promotion & Advertising _____	15
Pricing _____	16
Sales Service/Customer Support _____	16
Protecting Intellectual Property _____	16
Due Diligence _____	17
Local Professional Services _____	17
Principle Business Associations _____	17
Limitations on Selling U.S. Products and Services _____	18
Web Resources _____	18
<b><i>Leading Sectors for U.S. Exports &amp; Investments</i></b> _____	<b>19</b>
Apparel _____	19
Overview _____	19

Leading Sub-Sectors	19
Opportunities	20
Web Resources	20
<b>Automotive</b>	<b>21</b>
Overview	21
Leading Sub-Sectors	21
Opportunities	21
Web Resources	21
<b>Medical Equipment</b>	<b>23</b>
Overview	23
Leading Sub-Sectors	23
Opportunities	23
Web Resources	23
<b>Pharmaceuticals</b>	<b>25</b>
Overview	25
Leading Sub-Sectors	25
Opportunities	26
Web Resources	26
<b>Safety / Security Equipment</b>	<b>27</b>
Overview	27
Leading Sub-Sectors	27
Opportunities	28
Web Resources	28
<b>Agricultural Sector</b>	<b>29</b>
Overview	29
Web Resources	29
<b>Customs, Regulations &amp; Standards</b>	<b>30</b>
<b>Trade Barriers</b>	<b>30</b>
<b>Import Tariff</b>	<b>30</b>
<b>Import Requirements &amp; Documentation</b>	<b>30</b>
<b>Labeling/Marking Requirements</b>	<b>31</b>
<b>U.S. Export Controls</b>	<b>32</b>
<b>Temporary Entry of Goods</b>	<b>32</b>
<b>Prohibited &amp; Restricted Imports</b>	<b>33</b>
<b>Customs Regulations</b>	<b>34</b>
<b>Standards for Trade</b>	<b>34</b>
Overview	34
Standards	34
Testing, inspection and certification	35
Publication of technical regulations	36
Contact Information	36
<b>Trade Agreements</b>	<b>36</b>

<b>Licensing Requirements for Professional Services</b>	<b>37</b>
<b>Web Resources</b>	<b>37</b>
<b><i>Investment Climate Statement</i></b>	<b>39</b>
<b>Executive Summary</b>	<b>39</b>
<b>Openness to and Restrictions upon Foreign Investment</b>	<b>40</b>
Conversion and Transfer Policies	40
Limit on Foreign Control and Right to Private Ownership and Establishment	41
Other Investment Policy Reviews	42
Business Facilitation	42
Outward Investment	43
<b>Bilateral Investment Agreement and Taxation Treaties</b>	<b>43</b>
<b>Legal Regime</b>	<b>44</b>
Transparency of the Regulatory System	44
International Regulatory Considerations	45
Legal System and Judicial Independence	45
Laws and Regulations on Foreign Direct Investment	46
Competition and Anti-Trust Laws	46
Expropriation and Compensation	46
Dispute Settlement	47
Bankruptcy Regulations	47
<b>Industrial Policies</b>	<b>48</b>
Investment Incentives	48
Foreign Trade Zones/Free Ports/Trade Facilitation	49
Performance and Data Localization Requirements	50
<b>Protection of Property Rights</b>	<b>50</b>
Real Property	50
Intellectual Property Rights	51
<b>Financial Sector</b>	<b>52</b>
Capital Markets and Portfolio Investment	52
Money and Banking System	53
Foreign Exchange and Remittances	54
Sovereign Wealth Funds	54
<b>State-Owned Enterprises</b>	<b>54</b>
Privatization Program	56
<b>Responsible Business Conduct</b>	<b>56</b>
<b>Corruption</b>	<b>57</b>
<b><i>Political and Security Environment</i></b>	<b>59</b>
<b><i>Labor Policies and Practices</i></b>	<b>60</b>
<b><i>OPIC and Other Investment Insurance Programs</i></b>	<b>61</b>
<b><i>Foreign Direct Investment and Foreign Portfolio Investment Statistics</i></b>	<b>61</b>
<b><i>Contact for More Information</i></b>	<b>63</b>

<b><i>Trade &amp; Project Financing</i></b> _____	<b>64</b>
<b>Methods of Payment</b> _____	<b>64</b>
<b>Banking Systems</b> _____	<b>64</b>
<b>Foreign Exchange Controls</b> _____	<b>64</b>
<b>US Banks &amp; Local Correspondent Banks</b> _____	<b>64</b>
<b>Project Financing</b> _____	<b>68</b>
<b>Financing Web Resources</b> _____	<b>68</b>
<b><i>Business Travel</i></b> _____	<b>70</b>
<b>Business Customs</b> _____	<b>70</b>
<b>Travel Advisory</b> _____	<b>70</b>
<b>Visa Requirements</b> _____	<b>70</b>
<b>Currency</b> _____	<b>71</b>
<b>Telecommunications/Electric</b> _____	<b>71</b>
<b>Transportation</b> _____	<b>71</b>
<b>Language</b> _____	<b>72</b>
<b>Health</b> _____	<b>72</b>
<b>Local Time, Business Hours and Holidays</b> _____	<b>72</b>
<b>Temporary Entry of Materials or Personal Belongings</b> _____	<b>73</b>
<b>Travel Related Web Resources</b> _____	<b>73</b>

INTERNATIONAL COPYRIGHT, U.S. & FOREIGN COMMERCIAL SERVICE AND U.S. DEPARTMENT OF STATE, 2017. ALL RIGHTS RESERVED OUTSIDE OF THE UNITED STATES.

## Doing Business in Lebanon

### Market Overview

Lebanon was the 72nd largest market for U.S. exports in 2016, according to U.S. Department of Commerce statistics. The Lebanese Customs Authority reported that Lebanon's total imports in 2016 reached USD 18.705 billion, of which USD 1.184 billion came from the United States.

In 2016, the United States ranked as Lebanon's third largest trading partner behind China and Italy. According to Lebanese Customs statistics, major U.S. exports to Lebanon were vehicles (USD 326 million), mineral fuel and oil (USD 237 million), products of chemical industries (USD 193 million), machinery and electrical instruments (USD 118 million), prepared foodstuffs, beverages and tobacco (USD 68 million), and vegetable products (USD 47 million).

Lebanon's Central Bank Governor estimated GDP growth at two percent in 2016. Quoting the World Bank and the International Monetary Fund (IMF), he forecasts growth to reach two to three percent in 2017. Inflation was negative in 2016 and the IMF forecasts it to reach two percent in 2017.

Lebanon's economy follows a laissez-faire model. The economy is highly dollarized and the average exchange rate is stable at 1507.5 Lebanese Pounds (LBP) to the U.S. Dollar. The country has no restrictions on the movement of capital, capital gains, remittances, dividends, or the inflow and outflow of funds. The Lebanese government's intervention in foreign trade is minimal.

Lebanon faces major financial challenges, notably a very high level of public debt and large external financing needs. The business climate will remain sensitive to domestic and regional political and security developments. Spillover from the Syrian crisis, including refugee inflows, will continue to impact public infrastructure and services, and growth, which is expected to remain below potential in the near term.

The U.S. Government has neither a bilateral investment treaty (BIT) with Lebanon nor an agreement on the avoidance of double taxation. The U.S. Government signed a Trade and Investment Framework Agreement (TIFA) with Lebanon in 2006. Since 1999, Lebanon has had observer status at the World Trade Organization (WTO), but has yet to accede to the organization. In 2002, Lebanon signed an association agreement with the European Union that entered into force in 2006.

Lebanon announced its commitment to join the Extractive Industries Transparency Initiatives (EITI), a global standard to promote transparency of the extractive sector. The standard requires annual data on licenses, contracts, beneficial ownership, payments, revenues and production.

There are many good reasons for U.S. companies to export to Lebanon. Lebanese consumers are fond of U.S. products, given their high quality and competitive price. English is widely spoken in the business community and many Lebanese have personal experience in the U.S.,

either through education or work experience. Lebanon has a developed banking sector. Payments for business transactions are often made in U.S. dollars, and nearly all Lebanese banks have American correspondent banking relationships that facilitate financial transactions between U.S. exporters and Lebanese importers.

### Market Challenges

The procedures for business entry, operation, and exit are not streamlined and are plagued by excessive regulation. However, the process does not discriminate against foreign investors. Despite this, the [World Bank's 2017 Doing Business report](#) notes that it takes entrepreneurs 15 days to start a business in Lebanon, compared to the average of 20.2 days in the MENA region.

According to the 2016 Transparency International's (TI) Corruption Perception Index (CPI), Lebanon ranked 136 out of 176 countries worldwide, making Lebanon among the 50 most corrupt countries in the world. Foreign and local companies have complained about impediments such as corruption, red tape, arbitrary licensing decisions, complex customs procedures, outdated legislation, an ineffectual judicial system, high taxes and fees, high telecommunication charges and slow internet speeds, poor power provision, inconsistent interpretation of laws, and inadequate protection of intellectual property.

Lebanon adheres to the Arab League boycott of Israel. Enforcement is selective, as many goods on the boycott list are available in the Lebanese market. The Arab League's Central Boycott Office maintains a blacklist of U.S. firms that are believed to contribute to Israel's military or economic development. As per U.S. anti-boycott regulations, U.S. companies must refrain from certifying that their products do not come from Israel. If there appears to be any request that might be in support of boycotts, companies should contact the [Bureau of Industrial Security \(BIS\)](#) in the U.S. Department of Commerce.

### Market Opportunities

The Council for Development and Reconstruction (CDR) is the Lebanese government's executive body responsible for tendering major projects, procuring financing for these projects, and supervising their execution. Major projects exist in transportation, electricity, telecommunications, education, solid and water waste. These projects are listed on the [website](#).

Significant investment opportunities for international companies exist in the energy, water and wastewater, oil and gas, safety and security, franchising, Information and Communications Technology (ICT), and healthcare sectors. More information about electricity and water projects can be found on the [website](#). More information about Lebanon's franchising sector can be found on the [website](#).

The Ministry of Energy and Water (MoEW) and the Petroleum Administration (PA) are seriously pursuing onshore and offshore hydrocarbon development. The U.S. Geological Survey estimated in 2010 a mean of 122 tcf of natural gas and a mean of 1.7 billion barrels of oil in the Levant Basin, which includes waters shared by Lebanon, Israel, Syria and Cyprus. To date, about 16,000 square km, over 70% of Lebanon's total offshore area, has been covered by a 3D seismic survey, and most recent estimates indicate a 50% probability that 45% of Lebanon's Exclusive Economic Zone (EEZ) contains 96 trillion cubic feet (tcf) of natural gas and 850 ml barrels of oil. U.S. company Neos Geosystems, which signed a contract with the MoEW in January 2014, performed an airborne onshore survey of the subsurface of the northern part of Lebanon, to help better understand hydrocarbon prospects onshore. In 2015, the PA contracted U.S. law firm Cleary Gottlieb Steen and Hamilton as its consultant for the first bid licensing round and contract negotiation. In June 2017, Norway renewed the Oil for Development program in Lebanon for capacity building and technical support for 2018-2020.

Despite a maritime border delineation dispute between Lebanon and Israel of over some 860 square km, the MoEW launched the country's first offshore licensing round on April 30, 2013, but has had to postpone the bid deadline several times until the Cabinet endorsed two decrees - one a model Production Sharing Agreement and the other the delineation of the ten offshore blocks -- required for the licensing round to be able to proceed on January 4, 2017. On January 26, 2017, the MoEW launched the first offshore licensing round with the bid deadline set for September 15, 2017, and the contract award by the end of the year. Moreover, it opened a second prequalification round, which raised to 51 the total number of prequalified - international oil companies (IOCs), of which 13 IOCs prequalified as Operators and 38 as Non-operators.

The PA has completed the first phase of its hydrocarbon strategy for the future of Lebanon's offshore gas, and is now working on the ripple effect on the economy of any offshore discovery. It has completed a draft onshore exploration law currently under study within a ministerial committee. A Petroleum Tax law is expected to be endorsed by Parliament this summer.

Significant potential opportunities for U.S. oil companies exist in Lebanon's offshore and onshore oil and gas exploration. Moreover, there are tremendous opportunities in related sectors since the MoEW plans to have most of Lebanon's energy supply come from conventional sources of energy, mostly gas, by 2020. It also wishes to expand the usage of gas to industries and commercial and residential premises. U.S. firms are well positioned to participate in the field of upgrading Lebanon's power plants to operate on natural gas, the construction of an LNG pipeline along the coast from northern to southern Lebanon with, subsequently, extensions to reach businesses and residential entities, and the development of terminals and storage facilities.

More information about Lebanon's oil and gas opportunities can be found on the [website](#).



## Market Entry Strategy

U.S. companies interested in doing business in Lebanon are advised to hire a Lebanese agent or distributor. Although working through an agent is common practice in Lebanon, networking and lengthy investigation are key to finding an appropriate one.

U.S. companies do not need to visit Lebanon to find an agent. The U.S. Commercial Service can help U.S. companies find the right partner through the International Partner Search (IPS) service. Information is available on the [website](#).

The Investment Development Authority of Lebanon (IDAL), a public agency responsible for promoting investments in Lebanon, has a “One-Stop Shop” service to issue permits and licenses for investors. More information is available on the [website](#).

## Political Environment

### Political Environment

For background information on the political and economic environment of Lebanon, please see the [U.S. Department of State Background Notes](#).

## Selling U.S. Products & Services

### Using an Agent to Sell U.S. Products and Services

U.S. companies are advised to appoint a Lebanese agent or distributor when doing business in Lebanon. The agent may be a partnership, a sole proprietorship, a joint-stock company, or a limited liability company. The agent can act on behalf of the U.S. Company to bid for government tenders and to market its products. The U.S. Commercial Service can help U.S. companies find reliable agents through the International Partner Search (IPS). More information can be found on [export.gov](http://export.gov).

### Establishing an Office

A foreigner who wishes to establish a business branch in Lebanon must apply for a residency permit from the Directorate of General Security (aka *Sûreté Générale* in French) and a work permit from the Ministry of Labor. Foreign companies require a license to operate from the Ministry of Economy and Trade. U.S. companies may operate through local branches, provided they obtain a “receipt of acknowledgement” from the Ministry of Economy and Trade and register in a local commercial court. For trade activity, the company must be registered at any of the four regional chambers of commerce and industry.

The Investment Development Authority of Lebanon (IDAL) has a “One-Stop Shop” service to issue permits and licenses for investors. More information is available on the [website](#).

### Franchising

Franchising in Lebanon has experienced notable growth since the late 1990s. With the successful establishment of international brand names and their continuous expansion across the country, franchising has become one of the fastest growing business sectors in Lebanon. Moreover, Lebanese consumers are well educated, exposed and very receptive to western franchise concepts.

Franchising opportunities are extensive in the food business. Reports indicate that the size of the current food franchise market is estimated at more than USD \$80 million. Major U.S. fast food outlets, including Baskin-Robbins, Burger King, Chili's, Domino's Pizza, Dunkin' Donuts, Hardee's, Kentucky Fried Chicken (KFC), Magnolia Bakery, McDonald's, P.F. Chang's, Pinkberry, Pizza Hut, Shake Shack, Starbucks, Subway, Cheese Cake Factory and T.G.I. Friday's, are widely present in the Lebanese market. Lebanese have also created their own franchising business concepts, locally and regionally, most notably in the restaurant industry. This trend confirms the success of the franchising concept in Lebanon.

Franchising is also available in the areas of clothing and services. Related American franchises in Lebanon include Berlitz Languages, Florsheim, Century 21 Real Estate, Coldwell Banker, Hertz, Avis, New Horizons, RE/MAX International, Ziebart, and Regus.

