

Lebanon

Key indicators

Population (million)	4.6
GDP (\$ billion)	54.4
GDP per capita (\$)	11,945
Share of world GDP (PPP\$, %)	0.1
Current account surplus/deficit, share of GDP (%)	-21.0
Tariff preference margin (percentage points)	4.9
Imports and exports (goods and services), share of GDP (%)	100.0
Services exports, share of total exports (%)	80.3
Geographic region	Arab States
Development group	
Income group	Upper-middle income

SME Competitiveness Grid Summary

Average scores [0-100]		Compete	Connect	Change
FIRM CAPABILITIES	Small	44.0	43.6	43.7
	Medium	60.7	62.9	65.7
	Large	84.4	88.9	66.6
	All	51.6	51.3	53.6
IMMEDIATE BUSINESS ENVIRONMENT		45.2	55.0	48.7
NATIONAL ENVIRONMENT		50.8	68.0	52.4

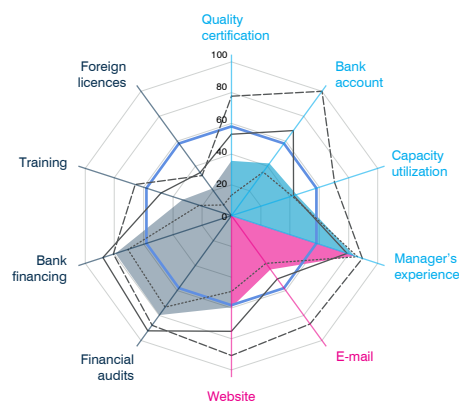
Reference level: 58.1 (a function of GDP per capita \$)

Strengths are scores above: 87.1 **Weaknesses are scores below: 29.0**

SME Competitiveness Grid

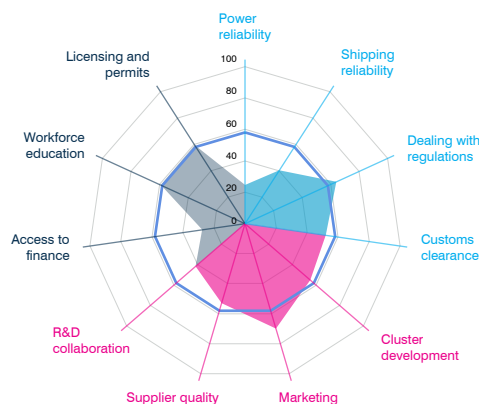
FIRM CAPABILITIES (Normalized scores)

Compete	Small	Medium	Large	All
International quality certificate	13.3	53.0	77.9	35.7
Bank account	35.1	68.5	100.0	42.1
Capacity utilization	41.4	42.4	70.4	44.5
Manager's experience	86.1	79.0	89.5	84.1
Connect				
E-mail	38.1	50.7	87.0	43.1
Firm website	49.0	75.1	90.8	59.5
Change				
Audited financial statement	73.3	92.4	87.8	79.8
Investment financed by banks	70.7	87.8	80.7	79.2
Formal training programme	22.0	48.1	65.8	33.6
Foreign technology licences	8.6	34.7	32.2	21.7



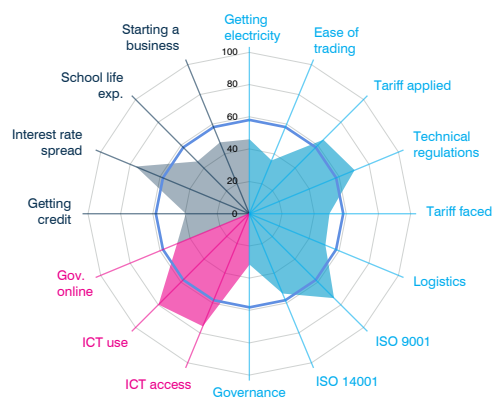
IMMEDIATE BUSINESS ENVIRONMENT (Normalized scores)

Compete	Small	Medium	Large	All
Power reliability	26.6	21.6	22.3	24.6
Domestic shipping reliability	30.0	70.7	100.0	40.3
Dealing with regulations	62.0	67.9	67.3	64.0
Customs clearance efficiency	48.8	49.8	69.8	52.0
Connect				
State of cluster development				55.1
Extent of marketing				69.9
Local supplier quality				53.0
University-industry collaboration in R&D				41.8
Change				
Access to finance	26.6	29.5	29.8	27.7
Access to educated workforce	56.2	65.9	58.1	59.1
Business licensing and permits	67.1	53.3	36.5	59.4



NATIONAL ENVIRONMENT (Normalized scores)

