

Lebanon

Key indicators

Population (millions)	4.6
GDP (\$ billions)	51.8
GDP per capita (\$)	11270.6
Share of world GDP (PPP\$, %)	0.1
Current account surplus/deficit, share of GDP (%)	-20.4
Tariff preference margin (percentage points)	4.2
Imports and exports (goods and services), share of GDP (%)	111.6
Services exports, share of total exports (%)	80.6
Geographic region	Asia
Country group	
Income group	Upper-middle income

SME Competitiveness Grid Summary

Average scores [0-100]	Compete	Connect	Change
FIRM CAPABILITIES			
Small	44.7	43.4	44.3
Medium	61.7	62.8	66.2
Large	83.5	88.8	67.3
All	52.4	51.1	54.2
BUSINESS ECOSYSTEM	46.2	63.8	47.0
NATIONAL ENVIRONMENT	51.9	68.3	49.3

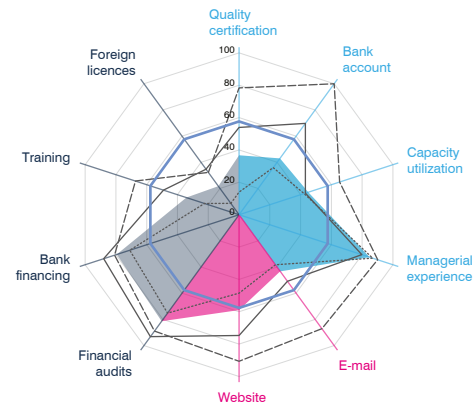
Reference level: 57.6 (a function of GDP per capita)

Weaknesses are scores below: 28.8 | **Strengths are scores above: 86.4**

SME Competitiveness Grid

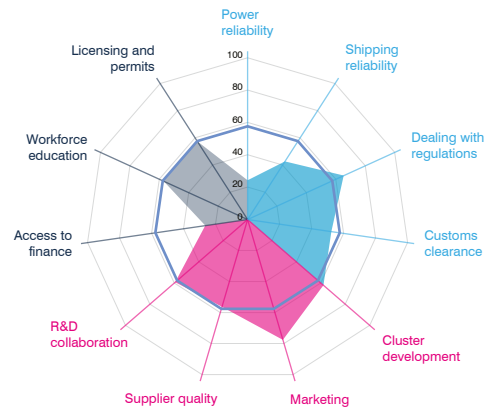
FIRM CAPABILITIES (Normalized scores)

Compete	Small	Medium	Large	All
International quality certificate	13.9	53.9	78.4	36.7
Bank account	36.0	69.7	100.0	43.0
Capacity utilization	42.3	43.2	65.3	45.0
Managerial experience	86.9	79.8	90.1	84.9
Connect				
E-mail	38.2	50.9	87.1	43.3
Firm website	48.5	74.6	90.6	58.9
Change				
Audited financial statement	75.2	93.2	88.9	81.4
Investment financed by banks	71.0	88.0	80.9	79.4
Formal training programme	22.5	49.1	67.3	34.2
Foreign technology licences	8.6	34.8	32.3	21.8



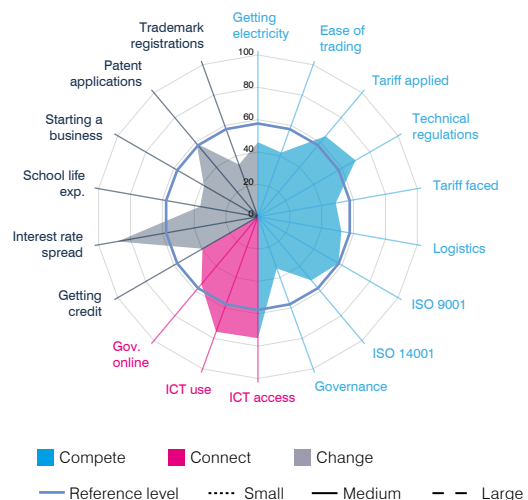
BUSINESS ECOSYSTEM (Normalized scores)

Compete	Small	Medium	Large	All
Power reliability	26.2	21.3	21.9	24.2
Domestic shipping reliability	32.4	72.8	100.0	42.7
Dealing with regulations	63.4	69.2	68.6	65.4
Customs clearance efficiency	49.0	50.0	70.7	52.4
Connect				
State of cluster development				62.1
Extent of marketing				77.6
Local supplier quality				56.3
University-industry collaboration in R&D				59.2
Change				
Access to finance	25.4	28.2	28.5	26.5
Access to educated workforce	54.3	64.0	56.1	57.2
Business licensing and permits	65.1	51.4	35.1	57.5