Hotel franchises also witnessed growth in Lebanon, with many local hotels partnering with international chains, to the benefit of local proprietors taking advantage of the chains' name recognition and international reservation networks. Hilton, Four Seasons, Movenpick, Crowne Plaza, Inter-Continental and Holiday Inn already manage hotels in Lebanon.

The Lebanese Franchise Association (LFA) hosts the annual Beirut International Franchise Forum (BIFEX), which offers significant opportunities for U.S. businesses by gathering franchisors and potential franchisees from around the Middle East. More information about [LFA](#) is available.

## Direct Marketing

Lebanon's annual advertising expenditures constantly rank amongst the highest in region. After having peaked in 2010 at USD 161.4 million, advertising spending slumped in the following years as Lebanon's economic situation worsened. However, a gradual recovery occurred in 2014 with annual advertising expenditures reaching USD 160.1 million.

Television advertising represents the biggest share of total advertising spending with a value exceeding USD 50 million. Out-of-Home and Cinema Advertising represented the second largest share of total advertising spending with a value exceeding USD 25 million. Cinema advertising expenditure does not exceed USD two million. Newspapers represent around 15 percent of total advertising spending, exceeding USD 20 million. Meanwhile, magazines accounted for seven percent of total advertising expenditure. Digital advertising has steadily expanded over the past few years, exceeding USD 15 million, and radio advertising exceeds USD five million.

Marketing can be also achieved through trade fairs and exhibitions. Numerous international fairs are held in Lebanon every year, with significant participation from European, Asian, Middle Eastern, and increasingly, U.S. companies. Additional information can be found on [export.gov](#).

## Joint Ventures/Licensing

Joint ventures in Lebanon are established through the following six steps:

1. Completion of preliminary legal tasks
2. Payment of share capital
3. Registration at the Trade Register
4. Registration at the Bar Association
5. Payment of duties at the Ministry of Finance

## 6. Release of capital

Detailed information is available on [IDAL's website](#).

Licenses are usually issued by the concerned ministries or through IDAL. More information is available on the [website](#).

## Selling to the Government

The U.S. Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the World Bank. These institutions lend billions of dollars to developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by contacting the [Commercial Liaison Office to the World Bank](#).

The Council for Development and Reconstruction (CDR), a public authority established in 1977, is the government body responsible for all major reconstruction and development projects in Lebanon. The CDR reports to the Council of Ministers (i.e. Cabinet) and coordinates its sector-based actions with the concerned ministries. These projects are usually carried out through public tenders, although purchases are occasionally made via direct contract when attractive financing protocols are offered. More information about projects to be awarded and ongoing projects is available on the [website](#).

Ministries can issue tenders below LBP 100 million (USD 66,335); these are published on the ministries' websites and in local newspapers. However, for tenders exceeding the threshold, the public tendering department is responsible for launching these tenders, unless the cabinet authorizes the relevant ministry to launch the tender directly. U.S. companies can apply directly for these tenders or can rely on local agents to bid on their behalf.

Lebanon does not abide by the WTO-Government Procurement Agreement (Lebanon is not a member of the World Trade Organization). Lebanon has a public procurement law that is outdated, and a new law is currently pending in Parliament.

## Distribution & Sales Channels

Most products imported to Lebanon enter either through the Beirut-Rafic Hariri International Airport (RHIA) or the Beirut Port. Foreign exporters rely on local companies both to receive the imported products at the Beirut Port and Beirut-RHIA after they are cleared by local or international expeditors from the customs authority and subsequently to distribute them in the market. Although traditional markets and souks exist in Lebanon, most products are

distributed through modern retail stores, shopping malls, department stores, and supermarket chains spread throughout the country.

Major shopping malls and department stores in Lebanon include ABC, Beirut City Center, Beirut Mall, Beirut Souks, CityMall, and Le Mall. Major supermarket chains include Carrefour, Le Charcutier Aoun, Fahed Supermarket, Metro Superstore, Monoprix, Spinneys, and The Sultan Center (TSC).

### Express Delivery

Local and international express delivery companies are common and reliable in Lebanon. Libanpost is Lebanon's national post office.

There are several local and international freight service companies such as Expeditors, FedEx, Beirut Cargo Center, UPS, Aramex, TNT, and DHL that provide air, ocean, and ground transportation shipments to and from Lebanon. Air shipping time from the United States to Lebanon is estimated between one to three days, whereas ocean shipping time from the U.S. to Lebanon is estimated between 25 to 45 days.

### Selling Factors & Techniques

The Lebanese market is generally considered to be open and price sensitive. Sales materials can be in English, French, or Arabic. Many European and Asian brands introduced into the market have managed to gain considerable market share, but high-quality U.S. products are still valued by high-end consumers who appreciate quality, technology, innovation, and added value.

Exclusive rights are a common practice in the Lebanese market, and Lebanese companies usually request exclusive rights when signing agency agreements with foreign companies. Therefore, U.S. companies are encouraged to work with one exclusive agent to represent their products in Lebanon. It is also advisable for U.S. companies to consult with local lawyers when doing business in Lebanon. A list of local lawyers is available on the [website](#).

### eCommerce

eCommerce is used in Lebanon and mobile eCommerce is also on the rise. Despite the continued lack of an e-commerce law and a legal and regulatory framework for e-transactions, a wide variety of eCommerce ventures, including fashion retail, food and beverage, banking, electronics, and ticketing are operational. The most popular payment methods include online credit cards and cash upon delivery. BLOM Invest Bank estimated that only 10% of internet users in Lebanon shopped online in 2015, as opposed to 40% globally,

blaming high internet costs and slow internet speeds for relatively limited activity. It also estimated the size of the eCommerce industry in Lebanon at less than \$1M in 2015.

### Trade Promotion & Advertising

Lebanon is considered a regional center for the advertising industry, with offices serving most of the Arab region, including the Gulf countries. Lebanon itself enjoys a sophisticated domestic audience and a thriving media sector. There are 7 television stations, over 40 printed and online newspapers, over 30 magazines, and more than 20 radio stations.

Television remains the favored medium of advertising and captures half of the advertising market. Other media include print, billboards, social media, and radio.

There are more than 12 Arabic-language dailies in Lebanon, as well as the [English-language Daily Star](#) and the [French-language L'Orient Le Jour](#). Most newspapers are also available online.

Below are major trade fairs organizers in Lebanon:

- [BIEL Center](#)
- [Confex-Lebanon](#)
- [E Square](#)
- [Hospitality Services](#)
- [Iktissad Events](#)
- [International Fairs and Promotion](#)
- [Promofair](#)

Major business magazines include:

- [Lebanon Opportunities](#);
- [Executive Magazine](#);
- [Arab Ad Magazine](#);
- [Le Commerce du Levant](#).

## Pricing

Imported goods are subject to customs duties and a value-added tax (VAT) of 10 percent. The Consumer Protection Department at the Ministry of Economy and Trade sets the price of local Lebanese flat bread (note that other types of bread are not affected by these regulations). The Ministry of Energy and Water sets the prices of petroleum derivatives, and the Ministry of Public Health sets the prices of pharmaceuticals. The Technical Center for Price Control at the Ministry of Economy and Trade surveys supermarket prices of consumer goods every two months.

## Sales Service/Customer Support

A number of leading Lebanese companies have sales service and customer support units, as such services are critical to maintaining market share. Lebanon has a Consumer Protection Law, which calls for the establishment of mechanisms for better protection of consumers. The Consumer Protection Directorate at the Ministry of Economy and Trade has a call-center hotline (1739) to receive consumer claims.

## Protecting Intellectual Property

Lebanon is still not a member of the WTO though its intellectual property rights (IPR) legislation is generally compliant with Trade-Related Intellectual Property Rights (TRIPS). However, IPR enforcement is weak. Counterfeit products found in the local market generally fall in the following categories: alcoholic beverages, cosmetics, apparel, luxury consumer goods, fast-moving consumer goods (FMCGs), CDs/DVDs, and pharmaceuticals. There is no evidence that counterfeits have substantially affected imports or production of these categories of goods. The Ministry of Economy and Trade (MoET) Intellectual Property Protection Office (IPPO) has led efforts to improve the IPR regime but suffers from limited financial and human resources, and insufficient political will within the Government of Lebanon. Lebanon's Internal Security Forces (ISF) and Customs also play a role in enforcement. The understanding of IPR within the Lebanese judiciary has improved somewhat in recent years but gaps remain in awareness of the economic repercussions of IPR violations, judicial prosecution of IPR cases, and strong court decisions with punishments prohibitive enough to deter future infringements. The MoET's new draft laws and amendments to existing laws to improve the IPR environment are pending parliamentary approval.

For background on these principles please go to [Protecting Intellectual Property](#) and also [Corruption](#).

**IP Attaché Contact for Lebanon**  
Aisha Salem



U.S. Embassy P.O Box 77 Safat 13001, Kuwait, Plot No.14 Block 6 Masjed Al-Aqsa Street Kuwait City, Kuwait

Telephone: +965 2259 1455

E-mail: [aisha.salem@trade.gov](mailto:aisha.salem@trade.gov)

## Due Diligence

U.S. firms wishing to do business in Lebanon are encouraged to conduct due diligence on their potential partners. To verify the bona fides of Lebanese companies, U.S. firms may request the U.S. Commercial Service International Company Profile (ICP) service. The ICP report includes factual data on the Lebanese firm's management, business activities, product lines, financial condition, credit-worthiness, trading experience, market coverage, and business connections in the country, as well as an embassy evaluation to help U.S. firms assess risks, reliability, and capability. More information is available on the [website](#).

## Local Professional Services

- [Khalil Masri & Fils Sarl](#)
- [5 Index - Online business directory](#)

## Principle Business Associations

- [American Lebanese Chamber of Commerce](#).

The American Lebanese Chamber of Commerce (Amcham) has over 180 active members. Major U.S. companies present in Lebanon, including Microsoft, Cisco, Citi and Pfizer, are members of Amcham.

- [Chamber of Commerce, Industry and Agriculture of Beirut and Mount Lebanon](#)
- [Chamber of Commerce, Industry and Agriculture of Sidon and South Lebanon](#)
- [Chamber of Commerce, Industry and Agriculture of Tripoli and North Lebanon](#)
- [Chamber of Commerce, Industry and Agriculture of Zahle and Bekaa](#)
- [Association of Lebanese Industrialists](#)
- [Lebanese Franchise Association](#)

The primary role of those associations is to represent the interests of the private sector, contribute to the formulation of economic policies and the elaboration of legislation that

impacts business activity, develop partnership and dialogue between the private sector and the government, and provide a broad array of services to enterprises.

### **Limitations on Selling U.S. Products and Services**

There are no limitations on selling U.S. products and services to Lebanon.

### **Web Resources**

[U.S. Commercial Service](#)

[U.S. Embassy in Lebanon](#)

[Council for Development and Reconstruction \(CDR\)](#)

[Investment Development Authority of Lebanon \(IDAL\)](#)

[Ministry of Economy & Trade \(MoET\)](#)

## Leading Sectors for U.S. Exports & Investments

### Apparel

#### Overview

Lebanon has traditionally attracted a large number of Arab tourists and Lebanese expatriates who significantly boost retail activity in the country, resulting in the steady growth of the apparel sector. The continuing political and security uncertainty in Lebanon due to the spillover from the Syrian crisis has decreased the number of Arab tourists coming to Lebanon. However, the crisis in Syria has forced hundreds of thousands of Syrian nationals to move to Lebanon. This has strengthened consumption power in several sectors in Lebanon and impacted the growth of the apparel industry.

U.S. apparel exports to Lebanon reached USD 15 million in 2016, constituting around three percent of total apparel imports to Lebanon. Many U.S. brands, including American Eagle Outfitters, GAP, Gymboree, Juicy Couture, Michael Kors, Marc Jacobs, Nautica, Nike, Polo Ralph Lauren, Rock and Republic, 7 for All Mankind, Steve Madden, Tommy Hilfiger, Tory Burch, True Religion and Under Armour, are available in the Lebanese market.

**Table 1: Apparel Chart**

	2015	2016	2017 (Estimate)	2018 (Projection)
Total Local Production	210million	210million	210million	210million
Total Exports	65million	56 million	45 million	45 million
Total Imports	532 million	516 million	513 million	513 million
Imports from the US	15 million	15 million	15 million	15 million
<b>Total Market Size</b>	677million	670 million	678 million	678 million
Exchange Rates	LBP1507.5	LBP1507.5	LBP1507.5	LBP1507.5

*(total market size = (total local production + imports) - exports)*

*Data Sources: Lebanese Customs statistics - Section 11 / Chapters 61, 62*

#### Leading Sub-Sectors

Demand for casual wear in Lebanon is high. Consequently, demand for U.S. apparel is expected to grow, as many Lebanese consider U.S. brands to be the leader in casual wear, according to industry specialists.

Lebanese buyers regularly travel to the Magic Apparel Show in Las Vegas and the Coterie Show in New York to explore the latest trends in the U.S. fashion industry.

## Opportunities

The U.S. Commercial Service provides a wide range of services, including Gold Key Service (GKS) and International Partnership Search (IPS), which help U.S. companies explore opportunities in Lebanon. Moreover, the U.S. Commercial Service organizes events and exhibitions, including Taste of America, to promote U.S. products and services in Lebanon.

## Web Resources

[Lebanese Customs Authority](#)

[U.S. Commercial Service](#)

Contact for the Commercial Section that covers the apparel sector:

Naaman Tayyar

Head of Commercial Section

Email: [Naaman.Tayyar@trade.gov](mailto:Naaman.Tayyar@trade.gov)

## Automotive

### Overview

The size of the automotive market in Lebanon witnessed an increase of 5.6 percent in 2016, with total imports valued at USD 1.732 billion. U.S. automotive exports to Lebanon increased by 16 percent in 2016 to reach USD 326 million, representing 18.3 percent of total Lebanese automotive imports.

**Table 2: Automotive Chart**

	2015	2016	2017 (Estimate)	2018 (Projection)
Total Local Production	0	0	0	0
Total Exports	19billion	14billion	12billion	12billion
Total Imports	1.646billion	1.732 billion	1.665 billion	1.665 billion
Imports from the US	273million	326 million	297 million	297 million
<b><u>Total Market Size</u></b>	1627billion	1.718billion	1.653billion	1.653billion
Exchange Rates	LBP1507.5	LBP1507.5	LBP1507.5	LBP1507.5

*(total market size = (total local production + imports) - exports)*

*Data Sources: Lebanese Customs statistics - Section 17 / Chapter 8*

### Leading Sub-Sectors

Demand for Sport Utility Vehicles (SUVs) in Lebanon is growing. According to private sector sources, around 10 percent of cars imported into Lebanon are SUVs. Demand is expected to increase due to the ability of SUVs to withstand poor road quality conditions throughout the country. Lebanese buy American SUVs because of their competitive price, high quality, and long record of success in the market. Moreover, demand for U.S. automotive parts such as brakes, clutches, engine lubricants, and safety accessories are increasing because they have demonstrated a quality advantage over foreign competitors.

### Opportunities

The U.S. Commercial Service provides a wide range of services, including Gold Key Service and International Partnership Search, which help U.S. companies explore opportunities in Lebanon. Moreover, the U.S. Commercial Service organizes events and exhibitions to promote U.S. products and services in Beirut.