Compete	All
Getting electricity	46.1
Ease of trading across borders	35.7
Applied tariff, trade-weighted average	64.8
Prevalence of technical regulations	70.5
Faced tariff, trade-weighted average	49.6
Logistics performance index	50.9
ISO 9001 quality certificates	74.1
ISO 14001 environmental certificates	53.6
Governance index	31.6
Connect	
ICT access	75.6
ICT use	79.8
Government's online service	48.6
Change	
Ease of getting credit	39.6
Interest rate spread	76.3
School life expectancy	45.8
Ease of starting a business	47.8
Patent applications	-
Trademark registrations	-



■ Compete ■ Connect ■ Change
— Reference level ⋯ Small — Medium - - Large

Note: Scores range from 0 to 100, with higher score indicating 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 in the Middle East with a population of 4.6 million and GDP of \$54.4 billion. Goods and services account for 19.7% and 80.3% of exports, respectively.

ITC's export diversification analysis for goods finds that diversification opportunities for the country's exports lie in the transport equipment the basic manufactures sector. ITC identifies *chemical wood pulp, bars and rods of steel or iron, and ferro-chromium* as top products for diversification.

Existing export products also have increased export potential, for example *articles of jewellery*. ITC estimates that this product has an unrealized export potential of \$120 million to non-OECD countries. Other products with potential include *goats (live), refrigerators* and *diesel engines*.

The SME Competitiveness Grid reveals that large firms do well on the capacity to compete and connect pillars, while SMEs only attain average scores. In particular, many Lebanese SMEs do not hold internationally recognized quality certifications or foreign technology licences nor offer formal training programmes to their employees. Large firms, however, score well on connectivity measures. Lebanon's immediate business environment is on par with expectations, but underperforms in terms of power reliability. Small firms find it particularly difficult to access finance.

Diversification opportunities

Product description	Product code	Rank				Development indicators		
		World	Middle East & North Africa	non-OECD	OECD	Price stability	SME presence	Women employed
Chemical wood pulp,soda/sulphate,non-coniferous,semi-bl/bleachd	470329	34	43	61	12	■	■	■
Bars & rods, hot-rolled, in irregularly wound coils of iron or non-alloy steel	721310	37	162	33	65	■	■	■
Ferro-chromium,	720249	73	138	160	29	■	■	■
Quicklime	252210	75	324	62	393	■	■	■
Fire fighting vehicles	870530	80	80	66	328	■	■	■
Urea/ammonium nitrate mx in aqueous/ammoniacal sol in pack of > 10 kg	310280	85		555	31	■	■	■
Wire of iron or non-alloy steel, zinc plated/coated	721720	93	79	81	182	■	■	■
Carpets of man-made textile mat,of woven pile construct	570232	96	58	91	115	■	■	■
Corks, crown, of base metal	830910	105	289	87	541	■	■	■
Balls,grindg&similar articles of i or s,forged or stamped,not f/worked	732611	106	509	89	616	■	■	■

Unrealized potential: Existing export products

Product description	Product code	Exports (\$ million)	Value of unrealized potential exports (\$ million)			Development indicators			
			Middle East & North Africa	non-OECD	OECD	Price stability	SME presence	Women employed	Technology
Articles of jewellery and parts thereof, other than silver	711319	195.9	■	■	■	■	■	■	■
Goats, live	010420	4.2	■	■	■	■	■	■	■
Refrigerators, household type	841829	37.5	■	■	■	■	■	■	■
Generatg sets,diesel/semi-diesel engines	850211	56.0	■	■	■	■	■	■	■
Potatoes, fresh or chilled	070190	36.8	■	■	■	■	■	■	■
Books, brochures, leaflets and similar printed matter	490199	89.8	■	■	■	■	■	■	■
Apples, fresh	080810	27.3	■	■	■	■	■	■	■
Non-alcoholic beverages,excludg fruit/veg juices	220290	35.1	■	■	■	■	■	■	■
Generatg sets,diesel/semi-diesel exceedg 75 KVA	850212	34.9	■	■	■	■	■	■	■
Concrete or mortar mixers	847431	12.0	■	■	■	■	■	■	■

Note: Products listed are top 10 in decreasing order of their **unrealized export potential** to the world. **Exports** reflect the average value over 2010-2014. **Development indicators:** green reflects performance above a country's trade-weighted mean; red the opposite. **Technology:** green indicates sectors that use technology above a country's median; red the opposite. Products that are not yet exported but have high export potential and enhance the country's technology level are listed in the **Diversification opportunities** table. These opportunities are indicated by each product's **rank**, i.e. the lower the number, the higher is the probability of the country diversifying into this product. Blank spaces indicate data are not available.

Source: ITC Export Potential Assessment <http://exportpotential.intracen.org>, covering goods (services not included).