NATIONAL ENVIRONMENT (Normalized scores)

Compete	All
Getting electricity	46.0
Ease of trading across borders	42.2
Applied tariff, trade-weighted average	65.0
Prevalence of technical regulations	69.7
Faced tariff, trade-weighted average	48.9
Logistics performance index	52.4
ISO 9001 quality certificates	57.5
ISO 14001 environmental certificates	51.3
Governance index	34.0
Connect	
ICT access	75.1
ICT use	75.6
Government's online service	54.3
Change	
Ease of getting credit	39.6
Interest rate spread	88.1
School life expectancy	36.3
Ease of starting a business	38.5
Patent applications	59.0
Trademark registrations	34.3



Note: Scores range from 0 to 100, a higher score indicates a better outcome. Series with missing data are indicated as (-) in the tables and omitted from the radar charts.

Source: World Bank Enterprise Survey (2013) for firm level data; for other sources and methodology see Annex.

SME Export Potential

Lebanon is an upper-middle income country with a population of 4.6 million and GDP of \$51.8 billion. Goods and services account for 19.4% and 80.6% of exports, respectively.

The country's unrealized potential to increase existing exports of goods lies within its home region and to Africa (see table below). *Articles of jewellery* have an unrealized export potential of around \$123 million in the home region. Other products with unrealized potential in the home region and to Africa include *generating sets* and *printed books*.

Regarding new export products, Lebanon has diversification opportunities in metals, machinery, carpets, as well as beverages with products such as *wire of non-alloy aluminium* and *wind-powered generating sets*. The production of the former good scores relatively well on the price stability indicator. Other products for diversification include *carpets and other floor covering* and *grape must*.

Small firms in Lebanon perform well in managerial experience and audited financial statements. They underperform, however, in owning internationally recognized quality certifications and foreign technology licences, and offering formal training programmes to employees. The largest gap between small and large firms lies in domestic shipping reliability. The country's national environment performs well in interest rate spread.

Unrealized potential: Existing export products

Product description	Product code	Exports (\$ million)	Value of unrealized potential exports by destination (\$ million)					Development indicators						
			Africa	Americas	Asia	Europe	Oceania	Price stability	SME presence	Women employed	Technology			
Articles of jewellery and parts thereof, of precious metal other than silver, whether or not plated or...	711319	271	123	0	148	123	0	0	0	0	Red	Green	Red	Red
Generating sets with compression-ignition internal combustion piston engine "diesel or semi-diesel...	850211	60	30	0	30	0	0	0	0	0	Red	Red	Red	Red
Printed books, brochures and similar printed matter (excluding those in single sheets; dictionaries...	490199	87	43	0	44	0	0	0	0	0	Green	Red	Green	Red
Gold, incl. gold plated with platinum, unwrought, for non-monetary purposes (excluding gold in powder...	710812	260	0	0	260	0	0	0	0	0	Red	Red	Red	Red
Generating sets with compression-ignition internal combustion piston engine "diesel or semi-diesel...	850213	60	30	0	30	0	0	0	0	0	Red	Red	Red	Green
Non-alcoholic beverages (excluding water, fruit or vegetable juices and milk)	220290	36	18	0	18	0	0	0	0	0	Green	Red	Green	Red
Generating sets with compression-ignition internal combustion piston engine "diesel or semi-diesel...	850212	43	21	0	22	0	0	0	0	0	Green	Red	Red	Red
Fresh apples	080810	32	16	0	16	0	0	0	0	0	Green	Red	Red	Red
Household refrigerators, absorption-type	841829	36	18	0	18	0	0	0	0	0	Red	Green	Red	Red
Live goats	010420	5	0	0	5	0	0	0	0	0	Red	Red	Red	Red

Notes: Unrealized potential table: Top 10 products in decreasing order of unrealized export potential to the world. **Exports:** Average value over 2011-2015. **Price stability, SME presence, and Women employed:** Green - performance above a country's trade-weighted mean. Red - the opposite. **Technology:** Green - transformed products exported by countries at least matching the country's per capita GDP. Red - the opposite. Blank spaces - data not available.

Source: ITC Export Potential Map, <http://exportpotential.intracen.org>