### Web Resources

[Lebanese Customs Authority](#)

[U.S. Commercial Service](#)

Contact for the Commercial Section that covers the automotive sector:

Naaman Tayyar

Head of Commercial section

Email: [Naaman.Tayyar@trade.gov](mailto:Naaman.Tayyar@trade.gov)

## Medical Equipment

### Overview

According to the Lebanese Customs Authority, Lebanon imported USD 282 million in medical equipment in 2016, out of which USD 63 million was from the United States. Total medical equipment imports to Lebanon increased by 2.5 percent in 2016 compared to 2015. Local experts expect medical equipment imports into Lebanon to increase during 2017, partly due to the growing pollution and the presence of Syrian refugees in Lebanon, many of whom require medical assistance.

**Table 3: Medical Equipment Chart**

	2015	2016	2017 (Estimate)	2018 (Projection)
Total Local Production	1million	1 million	1 million	1 million
Total Exports	7 million	8 million	6 million	6 million
Total Imports	275 million	282 million	300 million	300 million
Imports from the US	65 million	63 million	69 million	69 million
<b>Total Market Size</b>	269 million	275 million	295 million	295 million
Exchange Rates	LBP1507.5	LBP1507.5	LBP1507.5	LBP1507.5

*(total market size = (total local production + imports) - exports)*

*Data Sources: Lebanese Customs statistics - Section 18 / Chapter 90*

### Leading Sub-Sectors

According to local experts, U.S. medical equipment products are characterized by their high quality and competitive value.

### Opportunities

Lebanon is an ideal location for establishing a regional office to cover the Levant, including Iraq. The Lebanese market has traditionally been used as a platform for testing U.S. products prior to introducing them to the rest of the Levant market.

The U.S. Commercial Service provides a wide range of services including Gold Key Service and International Partnership Search which help U.S. companies explore opportunities in Lebanon. Moreover, the U.S. Commercial Service organizes events and exhibitions to promote U.S. products and services in Lebanon.

### Web Resources

[Ministry of Public Health](#)

[Lebanese Customs Authority](#)

[U.S. Commercial Service](#)

Contact for the Commercial Section that covers the medical equipment sector:

Naaman Tayyar

Head of Commercial Section

Email: [Naaman.Tayyar@trade.gov](mailto:Naaman.Tayyar@trade.gov)



## Pharmaceuticals

### Overview

With more than 50 pharmaceutical importers, Lebanon is the leading market for imported pharmaceutical drugs in the Levant. The pharmaceutical market in Lebanon is valued at over USD one billion, with potential annual growth of more than five percent. Patented drugs constitute around 50 percent of the market, and over-the-counter (OTC) and generic drugs constitute around 25 percent each. Local pharmaceutical production is weak due to the high costs involved. As a result, imports constitute over 95 percent of the total available pharmaceutical products in the market.

According to the Lebanese Customs Authority, total pharmaceutical imports into Lebanon reached USD 1.214 billion in 2016, of which USD 139 million were imported from the United States. Local production covers less than five percent of the market and is mainly focused on manufacturing drugs under license for international companies.

There are many challenges facing the pharmaceutical sector in Lebanon. The high cost of pharmaceuticals is one of the biggest challenges. Moreover, the legal framework governing pharmaceuticals is weak and constitutes a barrier to foreign investments, mainly for the introduction of new drugs. Registration of copycat and counterfeit pharmaceuticals remains problematic.

A big portion of Lebanon's population receives health care from the Ministry of Public Health which purchases pharmaceutical from local importers, offers them to patients and reimburses hospital bills.

**Table 4: Pharmaceuticals Chart**

	2015	2016	2017 (Estimate)	2018 (Projection)
Total Local Production	19million	19 million	19 million	19 million
Total Exports	55 million	54 million	51 million	51 million
Total Imports	1.125 billion	1.214billion	1.242 billion	1.242 billion
Imports from the US	130 million	139 million	138 million	138 million
<b>Total Market Size</b>	1.089 million	1.179 million	1.210 million	1.210 million
Exchange Rates	LBP1507.5	LBP1507.5	LBP1507.5	LBP1507.5

*(total market size = (total local production + imports) - exports)*

*Data Sources: Lebanese Customs statistics - Section 6 / Chapter 30*

### Leading Sub-Sectors

According to local experts, U.S. pharmaceutical products have an advantage over European and Asian products in the biotechnology, high-tech, anti-cancer, and cardiovascular fields. Moreover, new leading American drugs that are not yet manufactured in Europe are typically well received in Lebanon.

### Opportunities

There are no specific opportunities or trade events in Lebanon geared to promote U.S. pharmaceutical products. The U.S. Commercial Service provides a wide range of services, including Gold Key Service and International Partnership Search, which help U.S. companies explore opportunities in Lebanon. Moreover, the U.S. Commercial Service organizes activities to promote U.S. products and services in Lebanon.

### Web Resources

[Ministry of Public Health](#)

[Lebanese Customs Authority](#)

[U.S. Commercial Service](#)

Contact for the Commercial Section that covers the drugs/pharmaceuticals sector:

Naaman Tayyar

Head of Commercial Section

Email: [Naaman.Tayyar@trade.gov](mailto:Naaman.Tayyar@trade.gov)

## Safety / Security Equipment

### Overview

Due to the ongoing political and security uncertainty, Lebanon's demand for products and services related to internal security remains high and is expected to grow steadily in the coming years. The safety and security market in Lebanon is dominated by government agencies, which are represented by the Ministry of Interior, Ministry of Defense, Lebanese Armed Forces, Internal Security Forces, Directorate of General Security, Civil Defense Directorate, Lebanese Customs Authority, Beirut-Rafic Hariri International Airport, Central Bank of Lebanon, Beirut Port, and the Civil Aviation Authority.

American companies are advised to find a local representative when conducting business in the safety and security market in Lebanon, especially when working with government agencies. They also must determine through appropriate U.S. government agencies whether their products need an export license before shipping. Export licenses are issued either by the Department of State or the Bureau of Industry and Security at the Department of Commerce, depending on the product and end use of the product. For further information, please consult the [U.S. Department of Commerce's Bureau of Industrial Security](#).

**Table 5: Safety and Security Equipment Chart**

	2015	2016	2017 (Estimate)	2018 (Projection)
Total Local Production	0	0	0	0
Total Exports	0	1	0	0
Total Imports	24 million	16 million	15 million	15 million
Imports from the US	4 million	3 million	3 million	3million
<b>Total Market Size</b>	24million	15million	15million	15million
Exchange Rates	LBP1507.5	LBP1507.5	LBP1507.5	LBP1507.5

*(total market size = (total local production + imports) - exports)*

*Data Sources: Lebanese Customs statistics -Chapter 93 (arms and ammunitions)*

### Leading Sub-Sectors

According to industry sources, in addition to arms and ammunitions which are purchased only by government agencies and authorities (except for a small market for hunters), there is high demand in the private sector for CCTV and surveillance systems, access control and alarm signaling equipment, metal detectors, x-ray and handheld scanners, firefighting and fire protection systems, safety and property security systems, anti-bank fraud software, and electronic security.

## Opportunities

Given the ongoing political and security uncertainty in Lebanon due to spillover from the Syrian crisis, demand for safety and security equipment and services within the public and private sectors remains high. Private sector entities include shopping malls, hotels, banks, universities, residences, and private security companies.

Although Lebanon is a price sensitive market, quality is an important factor, particularly in safety and security equipment. The increasing demand for high-quality security equipment and services gives a big advantage to American companies, which enjoy an excellent reputation in Lebanon due to their high reliability.

## Web Resources

[Lebanese Customs Authority](#)

[U.S. Commercial Service](#)

Contact for the Commercial Section that covers the safety and security sector:

Naaman Tayyar

Head of Commercial Section

Email: [Naaman.Tayyar@trade.gov](mailto:Naaman.Tayyar@trade.gov)

## Agricultural Sector

### Overview

According to Lebanese Customs' statistics (chapters 1-24), Lebanon's total agricultural imports reached USD 3.272 billion in 2016, of which USD 126 million, or 3.8 percent were from the United States. Major U.S. agricultural exports to Lebanon include edible fruits and nuts (USD 33 million), miscellaneous edible preparations (USD 27 million), residues from the food industries (USD 13 million), cereals (USD 6 million), animal or vegetable fats and oils (USD 6 million), meat (USD 3 million), beverages, spirits, and vinegar (USD 3 million), and dairy products (USD 2 million).

### Web Resources

[Lebanese Customs Authority](#)

Contact for the Commercial Section that covers the agriculture sector:

Naaman Tayyar

Head of Commercial Section

Email: [Naaman.Tayyar@trade.gov](mailto:Naaman.Tayyar@trade.gov)

## Customs, Regulations & Standards

### Trade Barriers

Trade barriers affect less than one percent of imports and exports of goods and can be imposed by 10 different Lebanese government state bodies. Such measures include prohibitions and requirements for licenses, technical certificates, veterinary certificates, and phyto-sanitary certificates. All goods subject to import and export prohibitions could be also prohibited from transiting Lebanon. A limited number of goods (e.g., weapons) are subject to more than one trade measure. To find out whether a specific product is subject to non-tariff barriers, consult the [Lebanese Customs' website](#) or Lebanon's Non-Tariff Measure Survey published on the World Trade Organization (WTO) trade section of the [Ministry of Economy and Trade's website](#).

For more information and help with trade barriers please contact:

- International Trade Administration  
[Enforcement and Compliance](#)  
(202) 482-0063  
ECCommunications@trade.gov

### Import Tariff

More than 83 percent of imported goods are subject to duties equal to or below five percent. [The Lebanese Customs' website](#) provides a searchable database that displays import duties by tariff number.

In general, European goods are exempted from customs fees in accordance with the European Mediterranean Association Agreement and the European Free Trade Association (EFTA) agreement effective March 1, 2015, with minor exceptions. In addition, goods from several Arab countries are also exempted from customs fees in accordance with the Greater Arab Free Trade Area (GAFTA) Agreement.

### Import Requirements & Documentation

Import processing requires the following documents

- Declaration form based on the Single Administrative Document (SAD);
- Bill of lading;
- Packing list;
- Commercial invoice (original);
- Delivery order (to prove ownership of goods);

- Quietus from the Social Security Office (must not have expired at the day of registration of SAD), required only for commercial and trade establishments;
- Contract of sale between importer and seller in the country of exportation, or a letter of credit from the bank stating that the invoice value is paid or will be paid in a specified time limit (may be requested for value verification only in case customs officers doubt the invoice value);
- Certificate of origin issued by the authorized party of the country of exportation if the invoice does not mention the origin of the goods, or in case the importer wishes to benefit from preferential treatment if the exporter is not approved by the customs authorities of the exporting country;
- Depending on the type of imported good, a number of other documents may also be required, including import licenses, certificates of conformity to mandatory standards, or phyto-sanitary certificates.

#### **Export processing requires the following documents**

- Declaration form based on the Single Administrative Document (SAD)
- Packing list;
- Commercial invoice (original);
- Export order;
- Quietus from the Social Security Office (must not have expired at the day of registration of SAD), required only for commercial and trade establishments;
- Certificate of origin issued by the Ministry of Industry and certified by the Lebanese Customs Authorities for exporting goods to Europe in accordance with protocol number 4 with the EU;
- Depending on the type of exported good, a number of other documents may also be required including export licenses, certificates of conformity and export certificates for quality verification for all food products of plant origin, and agricultural health certificates.

#### **Labeling/Marking Requirements**

Labels should include the net weight of the product, the manufacture, production and expiry date, ingredients, and the country of origin. Labels should be printed on the imported goods in Arabic, English, or French. Products with labels in Hebrew are not accepted. For more information, please contact the [Ministry of Economy and Trade](#).

## U.S. Export Controls

Lebanon is not subject to special sanctions. In principle, all exports require a license, though in practice the vast majority of U.S. exports fall under a “general license” that allows exports without obtaining permission from the [Bureau of Industry and Security \(BIS\)](#) in the U.S. Department of Commerce. When doing business with Lebanon, U.S. exporters should consider the following U.S. export regulations:

- For a number of items, specific export licenses are required. These items include products whose high-tech nature implies that export may involve a national security risk. Contacting BIS will enable an exporter to determine whether or not a specific item requires a license. If a specific license is required, one of the considerations is the reliability of the end-user. Government agencies and companies with a solid business reputation are more likely to be granted a license.

U.S. companies need to verify whether the U.S. government has blacklisted a particular Lebanese company or individual as a result of past violations of export regulations or subject to the Hizballah International Financing Prevention Act of 2015 or for other reasons. U.S. companies should consult the BIS Denied Persons List and the Treasury Department Office of Foreign Assets Control’s Specially Designated Nationals List, which are available online at [BIS List](#) and [Treasury List](#).

A list that consolidates 11 export screening lists of the Departments of Commerce, State and the Treasury into a single search as an aid to industry in conducting electronic screens of potential parties to regulated transactions is available on the [website](#).

## Temporary Entry of Goods

There are two types of permits for the temporary entry of goods into Lebanon.

Customs grants a regular temporary entry permit to foreign products that will be manufactured or under processing in Lebanon and then re-exported from Lebanon or displayed in free zones. This permit is valid for six months and is renewable, provided that the total period shall not be for more than two years.

The Director General of Customs may grant a special temporary entry permit for a range of products intended for temporary use. However, the period of the permit is limited to three months. Goods subject to the special permit, as noted in Article 278 of the Lebanese Customs Law, may include the following:

- Equipment and machinery used in public works, archeology, cinema, and journalism.
- Items intended or used for maintenance and repair.
- Items temporarily imported for display or use in public or private exhibitions, seasonal fairs, forums, theaters, artistic shows, and playgrounds.



- Jewelry and ornaments intended for display in public exhibitions. Empty containers or packages to be filled in Lebanon and re-exported or full containers or packages to be emptied in Lebanon and then re-exported.

The items should be re-exported or stored in the free zone or a public warehouse at the end of the authorized period of temporary entry status.

The products mentioned above may be temporarily imported by using “Admission Temporaire/Temporary Admission” (ATA) books rather than the regular entry declarations. The period of import is set at six months.

In addition, foreigners and Lebanese citizens whose place of residence is outside Lebanon can benefit from temporary entry for their personal effects and cars in accordance with Articles 282 and 283 of the Lebanese Customs Law.

More information can be found on the [website](#).

### **Prohibited & Restricted Imports**

Prohibited imports that are strictly prohibited by laws, regulations, and decisions of relevant authorities or by virtue of the international agreements in which Lebanon is a party or a member include the following:

- Cedar seeds and seedlings (to protect Lebanese cedar species).
- Chemical improvers used in bread making (health measure).
- Table salt not containing iodine (health measure).
- Waste/slag/ash/scrap of many chemical, mineral, and metal products (environmental measure).
- Clinker and black cement (protection of local industry).
- Passenger vehicles older than eight years and transport vehicles older than five years (environmental measure).
- Used medical and radiological apparatuses (health measure).
- Gas-fueled pocket lighters (safety measure).
- Wireless phone sets that function on the 900 Megahertz bandwidth (technical measure).
- Goods bearing false marks and labels indicating their origin (intellectual property).
- Goods manufactured in or originating from Israel (arab boycott measure).

Monopolized and restricted goods must be treated similarly to prohibited goods upon import and export; therefore, such goods will be seized whenever a license, permit or any other legal document is not attached or whenever irrelevant documents are attached.

## Customs Regulations

Lebanon follows the harmonized system for its tariff regime. Lebanon's modern Customs Law simplifies and expedites customs procedures, adopts international standards for the valuation of goods, applies modern and fair dispute settlement procedures, allows for electronic declaration of goods, and fosters the development of industrial and free zones. This law has reduced delays and administrative burdens in clearing imported products through customs at the airport and ports, but exporters are advised to contact local customs agents to expedite the clearing process. Customs has actively introduced online operations for its automated clearance system, thereby allowing traders and custom brokers to enter and track customs declarations online. When fully implemented, users will be able to register online, as well as assess and pay declarations directly from their bank accounts.