Technical regulations

Imports subject to regulation



Requirements per imported product

2.08

Exports subject to regulation

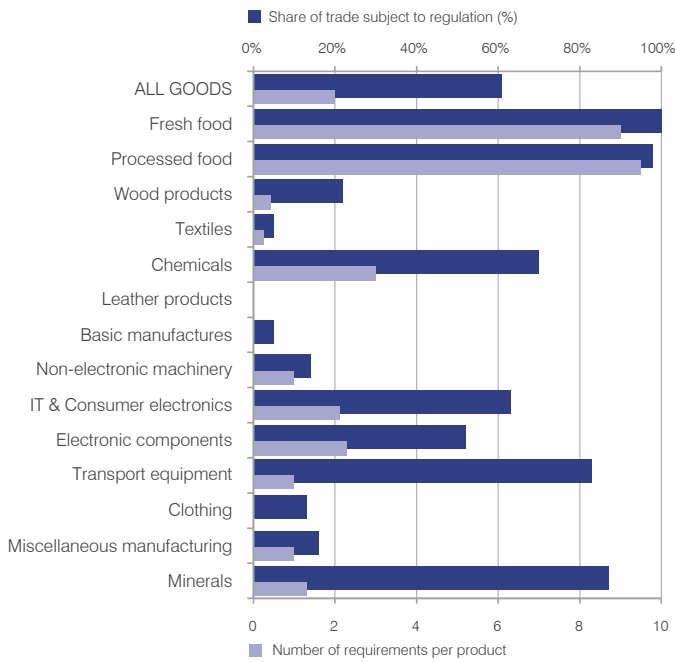


Requirements per exported product

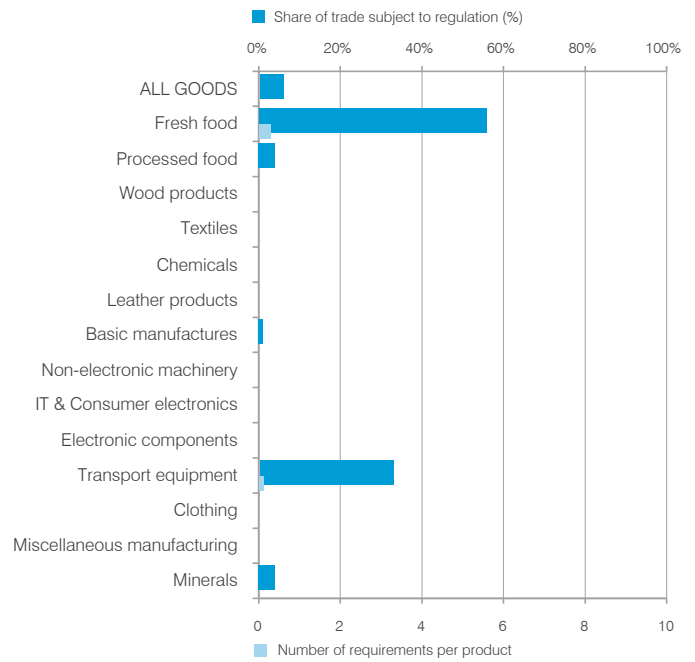
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Regulatory environment by sector

Import regulations

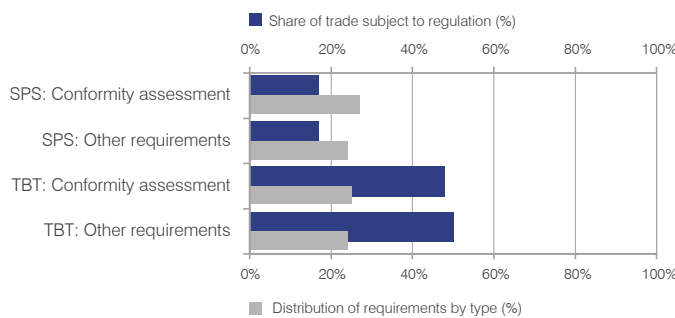


Export regulations

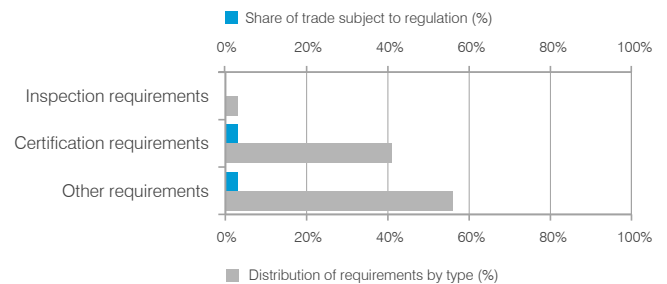


Regulatory environment by requirement

Import regulations



Export regulations



Note: Requirements are based on the number of regulations and types of measures. Statistics are based on 92 technical regulations.

Source: ITC-UNCTAD-WB joint data collection, 2014. More data is available at www.macmap.org.