



**USAID**  
FROM THE AMERICAN PEOPLE

# LEBANON MARKET SPOTLIGHT

## Investment Landscape

Home to over 1.2 million highly skilled workers and with market access to 106 million consumers, Lebanon offers opportunities for investors and companies to access markets across the Middle East, North Africa, and Europe. Lebanon is one of the most open and free economies in the region committed to trade liberalization, which includes trade agreements with the European Union and the Pan-Arab Free Trade Area. In fact, Lebanon enjoys one of the best price-to-quality ratios in the region, putting it on top of the list of the MENA countries to invest in.

### TOP REASONS TO DO BUSINESS IN LEBANON

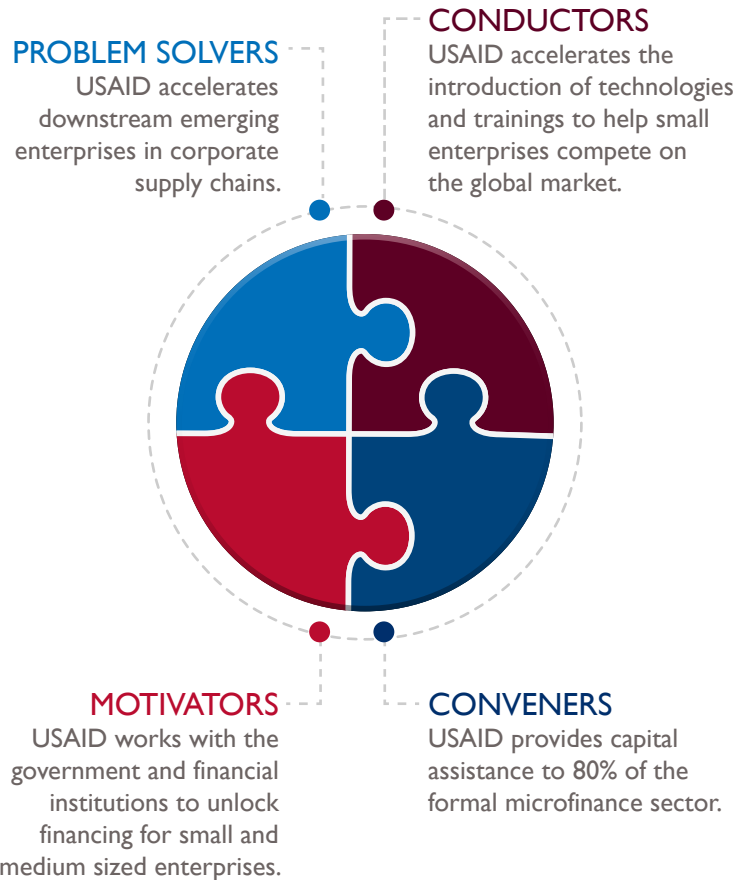
- 1. Liberal Economy:** Lebanon offers one of the most liberal investment climates in the Middle East. There are no restrictions on the entry or exit of firms, free market competition is encouraged, and the country has a 15 percent corporate tax rate (one the lowest in the world).
- 2. Market Gateway:** Its geographic location can be leveraged to access over 530 million people in MENA, Europe, and Africa. Microsoft, Packard Bell, Deutsche Post, and others have regional headquarters in Beirut to access the region.
- 3. Tech-Savvy Workforce:** Lebanon ranks fourth in the world in science and mathematics, trailing only Singapore, Finland, and Belgium. Its highly qualified workforce is also cost competitive. For example, the salaries of software engineers are 40 percent less than in Dubai.
- 4. Government Incentives:** The Government of Lebanon provides support for investors interested in setting up, maintaining, or expanding their activities in the country. This includes a range of incentives and business support services in priority sectors such as agriculture, tourism, technology, and media.

The current financial crisis has dampened the short-term economic outlook in Lebanon. However, this may present a market entry or expansion opportunity in sectors with long-term growth potential. This includes sectors with attractive government incentives to promote foreign direct investment, such as agriculture, tourism, energy, water and wastewater, healthcare and medical technologies, and media and Information and Communications Technology (ICT). The discovery of offshore natural gas deposits should also enable the country to reduce its energy dependence and offer numerous opportunities for these high-growth potential sectors.

## USAID's Role

Since its inception in 1961, USAID has worked with the Lebanese government, companies, and investors to advance peace, prosperity, and sustained economic growth. The USAID Mission to Lebanon works with large multinational corporations, local businesses, trade associations, private hospitals, and investors across nearly every sector and industry. The current focus is helping Lebanon to recover from its financial crisis through accelerating the growth of emerging enterprises, facilitating foreign direct investment (FDI), and reforming economic policies to help the country return to its role as an investment hub for the region.

## Snapshot: How We Engage



## How USAID Works with Businesses and Investors

With a strong on-the-ground presence, deep expertise, and close relationships with Lebanese ministries, USAID supports small businesses to large companies helping them overcome challenges and grow and expand their operations and investments, including initiatives to 1) improve productivity, 2) mitigate political, social and environmental risk, and 3) enhance supply chain resilience.

USAID collaborates with companies and investors to define sustainable growth strategies, build cross-sector partnerships, align interests with public institutions, and co-create innovative solutions to unlock growth and economic opportunity. Amid the financial crisis, USAID can also help foreign companies and investors monitor the investment landscape. Once the investment climate improves, USAID can then help connect foreign companies with networks of local business partners to accelerate operations and investments.

Specifically, USAID/Lebanon has served as an agtech co-investor; a convener of diverse stakeholders to increase access to financing; and a risk mitigator to foster exports. In all of these roles, companies and investors leverage USAID's expertise and reach to find local business partners, reduce investment risks, and cultivate new investment opportunities.

### Impact in Lebanon



**Market Facilitator:** USAID assists Lebanese enterprises to acquire international certifications for their products, gain access to finance, and connect with buyers in high-potential markets. Over the past three years, USAID facilitated hundreds of connections between farmers, packers, processors, and distributors leading to \$10 million in new sales.



**Investment Catalyst:** USAID helps small and medium sized enterprises downstream in corporate supply chains access trade financing. In partnership with leading financial institutions in Lebanon, USAID has supported the disbursement of thousands of loans to local businesses in Lebanon.



**Risk Mitigator:** In partnership with chambers of commerce and agtech innovators, USAID supports the testing of more efficient and sustainable agricultural technologies that improve quality and increase yields of high-value fruit, vegetables, and flowers for export.



**Co-Investor:** USAID is helping to rebuild Lebanon's status as a premier tourism destination through marketing campaigns, heritage site rehabilitation, and building the capacity of tourism operators.



### REBUILDING LEBANON

**"The private sector has the resources and influence to positively impact lives of children in difficult situations. My advice is to work with partners to leverage the collective power of influence, reach and knowledge."**

JOHN GOODWIN, CEO  
LEGO Foundation

If you are interested in doing business in Lebanon, USAID can help you to connect, invest, and expand your business. Contact USAID today to schedule a meeting to explore the possibilities with partnership and subject matter experts at XXXXX.