For further information on customs procedures, please refer to the [Lebanese Customs' website](#).

### Key contacts

#### ***General Directorate of Customs***

Beirut, Lebanon

Tel: 961-1-980060/1/2/3

Fax: 961-1-983256

#### ***Higher Council for Customs***

Beirut, Lebanon

Tel: 961-1-988500/1

Fax: 961-1-988080

## Standards for Trade

### Overview

The Lebanese Standards Institution (LIBNOR) is a public institution under the Ministry of Industry. Established in 1962, LIBNOR is the sole authority in Lebanon charged with issuing, publishing, and amending Lebanese standards as well as granting the Lebanese Conformity Mark NL. A number of state bodies (including the Ministries of Telecommunications, Energy and Water, Industry, Public Health, Environment, Agriculture, Economy and Trade, and Public Works and Transport) issue technical regulations related to products in the form of ministerial decisions and decrees issued by the cabinet.

### Standards

LIBNOR has accepted and adheres to the World Trade Organization's TBT (Technical Barriers to Trade) code of good practice for the preparation, adoption and application of standards, and is taking an active role in international standardization activities even though Lebanon is not a member of the WTO. Programs for drafting standards are set annually. LIBNOR's Board of Directors approves the annual plans, submitted by LIBNOR's Director General, for preparing new standards or amending existing ones. The annual program for drafting standards is available on [LIBNOR's website](#).

LIBNOR is a member of the International Organization for Standardization (ISO), the Codex Alimentarius Commission, the Arab Industrial Development and Mining Organization (AIDMO), and an affiliate member of the European Committee for Standardization (CEN).

### Testing, inspection and certification

The following laboratories are the main national testing bodies in Lebanon:

- The laboratories of the Industrial Research Institute (IRI), affiliated with the Ministry of Industry, test for all types of products, for more information see the [IRI website](#).
- The laboratory of the Agricultural Research Institute at the Ministry of Agriculture (for food products), for more information see the [website](#).
- The Quality Control Center laboratory at the Chamber of Commerce, Industry, and Agriculture of Tripoli and North Lebanon, for more information see the [website](#).
- The Food Quality Center laboratory at the Chamber of Commerce, Industry, and Agriculture of Zahle and the Bekaa, for more information see the [website](#).
- The American University of Beirut; laboratory of chemistry and pharmacology, for more information see the [website](#).
- The French Medical Institute laboratory of chemistry and pharmacology at Saint Joseph University, for more information see the [website](#).
- The National Council for Scientific Research; laboratory under the Lebanese Atomic Energy Commission, for more information see the [website](#).

LIBNOR is the sole authority to give the right to use the Lebanese Conformity Mark (NL Mark). This mark proves the compliance of products to Lebanese standards and is based on a scheme combining quality management system and product standards. The Industrial Research Institute provides certificates of conformity with standards and purchase requirements. Certificates of conformity or quality issued by foreign companies, such as SGS and Veritas, are also honored in Lebanon.

In addition, several ministries issue certificates of conformity. The Ministry of Agriculture has the authority to issue certificates of conformity for exported agricultural products. The Ministry of Economy and Trade issues conformity and export certificates at the request of the exporter. The Ministry of Public Health issues health certificates at the request of the exporter. There are no mutual recognition agreements with U.S. organizations.

The Lebanese Accreditation Council (Conseil Libanais D'Accréditation -COLIBAC), under the Ministry of Industry, is the only accreditation body in Lebanon. COLIBAC is not yet functional, and some of the Lebanese laboratories are accredited by foreign accreditation bodies. The IRI chemical and micro-biological laboratories are accredited.

### Publication of technical regulations

Lebanese standards are voluntary, but when approving Lebanese standards and based on the recommendation of the relevant technical committee, LIBNOR's Board of Directors may ask for the mandatory application of a standard if it affects public health or safety. In this case, a decree from the Council of Ministers (i.e. the Cabinet) is published based on the request of the Ministry of Industry. There is no formal procedure for notification, as Lebanon is not yet a WTO member. U.S. entities can comment on technical regulations via e-mail to [LIBNOR](#). LIBNOR established a WTO/TBT point of contact for inquiries in 2012.

### Contact Information

LIBNOR is the point of contact for inquiries in Lebanon on standards and technical regulations resulting from conversion of standards.

#### [LIBNOR](#)

Maatouk Bldg  
City Rama Street, Sin El-Fil  
PO Box 55120  
Beirut, Lebanon  
Tel: 961-1-485 927/8  
Fax: 961-1-485 929  
E-mail: [info@libnor.org](mailto:info@libnor.org)

The standards point of contact at the U.S. Embassy in Beirut can be reached [here](#).

### Trade Agreements

Lebanon has traditionally been a country with a free and open trade regime. Efforts towards trade liberalization have focused on the European Union (EU), the World Trade Organization (WTO), and the Arab world.

Lebanon has neither a free trade arrangement nor a bilateral investment treaty with the United States, although on December 1, 2006, the two countries signed a Trade and

Investment Framework Agreement (TIFA). The TIFA is designed to help both countries promote an attractive investment climate, expand trade relations, and remove impediments to trade and investment. However, no meetings have been held under the Agreement to date.

Having gained observer status to the WTO in 1999, Lebanon held its seventh working party meeting in October 2009. The accession process has been stalled since, however the Lebanese government has sought to revive it in recent years.

Lebanon's Euro-Mediterranean Partnership agreement came into force in April 2006. The agreement provides for reciprocal free trade on the majority of industrial goods. It also liberalizes trade on a large basket of agricultural and processed agricultural goods. The Euro-Med Partnership aims at establishing a free trade area for the Mediterranean region; efforts to achieve this goal are ongoing.

Lebanon and the European Free Trade Association (EFTA) signed a Free Trade Agreement (FTA) in 2004. In November 2010, Lebanon and Turkey signed an association agreement to establish a free trade area and reduce barriers to the free movement of goods, services, capital, and people between the two countries over the subsequent ten years. The agreement is not yet ratified. Lebanon also signed the Greater Arab Free Trade Agreement, which gradually replaced the bilateral FTAs signed with Arab countries including Tunisia, Morocco, Egypt, Iraq, Jordan, Syria, Sudan and the Gulf Cooperation Council states. A regional Economic and Trade Association Council between Lebanon, Syria, Jordan, and Turkey was announced in July 2010. Lebanon launched free trade agreement negotiations with MERCOSUR countries in 2016.

Lebanon has signed bilateral investment agreements with the following (in alphabetical order, as of January 2012): Armenia, Austria, Azerbaijan, Bahrain, Belarus, Belgium/Luxemburg, Benin, Bulgaria, Canada, Chad, Chile, China, Cuba, Cyprus, Czech Republic, Egypt, Finland, France, Gabon, Germany, Greece, Guinea, Hungary, Iceland, Iran, Italy, Jordan, Korea (South), Kuwait, Malaysia, Mauritania, Morocco, Netherlands, OPEC Fund, Pakistan, Qatar, Romania, Russia, Slovak Republic, Spain, Sudan, Sultanate of Oman, Sweden, Switzerland, Syria, Tunisia, Turkey, United Arab Emirates, Ukraine, United Kingdom, and Yemen. For more information, please visit the [Ministry of Finance's website](#).

Lebanon does not have a bilateral taxation treaty with the United States. A full list of all the countries with which Lebanon has signed taxation agreements can be found on the [Ministry of Finance's website](#). The government is in the process of levying new taxes. The cabinet also passed a new Petroleum Taxation Law, which now sits with parliament for approval.

## Licensing Requirements for Professional Services

There are no specific licensing requirements to open a professional service/consultancy company in Lebanon.

## Web Resources

[Lebanese Customs Authority](#)

[LIBNOR](#)

[Ministry of Economy and Trade](#)

[Ministry of Finance](#)

[Ministry of Industry](#)

[Bureau of Industrial Security \(BIS\)](#)

## Investment Climate Statement

### Executive Summary

Lebanon is open to foreign direct investment and has many advantages that encourage foreign companies to set up offices in the country. These include a free-market economy, the absence of controls on the movement of capital and foreign exchange, a well-developed banking system with strong financial soundness indicators, a highly-educated labor force, good quality of life, and limited restrictions on investors. However, issues that continue to cause frustration among local and foreign businesses include corruption, political risk, bureaucratic over-regulation, arbitrary licensing, outdated legislation, an ineffectual judicial system, high taxes and fees, lack of transparency, and weak enforcement of intellectual property rights.

The election of President Aoun and subsequent formation of a cabinet in late 2016 ended more than two years of political deadlock and improved basic government function. The cabinet endorsed major decisions to attract foreign investment, including two oil and gas decrees in January 2017. The cabinet also endorsed the 2017 Budget Law and the Petroleum Taxation Law proposals and Parliament passed the Access to Information Law in the first quarter of 2017. Relative political stability led to improvement in investment initiatives. However, the perception of domestic political risk is still present as the government considers a third renewal of parliament's term or a postponement of elections that were scheduled to take place in May 2018. External political risk perceptions also remain high, given the negative impact of the continuing turmoil in Syria and the region on the Lebanese economy. However, Central Bank stimulus packages since January 2013, totaling approximately USD 5.8 billion, will continue to partially underwrite economic growth in 2017. These stimulus packages and an increase in domestic consumption of goods and services (in part from the presence of over one million registered Syrians seeking refuge in Lebanon) helped Lebanon achieve GDP growth of two percent in 2016, according to Central Bank Governor.

Lebanon's public deficit reached 9.5 percent of GDP in 2016 and remains an issue of concern for investors. However, the Government of Lebanon (GoL) should not face difficulties in financing its deficit and rolling over sovereign maturities coming due in 2017. Overseas remittances to Lebanon declined by 2.3 percent in 2016 to USD 7.3 billion, according to the World Bank. But the domestic banking sector remains strong and the continued growth in deposits in private banks (7.2 percent in 2016) is sufficient to finance the borrowing needs of the economy. The Central Bank continues to publicly assert that it will maintain monetary and financial stability - reassuring investors that there will be no debt defaults or currency depreciation.

The business climate remains sensitive to domestic and regional political and security developments. Spillover from the Syrian crisis will continue to impact growth, which is expected to remain below potential until the crisis abates. Vested political interests continue to block reforms to stimulate growth, encourage private sector development, and create jobs.

Lebanon seeks U.S. investment due to the latter's state-of-art technology and competitiveness. Significant opportunities exist for U.S. companies in the energy sector, particularly for oil and gas exploration and power production. The government may award offshore oil and gas exploration licenses by the end of the year. Other opportunities include the fields of information and communication technology, healthcare, safety and security, environment and franchising.

*Table 1*

Measure	Year	Index/Rank	Website Address
TI Corruption Perceptions Index	2016	136 of 176	<a href="#">Corruption Perception Index</a>
World Bank's Ease of Doing Business Report "Ease of Doing Business"	2017	126 of 190	<a href="#">Ease of Doing Business Report</a>
Global Innovation Index	2016	70 of 128	<a href="#">Global Innovation Index</a>
U.S. FDI in partner country (\$M USD, stock positions)	2015	USD 224 million	<a href="#">U.S. FDI</a>
World Bank GNI per capita	2015	USD 7710	<a href="#">GNI Per Capita</a>

## Openness to and Restrictions upon Foreign Investment

### Conversion and Transfer Policies



Lebanon is open to foreign direct investment (FDI). The Investment Development Authority of Lebanon (IDAL) is the national entity responsible for promoting investment in Lebanon and possesses the authority to award licenses and permits for new investment in specific sectors. IDAL also grants special incentives, exemptions, and facilities to large as well as small and medium-sized enterprise (SME) projects implemented by both local and foreign investors (Investment Law No. 360). IDAL also facilitates strategic international and local partnerships through joint ventures, equity participation, acquisition, and other mechanisms. It provides legal and administrative advice as well as sectorial studies for potential investors. Information on IDAL and its incentives can be found on their [website](#).

The government is committed to improving the business environment and encouraging domestic and foreign investment and public-private partnerships (PPP). Nevertheless, legislative efforts have stalled. For example, a draft PPP law and the Ministry of Economy and Trade's (MoET) amendments to the Lebanese Commercial Code, which would streamline business and intellectual property legislation, await consensus and are still pending in parliament.

#### Limit on Foreign Control and Right to Private Ownership and Establishment

Foreign private entities may establish, acquire, and dispose of interests in business enterprises, and may engage in all kinds of remunerative activities. Limitations related to foreign participation include a general limitation on management participation (Article 144 stipulates that the majority of the board of directors should be Lebanese); indirect limitation with regard to acquisition of capital shares (Article 147); limitation on capital shares with regard to public utilities (Article 78); and limitation on capital shares and management with regard to exclusive commercial representation (Legislative Decree No. 34/67, dated August 5, 1967). In the financial sector, most establishments, including those in banking and insurance, must take the form of a joint-stock company. A limited liability company (Société à Responsabilité Limitée - SARL) is governed by Legislative Decree No. 35, dated August 5, 1967. It may be 100 percent owned and managed by a non-Lebanese.

A joint-stock corporation (Societe Anonyme Libanaise - SAL) is governed by Legislative Decree No. 304, dated January 24, 1942, under the Commercial Code. Limitations related to foreign participation include a general limitation on management participation (Article 144 stipulates that the majority of the board of directors should be Lebanese), indirect limitation with regard to acquisition of capital shares (Article 147), limitation on capital shares with regard to public utilities (Article 78), and limitation on capital shares and management with regard to exclusive commercial representation (Legislative Decree No. 34/67, dated August 5, 1967). In November 2016, the Parliament passed Law 75 forbidding joint stock corporations from issuing bearer shares and compelling them to replace their existing bearer shares with nominal shares. Holding and offshore companies follow the legal form of a joint-stock corporation and are governed by Legislative Decree No. 45 (on holdings) and Legislative Decree No. 46 (on offshore companies), both dated June 24, 1983, and

amended by Law No. 19, dated September 5, 2008. A foreign non-resident chairman/general manager of a holding or an offshore company is exempt from the obligation of holding work and residency permits. Law No. 772, dated November 2006, exempts holding companies from the obligation of having two Lebanese persons or legal entities on their board of directors. All offshore companies must register with the Beirut Commercial Registry. Offshore banking, trust, and insurance companies are not permitted in Lebanon.

Law No. 296, dated April 3, 2001, amended the 1969 Law No. 11614 and governs foreign acquisition of property. The 2001 law eased legal limits on foreign ownership of property to encourage investment in Lebanon, especially in industry and tourism, abolished discrimination for property ownership between Arab and non-Arab nationals, and lowered real estate registration fees from six percent for Lebanese and 16 percent for foreigners to five percent for both Lebanese and foreign investors. The law permits foreigners to acquire up to 3,000 square meters (around 32,000 square feet) of real estate without a permit but requires cabinet approval for acquisitions exceeding this threshold. Cumulative real estate acquisition by foreigners may not exceed three percent of total land in each district. Cumulative real estate acquisition by foreigners in the Beirut region may not exceed ten percent of the total land area. The law prohibits individuals not holding an internationally recognized nationality from acquiring property. This restriction is widely believed to be primarily aimed at preventing Palestinian refugees residing in Lebanon from permanently settling in the country.

There are no mechanisms in place to screen FDI in Lebanon.

### Other Investment Policy Reviews

Lebanon is not a member of either the Organization for Economic Co-operation and Development (OECD) or the World Trade Organization (WTO). The United Nations Conference on Trade and Development (UNCTAD) last performed an investment policy review in 2003. UNCTAD and IDAL plan to conduct an investor perception survey and Investment Policy Review in mid-2017, and are expected to publish its results by the end of the year. IDAL publishes reports on key sector [online](#).

