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INVESTMENT PROMOTION PROGRAMME FOR LEBANON

FINAL REPORT

by

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(Project No. US/LEB/96/167)

I. Introduction

Seventeen years of instability in Lebanon have left most of the existing industrial firms in need for rehabilitation and development. Lebanese industry must catch up with the transformation of the world industry and become internationally competitive in order to survive and grow. The industrial sector is reported to be currently passing through a transition period and its contribution to GDP decreased to below 25%. This sector accounts for about 30% of total employment.

The industrial census carried out by the Ministry of Industry in 1994 revealed that 68% of 23,500 enterprises covered by the census employ less than 5 persons and only less than 4% employ more than 20 persons. The sectoral distribution of the surveyed enterprises is as follows:

Food processing	21%
Furniture	14%
Metal	13.8%
Clothing	13.5%

Following the normalization of political conditions after years of instability, a long-term recovery programme has been initiated in Lebanon. The Government launched reconstruction and rehabilitation plans for basic economic, physical and social infrastructures to improve the efficiency of the private sector. A significant number of large-scale reconstruction projects have been announced and a number of public contracts, for the rehabilitation of the infrastructure, have been signed. The national entrepreneurs have launched several development projects. Lebanon is also trying to attract the big operators who had left during the eighties. The prospect of a regional peace brings about hope for the creation of new economic areas where Lebanon could play a dynamic role.

Confidence among the nationals in the reconstruction efforts has increased; however, a large number of foreign potential investors as well as Lebanese expatriates have not been well informed of the recent positive development in the country and specific investment opportunities.

A strong country and project promotion campaign is therefore urgently required to attract more attention of foreign potential partners who can provide timely inputs to the country.

United Nations Industrial Development Organization, Investment Promotion and Institutional Capacity-Building Division, Investment and Technology Promotion Branch (UNIDO IPC/ITP) has long experience in organizing successful investment programmes with strong emphasis on country promotion and for this reason, the Investment Development Authority of Lebanon (IDAL) requested UNIDO to implement a programme to carry out country and project promotion in the industrial sector of Lebanon through organizing an Industrial Investment Forum for Lebanon.

This programme was financed by the special purpose contribution of the Government of the Kingdom of Saudi Arabia.

II. Co-organizers

United Nations Industrial Development Organization (UNIDO) is the specialized agency of the United Nations dedicated to enhance industrialization on global, regional, national and sectoral levels. It assists developing countries and economies in transition in pursuing sustainable industrial development by balancing concerns for competitive economy, productive employment and sound environment.

One of the activities of UNIDO is investment and technology promotion in the field of industry. UNIDO provides assistance in establishing/upgrading of investment promotion agencies in developing countries and through this institutional support, UNIDO assists developing countries' small/and medium-scale manufacturing companies in articulating their business plans for the identification of foreign business partners who can provide technical and financial resources required for their plans.

The Investment Development Authority of Lebanon (IDAL)

Investment Development Authority of Lebanon (IDAL) was established in 1994 by a decree of the Council of Ministers. It promotes private sector investments for national development and reconstruction. IDAL identifies large-scale investment opportunities, including BOT projects, and facilitates their implementation. It also assists foreign investors who are looking for business opportunities in Lebanon.

III. Programme strategy

The purpose of Industrial Investment forum for Lebanon was 1) to inform international companies of the current investment climate of Lebanon to build a new image of Lebanon, 2) to introduce large scale BOT projects (including infrastructure-related projects) to potential international partners, 3) to bring together companies interested in industrial business opportunities in Lebanon with industrialists in Lebanon to explore possible modes of cooperation on specific projects in selected sub-sectors.

Since IDAL has been carrying out country promotion and BOT project promotion, it was agreed that UNIDO would mobilize its Investment and Technology Promotion Offices (ITPOs) network and other channels to inform as many potential international business partners as possible.

1. Sector-oriented project identification

Instead of organizing a forum which covers all industrial sectors, 3 industrial sub-sectors were selected from which business proposals were to be identified. These selected sub-sectors were: agro-food, construction-related equipment, and software development.

Agro-food sector:

Lebanese agro-food sector is traditionally strong and has good reputation in neighboring/Arab regional countries. Canned products and food products are one of the main export items. Some of the challenges of this sub-sector would be : 1) upgrading of technology currently used in order to produce new types of products and 2) identifying niche products to find new markets.

Construction-related equipment sector:

UNIDO carried out an SIS project (SI/LEB/94/802) to assist the Government in reviewing needs of investment promotion activities in the building materials sector which was facing huge demand because of the large-scale reconstruction efforts. Upon completion of the above SIS project, it was suggested that the promotion of the flow of foreign investments into this specific field is required to meet the reconstruction needs.

Software development sector:

A UNIDO SIS project (SI/LEB/94/801) was implemented to identify niche opportunities based on high technology in Lebanon. It was found that new opportunities exist in the country, especially in the software development and in the information technology fields. It should be noted that a sizable number of expatriates have completed higher education abroad in computer-related field and they would be interested in returning to the country if job opportunities which could meet their expectations are offered.

2. Mobilization of Lebanese experts

One of the assets of Lebanon is a large number of highly qualified human resources in the country and also abroad, this programme focused on maximum mobilization of Lebanese expertise in the implementation. Formulation of investment opportunities was carried out by national consultants assisted by UNIDO Hqs staff as well as a short-term international consultant and recruitment of a Lebanese expatriate in USA was made to promote the Forum among Lebanese expatriate communities in USA and Canada.