### Business Facilitation

Lebanon's Ministry of Justice publishes all required procedures, documents and payments needed to conclude the registration of any company on their online [website](#). According to the MoET, the registration process takes approximately one day and requires a notary public. There is no other way to register businesses. Foreign companies are required to register electronically. A list of documents and procedures are published on the [Ministry of Economy and Trade's website](#). IDAL also provides a user-friendly portal for doing businesses in Lebanon and outlines all requirements on the [website](#).

MoET established a SME unit in 2005 to provide services to related enterprises operating in Lebanon. The unit focuses on policy and governance, improving Lebanon's business environment, offering linkages within the business community, and advice on financing. MoET defines enterprises with less than 10 employees as micro-enterprises, those with less than 50 employees as small enterprises, and those with less than 100 employees as medium enterprises. In 2014, the unit launched Lebanon's SME Strategy: A Roadmap to 2020, but the Ministry has yet to implement its proposals.

### Outward Investment

Lebanon neither promotes nor incentivizes outward investment, nor does it restrict domestic investors from investing abroad.

## Bilateral Investment Agreement and Taxation Treaties

Lebanon does not have a bilateral investment treaty with the United States. However, the United States and the MoET signed a Trade and Investment Framework Agreement (TIFA) in 2006, which pledged both countries to foster an environment conducive to mutual trade and investment. The TIFA requires both parties to set up a United States-Lebanon Council on Trade and Investment that would meet twice a year or more to consult on trade and investment impediments and other issues of concern. The council, which has not yet been set up, will seek and consider the views of private sector representatives in both countries. Under the TIFA, the United States and Lebanon agreed to a consultation mechanism that may be activated by either party within 60 days in the event of a dispute or other development affecting trade relations.

Lebanon signed the Euro-Mediterranean Partnership (ENP) agreement in 2002, the interim agreement for which came into force in March 2003. The final agreement came into force in April 2006 and Lebanon began reducing tariffs on imported products from the European Union (EU) in 2008. The EU and Lebanon finalized a review of the ENP in November 2015. Lebanon signed the Convention on Pan-Euro-Mediterranean Preferential Rules of Origin in October 2014, which parliament ratified in February 2017.

Lebanon and the European Free Trade Association (EFTA) signed a Free Trade Agreement (FTA) in 2004. In November 2010, Lebanon and Turkey signed an association agreement to establish a free trade area and reduce barriers to the free movement of goods, services, capital, and people between the two countries over the subsequent ten years. The agreement is not yet ratified. Lebanon also signed the Greater Arab Free Trade Agreement, which gradually replaced the bilateral FTAs signed with Arab countries including Tunisia, Morocco, Egypt, Iraq, Jordan, Syria, Sudan and the Gulf Cooperation Council states. A regional Economic and Trade Association Council between Lebanon, Syria, Jordan, and Turkey was announced in July 2010. Lebanon launched free trade agreement negotiations with MERCOSUR countries in 2016.

Lebanon has signed bilateral investment agreements with the following (in alphabetical order, as of January 2012): Armenia, Austria, Azerbaijan, Bahrain, Belarus, Belgium/Luxemburg, Benin, Bulgaria, Canada, Chad, Chile, China, Cuba, Cyprus, Czech Republic, Egypt, Finland, France, Gabon, Germany, Greece, Guinea, Hungary, Iceland, Iran, Italy, Jordan, Korea (South), Kuwait, Malaysia, Mauritania, Morocco, Netherlands, OPEC Fund, Pakistan, Qatar, Romania, Russia, Slovak Republic, Spain, Sudan, Sultanate of Oman, Sweden, Switzerland, Syria, Tunisia, Turkey, United Arab Emirates, Ukraine, United Kingdom, and Yemen. For more information, please visit the [Ministry of Finance's website](#).

Lebanon does not have a bilateral taxation treaty with the United States. A full list of all the countries with which Lebanon has signed taxation agreements can be found on the [Ministry of Finance's website](#). The government is in the process of levying new taxes. The cabinet also passed a new Petroleum Taxation Law, which now sits with parliament for approval.

## Legal Regime

### Transparency of the Regulatory System

Local and foreign private companies should be wary when bidding for public projects, given the lack of transparency, clear regulations, and fair consideration of bids.

Lebanon has a Procurement Law that regulates public procurement; however, public institutions have separate procurement regulations under the Law's guidelines. The GoL often awards contracts by mutual agreement, without a tender, and does not always establish clear procedures for the process.

The procedures for business entry, operation, and exit are not streamlined and are plagued by excessive regulation. However, the process does not discriminate against foreign investors. International companies face an unpredictable and opaque operating environment and often encounter unanticipated obstacles or costs late in the process. Despite this, the [World Bank's 2017 Doing Business report](#) notes that it takes entrepreneurs 15 days to start a business in Lebanon, compared to the average of 20.2 days in the MENA region.

IPR trademark registration, economic and trade indicators, and market surveillance reports, are available [online](#). However, some procedures, including IPR-related, still require a rightholder to visit the ministry in person to finalize and pay required dues.

The government does not publish proposed draft laws and regulations for public comment but a parliamentary commission may invite private sector stakeholders to comment on legislation. Telecom Law No. 431 requires the Telecommunication Regulatory Authority (TRA) to issue regulations in draft for public consultation to promote transparency and enable the general public to shape future regulations. There have been no new regulations since the TRA board expired in February 2012. All legislation, decrees, decisions and official announcements are published in the Official Gazette. In general, legal, regulatory, and accounting systems are consistent with

international norms. Publicly listed companies adhere to international accounting standards.

Lebanon passed the Access to Information Law in January 2017 to promote transparency in the private and public sectors, but failed to enact the whistleblower protection law, which has been pending since 2010. Lebanon announced its commitment to join the Extractive Industries Transparency Initiatives (EITI), a global standard to promote transparency of the extractive sector. The standard requires annual data on licenses, contracts, beneficial ownership, payments, revenues and production. Several ministries have undertaken transparency initiatives since 2015, according to Transparency International's Lebanon chapter and the Lebanese Transparency Association (LTA). The Ministry of Finance (MoF) continued to organize workshops, raise awareness, and build capacity of civil servants on access to information and whistleblower protection.

### International Regulatory Considerations

Lebanon is not part of any regional economic block. It adopts a variety of standards based on type of product and product destination. Lebanon is not a member of the WTO, but has held observer status since 1999. Lebanon does, however, have a WTO/TBT Enquiry Point that handles enquiries from WTO member States and other interested parties.

### Legal System and Judicial Independence

Lebanon has a civil (Roman and Codified Law) legal system inspired by the French civil procedure code (three degrees of jurisdictions: First Instance, Appeal, and Supreme Court). Ownership of property is enforced by registering the deed in the property registry. Lebanon has a written commercial law and contractual law. Lebanon has commercial, civil and penal courts, but no specialized courts to hear intellectual property (IP) claims. Civil and/or penal courts adjudicate IP claims. Lebanon has an administrative court, the State Council, which handles all disputes involving the state. Lebanon has a labor court in each of its eight governorates to hear claims of unfair labor practices. The current judicial process is generally competent and reliable on a procedural basis. However, compensation sometimes is perceived as unfair.

Local courts accept investment agreements drafted subject to foreign jurisdictions if they do not contravene Lebanese law. Judgments of foreign courts are enforced subject to the "Exequatur" obtained. Cases in Lebanese courts are not settled rapidly due to a shortage of judges, inadequate support structures, and administrative delays in the handling of cases. By constitution, the judicial system is independent of the executive branch; however, the latter still has power or influence over judicial matters. Politicians and powerful lobbying groups sometimes interfere in the court system.

## Laws and Regulations on Foreign Direct Investment

A foreigner may establish a business under the same conditions as a Lebanese national but must register it in the Commercial Registry. Foreign investors who do not manage their business from Lebanon do not need to apply for a work permit. However, foreign investors who own and manage their business within Lebanon must apply for an employer work permit and a residency permit. Employer work permits stipulate that a foreign investor's capital contribution cannot be less than USD 67,000 and that the investor must also hire three Lebanese and register them at the National Social Security Fund (NSSF) within the first six months of employment.

Companies established in Lebanon must abide by the Lebanese Commercial Code and are required to retain the services of a lawyer to serve as a corporate agent. Local courts are responsible for enforcing contracts. There are no sector-specific laws on acquisitions, mergers, or takeovers, with the exception of bank mergers.

Lebanese law does not differentiate between local and foreign investors, except in land acquisition (see "Real Property" section). Foreign investors can generally establish a Lebanese company, participate in a joint venture, or establish a local branch or subsidiary of their company without difficulty. Specific requirements apply for holding and offshore companies, real estate, insurance, media (television and newspapers), and banking.

Lebanese law allows the establishment of joint-stock corporations, limited liability, and offshore and holding companies; however, offshore and holding companies must be joint-stock corporations (Société Anonyme Libanaise - SAL). These are governed in separate chapters under the Lebanese Commercial Code.

[IDAL's website](#) is a one-stop-shop for investors and provides information on investment legislation, regulations, and starting a business. IDAL's proposed changes to foreign direct investment laws and regulations, including amending requirements for IT companies to benefit from IDAL incentives, are pending government approval.

## Competition and Anti-Trust Laws

Lebanon has not enacted a law that governs competition. Local courts review transactions for competition-related claims.

## Expropriation and Compensation

Land expropriation in Lebanon is relatively rare. The Law on Expropriation (Law No. 58, dated May 29, 1991, Article 1) and Article 15 of the Constitution specify that expropriation must be for a public purpose and calls for fair and adequate compensation. Compensation is paid at the time of expropriation, but is often perceived as below fair market value. The government does not discriminate against foreign investors, companies, or their representatives on expropriations.

The government established three real estate companies in the mid-1990's to encourage reconstruction and development in Greater Beirut: private corporation Solidere, for Beirut's downtown commercial center; private corporation Linord, for northern Beirut; and public institution Elyssar, for the southwest suburbs of Beirut. However, Linord has been dormant for years and Elyssar's projects have stalled since 2007. The government granted these three companies the authority to expropriate certain lands for development as per the Law on Expropriation. They have, however, faced serious legal challenges from landowners and squatters. Several court cases are still pending against Solidere after over 20 years of litigation.

## Dispute Settlement

### *ICSID Convention and New York Convention*

Lebanon is a member of the International Center for the Settlement of Investment Disputes (ICSID Convention). Lebanon ratified the 1958 Recognition and Enforcement of Foreign Arbitral Awards (New York Convention) in 2007. Lebanese law conforms to both conventions.

### *Investor-State Dispute Settlement*

The government accepts international arbitration related to investment disputes. In cases involving concessions or State projects, the government does not accept binding international arbitration unless the contract includes an arbitration clause that was obtained through prior approval by cabinet decree. However, there is an exception for investors from countries that have a signed and ratified investment protection agreement with Lebanon that stipulates international arbitration in case of a dispute. In the past, the government has faced challenges related to previously awarded contracts and resorted to international arbitration for resolution. To post's knowledge, there are no known new cases. In 2010, the government settled a dispute with a Chinese contracting company working to expand the northern port of Tripoli.

### *International Commercial Arbitration and Foreign Courts*

International arbitration is accepted as a means to settle investment disputes between private parties. The Lebanese Centre for Arbitration was created in 1995 by local economic organizations, including the Lebanese chambers of commerce, industry, and agriculture. The Centre resolves domestic and international conflicts related to trade and investment. Its statutes are similar to those of the International Chamber of Commerce (ICC) in Paris, and its conciliation and arbitration rules are modeled on those of the Paris ICC. Judgments of foreign courts are enforced subject to the "exequatur" obtained.

## Bankruptcy Regulations

Lebanon does not have a Bankruptcy Law; however, the Commercial Code (Book No. 5, Articles 459-668) and the Penal Code govern insolvency and bankruptcy. By law, a secured creditor has the right to a share of the assets of a bankrupt party. Verdicts

involving monetary values in contract cases are made according to the currency of the contract or its equivalent in Lebanese Pounds (LBP or Lebanese Lira) at the official conversion rate on the day of the payment. Workers can resort to the Labor Court and the National Social Security Fund to recover pay and benefits from local and foreign firms in bankruptcy. Fraudulent bankruptcy is criminalized.

## Industrial Policies

### Investment Incentives

Lebanon's Investment Law encourages investment in information technology, telecommunications, media, tourism, industry, agriculture, and agro-industry. The law divides the country into three investment zones, with different incentives in each zone. These include facilitating permits for foreign labor and tax benefits, which range from a five-year 50 percent reduction on income and dividend distribution taxes to a total exemption of these taxes for 10 years starting from the date of operation (tied to the issuance of the first invoice). Companies that list 40 percent of their shares on the Beirut Stock Exchange (BSE) are exempt from income tax for two years. The Law also introduces tailored incentives through package deals for large investment projects, regardless of the project's location. These may include tax exemptions for up to 10 years, reductions on construction and work permit fees, and a total exemption on land registration fees. IDAL may exempt joint-stock companies that benefit from package deal incentives from the obligation to have a majority of a board of directors be Lebanese (Law No. 771, dated November 2006). Investors who seek to benefit from work permit incentives under "package deals" must hire two Lebanese for every foreigner and register them with the NSSF. Several amendments to the Investment Law are currently awaiting parliamentary approval and would expand incentives and increase the pool of ICT start-up companies. IDAL's amendments to decrees related to investment incentives are pending cabinet approval and, if approved, will increase the number of benefitting companies.

Other laws and legislative decrees provide tax incentives and exemptions depending on the type of investment and its geographical location. Industrial investments in rural areas benefit from tax exemptions of six or 10 years, depending on specific criteria (Law No. 27, dated July 19, 1980, Law No. 282, dated December 30, 1993, and Decree No. 127, dated September 16, 1983). Exemptions are also available for investments in South Lebanon, Nabatiyeh, and the Bekaa Valley (Decree No. 3361, dated July, 2, 2000). For example, new industrial establishments manufacturing new products benefit from a 10-year income tax exemption. Factories currently based on the coast that relocate to rural areas or areas in South Lebanon, Nabatiyeh, or the Bekaa Valley benefit from a six-year income tax exemption. Parliament enacted a law in April 2014 to reduce income tax on industrial exports by 50 percent. More information can be found on [IDAL's website](#).



The government reduces the dividend tax to five percent for companies that are listed on the BSE and that open up 20 percent of their capital to Arab companies listed on their country's stock exchange. It also does so for foreign companies listed on the stock exchange of OECD countries and for companies that issue Global Depository Receipts (GDRs) amounting to a minimum value of 20 percent of their shares listed on the BSE.

Domestic and foreign investors may benefit from a 4.5 percent subsidy on interest for new loans granted after 1/1/2012 for amounts up to USD 10 million per project (with a ceiling of USD 40 million) provided by banks, financial institutions, and leasing companies to industrial, agricultural, tourism, and information technology establishments. The subsidy extends for a maximum of seven years, with a grace period of two years. This program has been extended until the end of 2017. Investors can also benefit from loan guarantees from Kafalat, a semi-private financial institution that helps SMEs to access subsidized commercial bank loans for projects in Lebanon, with a grace period of two years.

Domestic and foreign investors may also benefit from Central Bank (the Banque du Liban - BDL) initiatives to stimulate economic activity. Since 2013, the BdL has undertaken several stimulus packages worth approximately USD six billion to help commercial banks increase lending to the private sector at lower costs. Subsidized loans cover housing, investment in productive sectors, energy efficiency and renewable energy, and financing projects. In February 2017, the BdL authorized banks to increase their direct investment in technology start-ups up to four percent of equity, by providing banks with interest-free facilities over a maximum period of seven years. The Central Bank continues, in cooperation with the EU, to subsidize loans of USD five million or less to finance environmentally-friendly energy projects.

The government grants customs exemptions to industrial warehouses for export purposes. Companies located in the Beirut Port or the Tripoli Port Free Zone benefit from customs exemptions and are exempt from the value-added tax (VAT) for export purposes. They are also not required to register their employees with the NSSF if they provide equal or better benefits.

IDAL provides investment incentives in a number of industrial sectors, including IT. IDAL is developing a draft program to facilitate IT programs abroad, an initiative yet to be approved by the cabinet. IDAL also supports the Agro Food sector and likewise has drafted an export program for Agro Food goods, which also requires cabinet approval.

### Foreign Trade Zones/Free Ports/Trade Facilitation

Foreign-owned firms have the same investment opportunities as Lebanese firms. Lebanon has two duty-free zones, the Beirut Port and the Tripoli Port. The WTO-compatible Customs Law issued by Decree No. 4461 fosters the development of free zones. The GoL also passed Law No. 18, dated September 5, 2008, to set up a Special Economic Zone (SEZ) in Tripoli to attract investment in trade, industry, services,

storage, and other services and granted investors tax exemptions and other privileges. USAID provided technical assistance to the GoL to prepare a feasibility study for Tripoli SEZ (TSEZ) in 2011. On April 9, 2015, the cabinet appointed the TSEZ Authority, and efforts are actively underway to build and develop the zone. The Authority is working with the International Finance Corporation (IFC) to develop the regulatory framework. It has launched a bid for the preparation of a Master Plan, expected to be completed by the end of the year, and is mobilizing funding to build the infrastructure. The Authority expects the TSEZ to become operational within two years.

### Performance and Data Localization Requirements

The government mandates local employment and the Ministry of Labor issues an annual list of jobs restricted to Lebanese. Foreign and local participation in the board of directors is specified in the status of the companies, according to Lebanese commercial law. Foreign investors enjoy the same incentives as local investors.

Foreigners doing business in Lebanon through a company, factory, or office must hold work and residency permits. There are no discriminatory or excessively onerous visas, residence, or works permit requirements. Registration with a chamber of commerce is required to import and handle a limited number of products that are subject to control requirements for safety reasons, but products with special import requirements constitute less than one percent of total tradable goods. Registration with a chamber of commerce is required to ensure that established facilities meet safety, handling, and storage requirements.

Lebanon does not follow any “forced localization” policy, nor require foreign IT providers to turn over source code or provide access to surveillance. Lebanon’s Central Bank requires all banks to keep data backups in Lebanon, while service providers are required to do the same.

## Protection of Property Rights

### Real Property

The right to private ownership is respected in Lebanon. The concept of a mortgage exists and secured interests in property, both movable and real, are recognized and enforced. Such security interests must be recorded in the Commercial Registry and the Real Estate Registry. The Real Estate Law governs acquisition and disposition of all property rights by Lebanese nationals, while Law No. 296, dated April 3, 2001, governs real estate acquisition by non-Lebanese. Over ten percent of land, mostly in rural and remote areas, does not have clear title. The government is undertaking efforts to identify property owners and register land titles.

## Intellectual Property Rights

Lebanon is still not a member of the WTO though its intellectual property rights (IPR) legislation is generally compliant with Trade-Related Intellectual Property Rights (TRIPS). However, IPR enforcement is weak. The MoET's Intellectual Property Protection Office (IPPO) has led efforts to improve the IPR regime but suffers from limited financial and human resources, and insufficient political will within the GoL. Lebanon's Internal Security Forces (ISF) and Customs also play a role in enforcement. The understanding of IPR within the Lebanese judiciary has improved somewhat in recent years but gaps remain in awareness of the economic repercussions of IPR violations, judicial prosecution of IPR cases, and strong court decisions with punishments prohibitive enough to deter future infringements. The MoET's new draft laws and amendments to existing laws to improve the IPR environment are pending parliamentary approval.

Existing IPR laws cover copyright, patent, trademarks, and geographical elements. Lebanon's 1999 Copyright Law largely complies with WTO regulations and needs only minor amendments to become fully compatible. However, amendments to the current law have been stalled in parliament since 2007. Registration of copyrights in Lebanon is not mandatory, and copyright protection is granted without the need for registration. Lebanon's parliament ratified the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty (WPPT) in February 2010. Ratification documents have not yet been deposited with WIPO, however, since this would also require amendments to the copyright law.

Drafts of new industrial design, trademark, and geographical indications laws have also been pending in parliament since 2007. The MoET is willing to push for all pending legislation to pass in parliament. The MoET launched an online registration service in January 2013 for copyrights and trademarks on the [website](#). This service simplified the registration process and over 80% of registrations of trademarks and copyrights now take place online. Due to the complexity of copyrights and patents, registration is still accepted in person at the Ministry and payment must also take place in person. The switch from a deposit system to an objection system for trademarks also remains stalled due to the need for parliamentary approval. However, the MoET noted that it implements the objection system in practice.

A modern TRIPS-compatible Patent Law, approved in 2000, provides general protection for semiconductor chip layout designs and plant varieties. Data protection and undisclosed information fall under Article 47 of the Patent Law, but current provisions for pharmaceutical registration are subject to interpretation. Generic manufacturers in Lebanon are not prohibited from using original data (e.g., data published on the U.S. Food and Drug Administration website) to register competing products that are identical to original products. Decree No. 571 on the conditions of registering, importing, marketing, and classifying pharmaceuticals, which should have improved the process of drug registration and reduced the number of copycat drugs being registered, still leaves some room for interpretation. There are no current plans to

amend the Patent Law to reduce counterfeit drugs, even though such counterfeits are said to have decreased in the local market. The Lebanese legal regime does not require examination, prior to registration, of patents for novelty, utility, and innovation. Simple patent deposit is required at the MoET, where the application is examined only for conformity with general laws and ethics.

The ISF's Special Criminal Investigation Division leads enforcement of IPR, while the Cybercrime and IP Unit also follow up on IP-related cases. Lebanese Customs also plays a direct role in IPR enforcement by seizing counterfeits and an indirect role as part of its efforts to combat smuggling. The U.S. Trade Representative's Special 301 annual review of intellectual property protection worldwide has kept Lebanon on its watch list since 2008. Given insecurity, political instability, and spillover from the Syrian conflict, the GoL underscored its significant difficulties in enforcing IPR, but noted that, under such circumstances, the situation was relatively stable.

The IPPO acts upon the requests of rights holders or in an ex officio capacity. The ISF cannot act in an ex officio capacity and still requires a criminal complaint to be filed with the prosecutor's office in order for it to take action. The sale and distribution of pirated, counterfeit, and copycat products continued across Lebanon, in commercial establishments and through street vendors. This included leather goods, apparel and luxury items, fast-moving consumer goods (FMCGs), software, optical media, and pharmaceuticals. Some companies and individuals whose goods were counterfeited in the local market were reluctant to pursue legal action due to weak enforcement. However, other right holders have highlighted the effectiveness of local enforcement when they do submit a complaint.

For additional information about treaty obligations and points of contact at local IP offices, please see [WIPO's country profiles](#).

## Financial Sector

### Capital Markets and Portfolio Investment

There are no restrictions on portfolio investment and foreign investors can invest in Lebanese equities and fixed income paper. Lebanon does not restrict the movement of capital into or out of the country for investment or other purposes. The government permits the free exchange of currencies, precious metals, and monetary instruments, both domestically and internationally. There are no restrictions on payments and transfers for current international transactions.

Credit is allocated on market terms and foreign investors can obtain credit facilities on the local market. The private sector can access overdrafts and discounted treasury bills in addition to a variety of credit instruments, such as housing, consumer, or personal loans, as well as corporate and loans to SMEs.

Government legislation allows the listing of tradable stocks or papers on the Beirut Stock Exchange (BSE). By regulation, an investor should inform the BSE when her/his portfolio of shares in any listed company reaches ten percent. Currently, the BSE lists six commercial banks, 18 sovereign Eurobond issues (16 in U.S. dollars, one in euros, and one in Lebanese Pounds), and four companies, including Solidere, one of the largest publicly held companies in the region. However, the BSE suffers from a lack of liquidity and low trading volumes in the absence of significant institutional and foreign investors, and had an annual trading volume of only 8 percent of market capitalization in 2016. Weak market turnover discourages investors from committing funds to the market and discourages issuers from seeking listings on the BSE. Traditional businesses held by commercially powerful families dominate most sectors. The government is trying to improve the transparency of such firms to help solidify an emerging capital market for company shares. To stimulate market activity, the Capital Markets Authority (CMA) in Lebanon, analogous to the U.S. Securities and Exchange Commission, issued several regulations to regulate disclosure policy of joint stocks and mutual funds as well as to encourage investment in start-up companies. More information can be found on the [website](#). Lebanon hosts the headquarters of the Arab Stock Exchange Union.

### Money and Banking System

The Lebanese banking sector covers the entire country with 1,056 operating branches as of December 2016. There are 4,353 residents per branch in Lebanon, which compares favorably to regional and emerging markets. According to World Bank Development indicators, there are 652 depositors with commercial banks per 1,000 adults, 243 borrowers from commercial banks per 1,000 adults, and 38 ATMs per 100,000 adults.

The banking system enjoys high financial standing and boasts a capital adequacy ratio of 14.6 percent as of June 2016 (higher than Basel III requirements), sound liquidity, and a foreign currency prime liquidity ratio exceeding 57 percent of foreign currency deposits. The total domestic assets of Lebanon's five largest commercial banks reached approximately USD 112 billion as of the end of 2016 (or about 52.1 percent of total banking assets), according to BdL data. About 3.7 percent of total loans were estimated as non-performing by December 2016. Banks maintained approximately 66.2 percent of provisions against non-performing loans as of December 2016. The remaining 33.8 percent were covered by adequate collateral.

Lebanon's Central Bank imposes strict compliance with regulations on banks and financial institutions. Foreign banks and branches need Central Bank's approval to establish operations in Lebanon. Moreover, any shareholder with more than five percent of a bank's share capital must obtain prior approval from the Central Bank to acquire additional shares in that bank, and must inform the Central Bank when selling shares. There are no restrictions in Lebanon on a foreigner or non-resident's ability to open a bank account in local currency or foreign currencies. However, banks have stringent inquiry mechanisms to ensure compliance with international and domestic

regulations. They implement Lebanon's anti-money laundering and combating terrorism financing laws. Banks also uphold Know-Your-Customer requirements and other regulations to combat tax evasion, inquire about the purpose of opening a new account, about the source of funds to be placed into an account, and to discover other relevant information. Lebanese banks are compliant with the Foreign Account Tax Compliance Act (FATCA).

## Foreign Exchange and Remittances

### *Foreign Exchange*

There are no restrictions on the movement of capital, capital gains, remittances, dividends, or the inflow and outflow of funds. The conversion of foreign currencies or precious metals is unfettered. Foreign currencies are widely available and can be purchased from commercial banks or money dealers at market rates. Lebanon's Central Bank, the Banque du Liban (BdL), posts a daily local currency-exchange rate on its [website](#). On average, the local currency has been pegged to the USD at LBP 1,507.5 per USD 1 since 1988. However, the dollar continues to trade on the local economy at LBP 1,500. BdL is committed to maintaining a stable currency. Lebanon has one of the most heavily dollarized economies in the world and businesses commonly accept payment (and return change) in a combination of LBP and USD.

### *Remittance Policies*

There are no delays in remitting investment returns except for the normal time required by the banks to carry out transactions.

## Sovereign Wealth Funds

Lebanon does not have any sovereign wealth funds. Lebanon's Hydrocarbon Law states that proceeds generated from oil and gas exploration would be deposited in a Sovereign Wealth Fund. Creating the fund requires a separate law, which the government has yet to draft. Lebanon currently receives no proceeds from natural resources that could flow into a sovereign wealth fund.

## State-Owned Enterprises

The GoL maintains monopolies in the utility sector (Ogero for telecom landlines and two mobile companies, Electricité du Liban (EdL) for electricity production and transmission, and four water authorities), a casino (Casino du Liban, a mixed public-private enterprise), tobacco procurement, manufacturing, and sales (La Régie des Tabacs et Tombacs), as well as the national airline (Middle East Airlines), whose monopoly is scheduled to end in 2024. Other major state-owned enterprises or public institutions include the Beirut, Tripoli, Sidon, and Tyre ports, the Rashid Karami International Fair (in northern Lebanon), the Sport City Center, and real estate development institution Elyssar. The GoL also owns shares in Intra Investment

Co., a mixed public-private investment company, which owns 96.62 percent of Finance Bank - a Lebanese commercial bank.

There is no uniform definition of State-Owned Enterprises (SOEs) and each has separate internal by-laws. Decree 4517 (dated 1972) establishes two types of public institutions, one administrative category that involves public enterprises like the Lebanese University, and a second that holds commercial aspects like EdL and La Régie. The Ministry of Finance maintains an unpublished list of SOEs and public institutions. SOEs and public institutions may purchase or supply goods or services from the private sector or foreign firms. Procurement is governed by separate regulations but under the same terms and conditions as public procurement. SOEs and public institutions benefit from certain tax exemptions.

Law restricts electricity production to EdL but numerous private investors operate unregulated generators across the country and sell electricity to citizens at significantly higher rates during the country's frequent power cuts. EdL awarded several concessions to privately-owned companies for power distribution in specific regions, and these companies are interested in meeting customer demand. In April 2014, parliament granted the cabinet the authority through 2018 to license private companies to generate electricity. Since 2012, EDL contracted three private companies to manage bill collection, maintenance, and power distribution. Two private operators also hold government contracts to manage the country's two cellular companies.

Lebanon's SOEs report to shareholders whereas public institutions are subject to oversight by the concerned ministries as well as by the Ministry of Finance. Public institutions require the approval of concerned ministries for major business decisions. SOEs may independently prepare their budgets, which must be approved only by their board of directors. The SOEs and public institutions are required by law to publish an annual report, and to submit their books for independent audits as well as to send their books to the Court of Audit.

The GoL currently has no plans to privatize SOEs or public institutions. Middle East Airlines, which is 99.5 percent owned by the Central Bank, has postponed plans to list 25 percent of its shares on the BSE as a first step toward privatization. It is reportedly awaiting improvement in investor confidence to ensure that its shares will not be undervalued when traded on the BSE.

SOEs and public institutions have independent boards staffed primarily by politically-affiliated individuals, appointed by the cabinet for public institutions, and by shareholders for SOEs. These boards always include a cabinet-appointed Government Commissioner who reports to the concerned ministries. SOEs do not currently adhere to the Organization for Economic and Cooperative Development (OECD) Corporate Governance Guidelines.

## Privatization Program

Lebanon's laws for the privatization of the telecommunications sector (Law 431) and the electricity sector (Law 462) were drafted in 2002. However, political dysfunction stalled their implementation.

Parliament passed a two-year law authorizing the cabinet to issue Independent Power Producers (IPP) licenses to investors in April 2014. It later amended the law to extend its application through April 2018; however, the government has lagged in implementation. The Ministry of Energy and Water launched tenders in March 2017 for solar power plants under the IPP law.

According to the Higher Council for Privatization (HCP), Lebanon's political, business, banking and academic communities strongly support the passage of Public-Private Partnership (PPP) legislation, which remains pending in parliament. In anticipation of its eventual passage, the HCP issued and published related guidelines in February 2014 on its [website](#). Ratification of PPP legislation would open new opportunities for local and international private sector investment in Lebanon.

The Capital Markets Law calls for the corporatization and subsequent privatization of the Beirut Stock Exchange (BSE) within a two-year period from the date that the Capital Markets Authority (CMA) is appointed. The cabinet appointed the CMA in June 2012 but has yet to undertake serious action to corporatize the BSE.

## Responsible Business Conduct

Lebanese firms are increasingly aware of corporate social responsibility (CSR) and responsible business conduct (RBC), including on environmental, social, and governance issues. This is true for the banking sector as well as companies in telecom, real estate, and industry, which are slowly creating sustainable supply chains or pursuing social initiatives to appeal to consumers. The government also encourages corporate to solve national economic, social, and environmental problems. However, laws related to human and labor rights, consumer protection, and environment protections are unevenly enforced. The Lebanese Standards Institution (LIBNOR), part of the Ministry of Industry, works with the Swedish International Development Cooperation Agency (SIDA) to lead efforts an expansion of the use of the ISO 26000 standard on Social Responsibility (SR) in Lebanon, one of the eight pilot countries in the Middle East.

The Central Bank of Lebanon works closely with banks to direct their financial resources towards projects that improve society and the environment. This includes issuing circulars to create favorable environmental and educational loans, encourage entrepreneurship through private equity investments, and facilitating improved governance through customer protection. In 2015, the banking sector started to implement Central Bank Circular No. 134, requiring banks to apply measures to ensure transparent and fair dealings with their customers, a reflection of the CSR principles of corporate governance and consumer protection. It also established the Institute for Finance and Governance (IFG). The IFG



cooperates with the Central Bank to organize conferences on topics such as good governance in the banking sector, economic and monetary policy, and banking regulations.

Several business ethics and corporate governance codes exist, including the business association ‘Rassemblement de Dirigeants et Chefs d’Entreprises Libanais’ (RDCL, or the Group of Lebanese Business Owners) “Code of Business Ethics,” and the Lebanese Code of Corporate Governance (CG), written under the auspices of the Lebanese Transparency Association (LTA). However, these codes are strictly voluntary and the government provides no incentives or enforcement for their adoption. In October 2016, the Lebanese League for Women in Business (LLWB) launched the “Women on Board” initiative, aiming to have 30% women on the board of banks and private sector by 2025. The RDCL, Chamber of Commerce, Industry and Agriculture of Beirut (Lebanon), and 21 other private companies signed this pledge.

LTA reports that more companies are approaching it for corporate governance assessments and its corporate governance guidelines and toolkits for family-owned enterprises and listed companies. CSR Lebanon, a Beirut-based company established in 2010, raises awareness and provides tools to promote CSR in Lebanon and the Middle East.

Lebanon seeks implementation of a number of international codes and standards to increase transparency and governance in government and the private sector. The Association of Banks in Lebanon adopted the Corporate Governance Guidelines for Banks Operating in Lebanon in January 2011. CSR Lebanon advocates for the principles of the United Nations Global Compact and was the first to introduce them to the private sector.

In 2013, Beirut-based business development advisory Capital Concept launched its Governance and Integrity Rating and becoming the first such firm recognized by Lebanon’s Central Bank to review and rate the banking sector in Lebanon and the MENA region. In 2015, it also launched Shareholder-Rights, a registered online platform and publication initiative to rate and review companies’ commitment to corporate governance and investor rights.

## Corruption

Lebanon has laws and regulations to combat corruption such as the Illicit Wealth Law and the Penal Code, but does not enforce them effectively. The Illicit Wealth Law applies to all state employees, government and senior officials, and municipality members and extends to family members. However, it does not extend to political parties. The laws have articles to counter conflict-of interest in awarding contracts and government procurement, but they are not enforced. The government does not require or encourage private companies to establish internal codes of conduct that prohibit bribery of public officials. Several companies have adopted a Code of Ethics. In December 2016, the Lebanese government established for the first time a State Ministry to Fight Corruption.

Transparency International’s (TI) Corruption Perception Index (CPI) ranked Lebanon 136 out of 176 countries worldwide in 2016, making Lebanon among the 50 most corrupt countries in the

world. Corruption is reportedly more pervasive in government contracts (primarily in procurement and public works), taxation, and real estate registration, than in private sector deals. The law provides criminal penalties for official corruption but is not implemented effectively. Government security officials, agencies, and police were subject to laws against corruption, bribery and extortion. U.S. firms have identified corruption as an obstacle to FDI, including in government procurement, award of contracts, dispute settlement, customs and taxation.

Several ministries, including the Ministries of Public Health (MoPH), Economy and Trade, and of Finance as well as Customs, continued an anti-corruption campaign that began in 2014. Although generally satisfied, observers have adopted a wait-and-see attitude to see the extent of the campaign, including suspending operations and bringing those responsible to justice. The MoPH also released a mobile application and a hotline (1214) allowing citizens to report fraudulent actions to the ministry. In 2017, the MoPH also launched a new One-Stop Shop service aiming at improving service delivery, and limiting corruption by promoting e-government. The new service is expected to facilitate the process of submitting and tracking applications electronically. The MoET launched the "Consumer Protection Lebanon" mobile application in 2014, adding to the already established consumer protection hotline (1739). The application enhances communication between the ministry and local consumers. It allows users to send and follow complaints and provide them with prompt notifications about ministry decisions and other MoET news. The MoF continued fighting corruption in the customs and real estate departments. It investigated several civil servants for illegal appropriation of public property and embezzlement in the real estate sector as well as intensified port and airport inspections. The ministry also launched a hotline for citizens' complaints on misconduct by ministry employees.

The Lebanese Transparency Association (LTA) established the Lebanon Anti-Bribery Network (LABN) in 2008 in partnership with the Center for International Private Enterprise (CIPE). It re-launched LABN in 2013, for the specific purpose of combating bribery in the country. The LTA also established the Lebanese Advocacy and Legal Advice Center (LALAC) to inform citizens of their rights and to encourage victims and witnesses to take action against cases of corruption. LALAC operates a hotline for victims and witnesses to report cases of corruption and receive free legal advice and assistance with their case. The program is currently funded by the European Union, the Lebanese Renaissance Foundation, and the CIPE.

Local NGO Sakker el Dekkene was established in 2013 to raise awareness against corruption through its innovative and interactive advertisement campaigns. It also encourages citizens to report and talk about their own experiences with corruption. Additional information can be found on the [website](#). In 2015 and 2016, the MoET signed a Memorandum of Understanding with Sakker el Dekkene and LTA to promote transparency and reduce the impact of corruption when it occurs.

Since 2015, Grassroots movements and campaigns, including “You Stink” and “We Want Accountability,” have periodically taken to the streets to protest corruption through collective action. In 2017, civil society rallied against the levy of new planned taxes.

Lebanon ratified the UN Anticorruption Convention in April 2009. Lebanon is not a signatory to the OECD Convention on Combatting Bribery of Foreign Public Officials in International Business Transactions.

### *Resources to Report Corruption*

State Minister for the Fight against Corruption; Grand Serail - Beirut Downtown

Lebanese Transparency Association

Sami El Solh Avenue, Kalot Bldg. 3rd Floor

Badaro, Beirut

P.O. Box 50-552, Lebanon

Tel/Fax: +961-1-388113/4/5

Email: [info@transparency-lebanon.org](mailto:info@transparency-lebanon.org)

## Political and Security Environment

Political violence declined in 2016 with only one major incident involving eight suicide bombers that attacked the predominantly Christian village of Qaa near the Syrian border, killing five and wounding at least 28 others. In the last quarter of 2016, Lebanon’s constitutional institutions began functioning normally, following the election President Michel Aoun on October 31 and the formation of a new cabinet. Saad Hariri was designated as Prime Minister and formed his cabinet on December 18. Nine of the Lebanese Armed Forces (LAF) hostages that were kidnapped by ISIL in 2014 remained in captivity and their whereabouts is still unknown. During 2016, the LAF and Internal Security Forces (ISF) remained vigilant and continued their crackdown on terrorism and extremists groups affiliated with ISIL.

Hizballah continued to accelerate its engagement in Syria fighting on behalf of the Syrian regime, while some Lebanese Sunni individuals reportedly have supported the Syrian opposition. Hizballah and the Sunni-dominated Future Movement continued the “political dialogue” that they started in 2014 in an attempt to try to alleviate tensions between the Sunni and Shia communities. By the end of 2016, there were 1,011,366 Syrian refugees in Lebanon officially registered with the UN High Commissioner for Refugees. These refugees, and a large number of additional unregistered refugees, are severely straining local resources and services. Lebanon is believed to host more refugees per capita than any other country in the world.

The U.S. government considers the potential threat to American Embassy personnel assigned to Beirut sufficiently serious to require all Chief of Mission personnel to live and work under security restrictions. These limitations occasionally prevent the movement of American Embassy officials and the provision of consular services in certain areas of the country. U.S. citizen visitors are encouraged to contact the Embassy's Consular Section for the most recent safety and security information concerning travel to Lebanon.

## Labor Policies and Practices

The 1946 Labor Law provides for written and oral contracts and specifies a maximum workweek of 48 hours (with several exceptions, notably agricultural and domestic workers, whom are not covered under the Labor Law). The legal minimum wage was raised in 2012 to 675,000 LBP (USD 450) per month. Lebanon is a member of the International Labor Organization (ILO) and signatory to all of its fundamental conventions except on the Freedom of Association and Protection of the Right to Organize. The government mandates local employment and the Ministry of Labor issues an annual list of jobs restricted to Lebanese. Local unskilled labor is in short supply. Arab (mainly Syrians, Egyptians, and Palestinian), Asian, Indian, and African laborers are hired to work in construction, agriculture, industry, and households. The law provides for the right of private sector workers to form and join trade unions, strike, and bargain collectively, although the law places a number of restrictions on these rights. It provides protection against anti-union discrimination but enforcement is weak and anecdotal evidence suggests anti-union discrimination was widespread. Lebanon has a government-recognized General Labor Confederation (CGTL), whose membership is limited exclusively to Lebanese workers. The CGTL's activities are mainly limited to demanding cost-of-living increases and other social benefits for workers. The general labor-management relationship remains difficult and the Labor Law is not always properly enforced. Given its own strong political bias, the CGTL is sometimes accused of working for its own political interests and of ineffectiveness in fighting for workers' rights. In recent years, other labor groups, including the Union Coordination Committees, have overshadowed it. Strikes and demonstrations are not uncommon, and are usually aimed at pressuring the government for better employment conditions. However, this has never posed a major risk to investment. The law requires businesses to adhere to safety standards, but it is poorly enforced.

Lebanon's working population (aged 15 and above) totals 1.2 million, including foreign residents but excluding the seasonal work force, according to the Central Administration of Statistics' 2011 Labor Market in Lebanon report. The IMF estimates the population at 4.64 million in 2017. The World Bank estimates Lebanese unemployment will have doubled to 20 percent between 2012 and 2014, in large part due to the Syria crisis. The Minister of Economy and Trade publicly noted that there was competition between Lebanese and Syrian labor for low to high skilled jobs and also at the level of micro to small enterprises,

estimating unemployment at more than 25 percent in general and 35 percent among youth. There was widespread anecdotal evidence of arbitrary dismissals of Lebanese, being replaced by non-Lebanese, across economic and productive sectors. This has mainly been in the form of Syrian refugees allegedly replacing Lebanese in some sectors. However, there were no official statistics to quantify the scale of these dismissals.

## OPIC and Other Investment Insurance Programs

In 1981, Lebanon and the United States signed an Overseas Private Investment Corporation (OPIC) agreement, which became operational in 1996. OPIC is currently active in Lebanon in insurance, financing, and investment. Since 2007, OPIC has worked with Citibank on a program that offers loans to the private sector (SMEs, retail, and housing) through selected Lebanese commercial banks. To date, OPIC has provided USD 300 million in credit line guarantees.

The Lebanese government's National Investments Guarantee Corporation (NIGC) continues to insure new investments against political risks, riots, losses due to non-convertibility of currencies, and transfer of profits. Lebanon has been a member of the Multilateral Investment Guarantee Agency (MIGA), part of the World Bank, since 1994.

## Foreign Direct Investment and Foreign Portfolio Investment Statistics

Table 2: Key Macroeconomic Data, U.S. FDI in Host Country/Economy

	Host Country Statistical source*		USG or international statistical source		USG or International Source of Data: BEA; IMF; Eurostat; UNCTAD, Other
Economic Data	Year	Amount	Year	Amount	
Host Country Gross Domestic Product (GDP) (\$M USD)	2015	\$49.5 B	2016	\$51.991B	<a href="#">IMF</a>
Foreign Direct Investment	Host Country Statistical source**		USG or international statistical source		USG or international Source of data: BEA; IMF; Eurostat; UNCTAD, Other

U.S. FDI in partner country (\$M USD, stock positions)	2014	\$21.1	2015	\$259	<a href="#">BEA</a>
Host country's FDI in the United States (\$M USD, stock positions)	2014	\$0	2015	\$-14	<a href="#">BEA</a>
Total inbound stock of FDI as % host GDP	N/A	\$N/A	2015	\$58.6 B 14.5%	<a href="#">UNCTAD</a>

\*The Lebanese Central Administration of Statistics (CAS)

\*\*The Banque du Liban (BdL) statistics on FDI only cover banking and financial sector, insurance and real estate investment; it doesn't include investment in other sectors.

Table 3: Sources and Destination of FDI

### Direct Investment from/in Counterpart Economy Data

#### From Top Five Sources/To Top Five Destinations (US Dollars, Millions)

Inward Direct Investment			Outward Direct Investment		
Total Inward	1,933	100%	Total Outward	3,553	100%
Luxembourg	631	32.6%	Turkey	707	19.9%
Libya	176	9.1%	France	584	16.4%
France	176	9.1%	Egypt	523	14.7%
United Arab Emirates	158	8.2%	Jordan	276	7.8%
US Virgin Islands	115	6%	Australia	163	4.6%

"0" reflects amounts rounded to +/- USD 500,000.

Source: BdL; IMF Coordinated Direct Investment Survey, December 2014

BdL statistical data sources include International Transactions Reporting System (public and private sectors), Ministry of Finance Land Registry Directorate and CDIS.

Table 4: Sources of Portfolio Investment

Portfolio Investment Assets								
Top Five Partners (Millions, US Dollars)								
Total			Equity Securities			Total Debt Securities		
All Countries	5,009	100%	All Countries	1,956	100%	All Countries	3,052	100%
United States	1,247	25%	United States	704	36%	United Kingdom	548	18%
United Kingdom	642	13%	Bahrain	266	14%	United States	542	18%
France	368	7%	Luxembourg	134	7%	France	272	9%
Bahrain	319	6%	Jordan	113	6%	Germany	219	7%
Germany	270	5%	France	96	5%	Switzerland	165	5%

Source: BdL; IMF Coordinated Portfolio Investment Survey, June 2016

### Contact for More Information

U.S. Embassy in Lebanon  
 Economic Section  
 Aoukar, P.O. Box 70-840, Antelias, Lebanon  
 Tel: +961- 4-542600  
 Email: [Beirutembassyinvestment@state.gov](mailto:Beirutembassyinvestment@state.gov)

## Trade & Project Financing

### Methods of Payment

Lebanon has no restrictions on currency conversions and transfers, and no foreign exchange controls affect trading. Around 36 percent of international trade is financed through letters of credit, and the remaining portion is financed through direct transfers. No credit rating agencies or collection agencies currently operate in Lebanon. Banks and sovereign Eurobonds are the only entities rated by international rating agencies. There were 724,646 credit and charge cards registered in Lebanon, and 2,030,011 debit and prepaid cards as of December 2015.

### Banking Systems

Lebanon has one of the most sophisticated banking sectors in the region. The Lebanese Central Bank - the Banque du Liban (BdL) regulates all financial institutions and money exchange houses. In November 2015, Lebanon passed Law No. 44 on Fighting Money Laundering and Terrorist Financing (amending Law No. 318 dated April 2001). The law strengthened Lebanon's framework for combating money laundering and terrorist financing, mandated suspicious transaction reporting, required financial institutions to obtain and maintain records of customer identification information, and facilitated access to banking information and records by judicial authorities. The government's Banking Control Commission (BCC) closely monitors bank credits, and all credit transactions are subject to timely and accurate disclosure. The National Institute for the Guarantee of Deposits (NIGD) insures up to LBP 5 million (about USD 3,317) of Lebanese and foreign currency deposits in commercial banks. Bank's financial statements are in compliance with international accounting standards. Independent auditors audit annual accounts, and most banks utilize internationally recognized accounting firms.

Foreigners can open accounts in banks operating in Lebanon and get credit on market terms. However, due to the Internal Revenue Service's implementation of the Foreign Account Tax Compliance Act (FATCA), Lebanese banks may request additional information from U.S. citizens seeking to open accounts. Lebanese banks are fully compliant with FATCA. Lebanon complies with international Anti-Money Laundering/Combating the Financing of Terrorism (AML/CFT) standards.

### Foreign Exchange Controls

Lebanon imposes no foreign exchange controls. The foreign exchange market provides free currency convertibility and perfect capital mobility.

### US Banks & Local Correspondent Banks



Below is a list of U.S. banks operating in Lebanon:

[CITIBANK N.A.](#)

Berytus Park, Bloc A, 3rd floor  
Park Avenue, Beirut Central District  
P.O.Box 11-1535  
Beirut, Lebanon  
Tel: 961-1-962440  
Fax: 961-1-962447

[BNY MELLON \(Representative Office\)](#)

Atrium Bldg, 3rd floor  
Corner Maarad-Weygand Street  
Beirut, Lebanon  
Tel: 961-1-988788  
Fax: 961-1-989001

[JPMORGAN CHASE BANK NA \(Representative Office\)](#)

Gefinor Center, Bloc B, 16th floor, Suite No.1601  
Clemenceau Street,  
P.O.Box 11-5133  
Beirut, Lebanon  
Tel: 961-1-739583  
Fax: 961-1-739581

Below is a list of the largest banks (ranked by assets as of March 2017) that have correspondent U.S. banking arrangements:

[BANK AUDI S.A.L.](#)

Bank Audi Plaza, Bab Idriss  
P.O.Box 11-2560  
Beirut, Lebanon  
Tel: 961-1-994000  
Fax: 961-1-990555

[BLOM BANK S.A.L.](#)

BLOM Bank Bldg.  
Rashid Karamah Ave., Verdun  
P.O.Box: 11-1912 Riad ElSolh,  
Beirut 1107-2807, Lebanon  
Tel: 961-1-738938; 961-1-743300

[BYBLOS BANK S.A.L.](#)

Byblos Bank Headquarters,

Elias Sarkis Avenue, Ashrafieh  
P.O.Box: 11-5605 Riad ElSolh,  
Beirut 1107-2811, Lebanon

Tel: 961-1-335200

Fax: 961-1-334554

[FRANSABANK S.A.L.](#)

Fransabank Center,  
Hamra Street

P.O.Box: 11-0393 Riad ElSolh,  
Beirut 1107-2803, Lebanon

Tel: 961-1-745761; 961-1-340180

Fax: 961-1-354572

[SOCIETE GENERALE DE BANQUE AU LIBAN S.A.L. \(SGBL\)](#)

Sehnaoui Bldg,  
Riad ElSolh Street, Beirut Central District

P.O.Box: 11-2955

Beirut, Lebanon

Tel: 961-1-980783

Fax: 961-1-980785

[BANK OF BEIRUT S.A.L.](#)

Bank of Beirut Bldg  
Foch Street, Beirut Central District,

P.O.Box: 11-7354

Beirut, Lebanon

Tel: 961-1-958000

[BANKMED S.A.L.](#)

Bankmed Center  
482 Clemenceau Street

P.O.Box: 11-0348 Riad ElSolh,  
Beirut 1107-2030, Lebanon

Tel: 961-1-373937

Fax: 961-1-362706

[BANQUE LIBANO-FRANCAISE S.A.L.](#)

Beirut Liberty Plaza  
Rome Street, Hamra

P.O.Box 11-0808

Beirut, Lebanon

Tel: 961-1-791332

Fax: 961-1-440183

**CREDIT LIBANAIS S.A.L.**

Credit Libanais Tower  
Corniche El Nahr, Adlieh Roundabout  
P.O.Box: 16-6729  
Beirut, Lebanon  
Tel: 961-1-608000  
Fax: 961-1-608162

**IBL Bank S.A.L.**

Al Ittihadiah Bldg  
Charles Malek Avenue  
P.O.Box 11-5292 Riad ElSolh,  
Beirut 1107-2190, Lebanon  
Tel: 961-1-200350; 961-1 -334102  
Fax: 961-1-204505

**BBAC S.A.L.**

BBAC Bldg., 250 Clemenceau Street  
P.O.Box 11-536 Riad ElSolh,  
Beirut 1107-2080, Lebanon  
Tel: 961-1-366630  
Fax: 961-1-365200

**FIRST NATIONAL BANK S.A.L.**

Allenby Street, Marfaa 147 Bldg,  
Beirut Central District  
P.O.Box 11-435 Beirut, Lebanon  
Tel: 961-1-963000  
Fax: 961-1-973090

**LEBANON AND GULF BANK S.A.L.**

Lebanon and Gulf Bank Bldg,  
Allenby Street, Beirut Central District  
P.O. Box 11-3600  
Beirut, Lebanon  
Tel: 961-1-965000  
Fax: 961-1-965699

**CREDITBANK S.A.L.**

Freeway Center,  
Sin El Fil Blvd.  
P.O.Box: 16-5795  
Beirut, Lebanon  
Tel: 961-1-501600

Fax: 961-1-485245

Source: *Bankdata Financial Services*

## Project Financing

Project financing in Lebanon comes from various sources and is not always clearly defined. The Council for Development and Reconstruction (CDR), the government's executive body for redevelopment, has a total of USD 2 billion in loans and agreements ratified by parliament but not yet disbursed, and approximately USD 1.1 BILLION in loans (including financing for the private sector) awaiting parliament's approval. The CDR has a limited absorptive capacity and targets annual spending at around USD 750 million. About 30 foreign financing sources are involved in CDR's reconstruction and development plan, but 12 main financing sources have contributed over 90 percent of the agency's total foreign financing. These primary contributors include the World Bank, the Arab Fund for Economic and Social Development, the European Investment Bank, the Islamic Development Bank, and the Governments of Saudi Arabia, Italy, and France.

Lebanon's banking sector also provides project finance facilities to Lebanese and international companies carrying out projects in Lebanon. The process involves reviewing the project at hand, carrying out a commercial, financial and legal due diligence on the obligor and sponsor before structuring the facility. Typical security packages include real estate mortgages over the land and assets; in addition to an assignment of all project documents, cost and completion guarantees from the sponsor and corporate guarantees from the sponsors that are released once specified milestones are reached.

### *Multilateral Development Banks:*

The U.S. Commercial Service maintains Commercial Liaison Offices in each of the main Multilateral Development Banks, including the World Bank. These institutions lend billions of dollars to developing countries on projects aimed at accelerating economic growth and social development by reducing poverty and inequality, improving health and education, and advancing infrastructure development. The Commercial Liaison Offices help American businesses learn how to get involved in bank-funded projects, and advocate on behalf of American bidders. Learn more by contacting the [Commercial Liaison Office to the World Bank](#).

## Financing Web Resources

[Trade Finance Guide](#): A Quick Reference for U.S. Exporters, published by the International Trade Administration's Industry & Analysis team

[Export-Import Bank of the United States](#)

[Country Limitation Schedule](#)

[OPIC](#)

[U.S. Trade and Development Agency](#)

[SBA's Office of International Trade](#)  
[USDA Commodity Credit Corporation](#)  
[U.S. Agency for International Development](#)  
[Association of Lebanese Banks](#)  
[Banking Control Commission of Lebanon](#)  
[Central Bank of Lebanon](#)  
[Council for Development and Reconstruction](#)

## Business Travel

### Business Customs

Lebanese are to some extent formal in their business dealings, but will concurrently strive to be hospitable. The most common greeting in business is the handshake with direct eye contact. Punctuality is generally expected for business meetings. Meetings are generally conducted in Lebanese Arabic, French or English.

Business cards are commonly used. Dress code is formal in most business and official settings. Gifts are common and are accepted on most occasions.

### Travel Advisory

U.S. companies and visitors are advised to carefully assess the situation in Lebanon by consulting the [Department of State's Travel Warning and its Consular Information Sheet](#). These documents contain essential security and safety information on travel to Lebanon.

U.S. citizens are advised to maintain valid travel documents and enroll with the Department of State or the U.S. Embassy in Beirut through the [State Department's Smart Traveler Enrollment Program \(STEP\) website](#).

### Visa Requirements

Visas are required for entry into Lebanon and may be obtained at [Lebanese embassies and consulates](#). Citizens of the following countries can obtain a free one-month validity visa renewable for three months upon arrival at the Beirut Rafic Hariri International Airport (Beirut-RHIA):

Andora- Antigua and Barbuda- Argentina - Armenia-Australia-Austria-Azerbaijan-Bahamas- Barbados-Belarus-Belgium-Belize-Bhutan-Brazil-Bulgaria-Canada-Chile-China-Costa Rica- Croatia-Cyprus-Czech republic -Denmark-Dominican Republic-Estonia-Finland-France-Georgia- Germany-United Kingdom-Greece-Hong kong-China-Hungary-Iceland-Iran-Ireland-Italy-Japan- Kazakstan-Kirgizstan-Latvia-Liechtenstein-Lithuania-Luxembourg- Macau-Macedonia-Malaysia- Malte-Mexico-Moldova-Monaco-Montenegro-New Zealand-Netherlands-Norway-Panama- Paraguay-Peru-Poland-Portugal-Romania-Russia- Samoa-San Marino-Serbia -Singapore- Slovakia-Slovenia-South Korea-Spain-St.Kitts & Nevis-Sweden-Switzerland-Tajikistan- Turkmenistan-Ukraine-United States of America-Uzbekistan-Venezuela.

More information is available on the [website](#).

Travelers holding passports that contain visas or entry/exit stamps from Israel may be denied entry into Lebanon and subject to detention or imprisonment. Individuals seeking entry into

Lebanon who have previously traveled to Israel may face arrest and/or detention even if the travel documents they are currently using do not have Israeli stamps or visas. Holders of Arab passports that possess passports with Israeli stamps or visas may be subject to arrest and imprisonment. Travelers, including dual national Lebanese, suspected of having traveled to or via Israel may also be subject to interrogation or detention.

U.S. companies in Lebanon that require travel of foreign businesspersons to the United States should be advised that administrative processing may be required, which can delay issuance of the visa. Travelers should try to apply as early as possible for a visa. Applicants should go to the following links.

[Department of State Visa Website](#)  
[U.S. Embassy in Lebanon website](#)

## Currency

The monetary unit in Lebanon is the Lebanese Pound (LBP), also called the lira. There are no exchange controls, and U.S. dollars circulate freely. Cash and credit cards are the most common method of payment in Lebanon, but payment by check or bank transfer is also possible. Bank ATM machines are widespread, and cash may be withdrawn in Lebanese pounds or U.S. dollars.

## Telecommunications/Electric

International calls are expensive. The public phone network managed by public operator OGERO is generally reliable. Lebanon has two GSM networks that are owned by the government but managed by two private companies Zain Group and Orascom Telecom. Various private cellular telephones and fax facilities exist. Prepaid cellular cards are widely available, and cellular phones may be rented for the duration of a visit. Internet service is available starting at a monthly subscription fee of around USD 20 (including 10 percent Value Added Tax (VAT) charges) for limited access, and is also accessible to visitors at many hotels and internet cafes. DSL, ADSL, HDSL and wireless broadband internet connections are available in most of the hotels in Lebanon, though the service is slower than what is commonly available in the United States. 3G services are available across the country while 4G services are available but still limited.

The standard voltage in Lebanon is between 220V - 240V, as in Europe. This requires a power converter since the standard voltage in the U.S. is in the range of 100V - 127V. The frequency in Lebanon is 50 Hz and the power sockets used are of type C / D / G.

## Transportation

Lebanon lacks adequate public transportation, but private, un-metered taxis and shared cabs are abundant in and around the capital. Rental cars are readily available at a daily cost starting at USD 23, depending on the type and model of the car. Although many international airlines serve Beirut, a 1984 U.S. Presidential Determination prohibits direct air links between the United States and Lebanon.

## Language

Arabic is the official language in Lebanon, but French and English are widely spoken.

## Health

Most pharmaceuticals and health-related products are readily available in the local market. American companies such as Abbott Laboratories, Eli Lilly, Janssen-Cilag, Pfizer, and Merck Sharp & Dohme (MSD) have representative offices in Lebanon. Private hospitals in Beirut and surrounding areas provide modern care, but doctors and hospitals normally expect immediate cash payment for services if a client does not show evidence of a locally accepted health insurance coverage.

## Local Time, Business Hours and Holidays

Local time is GMT +3 from March 29 till October 23, 2017, and GMT +2 from October 24 till March 28, 2018.

Government offices hours are as follows:

- 8:00 a.m. - 2:00 p.m. Monday through Thursday
- 8:00 a.m. - 11:00 a.m. on Friday
- 8:00 a.m. - 1:00 p.m. on Saturday

Bank counters are generally open on the following schedule:

- 8:30 a.m. - 3:00 p.m. Monday through Friday
- 8:30 a.m. - 12:00 p.m. Saturday

Private office hours vary and some exceed the 40-hour workweek.

The following dates are considered holidays in Lebanon during 2017:

January 2:	New Year's Day
January 6:	Armenian Christmas
April 14:	Good Friday (Western & Eastern)
April 17:	Easter Monday (Western & Eastern)
May 1:	Labor Day
June 26:	Feast of Ramadan (Al-Fitr)



August 15:	Assumption Day
September 1:	Feast of Al-Adha
September 21:	Islamic New Year (Al-Hejra)
November 22:	Independence Day
December 1:	Prophet's Birthday
December 25:	Christmas Day

### Temporary Entry of Materials or Personal Belongings

There are no restrictions on the temporary entry of goods and equipment. Temporary importation of commercial samples, professional equipment and goods for use at trade fairs and exhibitions such as computers, repair tools, photographic and film equipment, musical instruments, industrial machinery, vehicles, jewelry, clothing, medical appliances, aircraft, race horses, art work, prehistoric relics, ballet costumes, and rock group sound systems require a temporary admission document known as the ATA (Admission Temporaire) carnet. This is obtained exclusively from the Chamber of Commerce and Industry and Agriculture of Beirut and Mount Lebanon (CCIB - BML).

By presenting an ATA carnet to Lebanese Customs, the imported products and equipment pass duty and tax-free into the country for up to one year. At the end of the year, all the items listed on the carnet must be returned to the temporary exportation country. Video, audio disks, and tapes may be subject to search and seizure.

More information is available on:

[Lebanese Customs Website](#)

[Chamber of Commerce Industry and Agriculture Website](#)

### Travel Related Web Resources

[Chamber of Commerce Industry and Agriculture of Beirut and Mount Lebanon](#)

[Lebanese Customs Authority](#)

[Lebanese Embassy in the U.S.](#)

[Ministry of Post and Telecommunications](#)

[Ministry of Economy and Trade](#)

[Department of State Visa website](#)

[U.S. Embassy in Lebanon](#)