IV. Implementation of the programme

Implementation of the project started in November 1997. In close coordination with UNIDO office in Beirut, the implementation process was initiated and three national consultants were recruited (one each for selected sub-sector) to identify business proposals among companies in the assigned sub-sector. UNIDO office in Beirut supervised the work of the national consultants, identification of the interested companies and formulation of project profiles by consultants. More than 100 companies were approached and these national consultants visited companies which showed interest in this Forum scheme. After preparation of the draft project profiles by the national consultants, an international consultant visited all these companies to reconfirm the commitment and seriousness of the management of the companies in the projects. Total of 24 project profiles were selected (19 from agro-food, 5 from construction-related equipment sub-sector) to be presented to the Forum. Due to the fact that software is a 'customer-made' product and description of customer-made software does not comply with the form of the project profile, it was decided that software developing companies which showed interest in this Forum scheme should be invited to the Forum venue to demonstrate their products to develop business contacts with potential clients.

As of August 1998, Forum/project promotion was done through the following channels supervised by UNIDO Hqs in close collaboration with UNIDO office in Beirut:

1. UNIDO Investment and Technology Promotion Office (ITPO) network

During ITPO Head meeting held in Vienna from 2-4 September 1998, the following ITPO offices showed keen interest in the promotion of the Forum/projects and specific strategies were discussed and agreed by the ITPO Heads and the project manager:

Promotion of Lebanon carried out by ITPO offices

	Target subsector Projects to be promoted	Target Audience	Country Promotion
ITPO Athens (Greece)	- Construction-equipment - BOT projects	- Promotion among Lebanese expatriates - Construction companies	General country promotion
ITPO Beijing (China)	- Construction-equipment - BOT projects	- construction-related companies	General country promotion
ITPO Milan (Italy) (2 months <u>Lebanese</u> <u>delegate</u> , Mr. A. Barhoumi of IDAL, was hosted from 19 October-14 December 1998)	Agro-food	In addition to agro-food Italian companies, at BORITEC '98 (25-27 November 1998, Italy's largest industrial fair), contacts with Italian companies were made.	Country promotion at BORITEC 1998. Follow-up on contacts made during BORITEC.
ITPO Paris (France)	- Agro-food - BOT projects - Software development	Promotion among Lebanese expatriates in addition to French companies.	Owing to long-standing ties between two countries, intensive country promotion was carried out.
ITPO Tokyo (Japan)	-----	Promotion among companies which in the past had branch offices in Beirut	Intensive country promotion.
ITPO Seoul (South Korea)	- Construction-equipment - BOT projects	Construction companies	General country promotion.

ITPO Vienna (Austria) 1 month delegate. Mr. G. Tannous of IDAL, was placed from 16 November -18 December 1998.	-Construction equipment - Agro-food	Construction-related companies	General country promotion in cooperation with Austrian Federal Chambers.
ITPO Warsaw (Poland)	Agro-food, Construction equipment projects	Polish companies were active in Middle East in 1980s. Those companies were approached in addition to Agro-food and construction equipment companies.	A country presentation seminar was organized by ITPO Warsaw on 10 December 1998 attended by 13 Polish companies.
Walloon Region of Belgium	- Agro-food - construction equipment - software development	Promotion among companies interested in business opportunities in Middle East.	Country presentation was organized in Brussels on 21 January 1999.
IPU Cairo (Egypt)	- Agro-food - Construction equipment	General promotion among Egyptian companies	General promotion

2. Promotion in Non-ITPO countries

a. USA/Canada

An American consultant and a Lebanese expatriate were recruited to promote Forum/projects in USA and Canada. Over 800 companies were contacted. In addition, contacts were established with USAID Global Technology Network which has a database of 3000 American companies.

b. Saudi Arabia

In order to strengthen regional business cooperation and enhance the link between this programme for Lebanon and an on-going UNIDO technical assistance programme for Saudi

Arabia at the Saudi Consulting House, letters were sent to selected Saudi companies in Agro-food sector to inform them of the Lebanese business opportunities.

3. General Promotion

a. Web page

Identified Lebanese projects were placed on UNIDO's Web page in August together with detailed information on the Forum. A hyperlink was established between IDAL Web page and UNIDO's.

b. Forum brochure distribution/direct mailing

Total of 9000 copies (4000 in English, 2000 in French, 3000 in Arabic) were printed in November, 1998 and were sent to UNIDO ITPOs, more than 100 Chambers of Commerce throughout the world, bilateral Lebanese Chambers in selected countries where sizable Lebanese expatriate communities exist (USA, Brazil etc.), and other business focal points. The use of the logos of 4 private sector co-sponsors on the brochure was approved by the Office of the Director-General on 21 October 1998.

In addition to UNIDO Hqs' efforts, IDAL and UNIDO Representative office in Beirut distributed copies of brochures to arouse interest among Lebanese financial companies and diplomatic corps in Lebanon.

c. Press release

A press release was issued on 7 January by UNIDO Press Office. This was disseminated through UNIDO's public relation channels.

d. Advertisement

5 private sector co-sponsors for the Forum were identified by IDAL who agreed to make a complementary contribution to IDAL/UNIDO to realize a larger media promotion campaign. Design of the advertisement with logos of UNIDO and IDAL as well as these private sector co-sponsors, together with a disclaimer, was approved by the Director-General of UNIDO (See Annex 10). From December 1998 - January 1999, the following media included an advertisement on the Forum:

Newspapers

Al-Hayat (in Arabic, international)

Al-Sharq al-Awsat (in Arabic, international)

An-Nahar (in Arabic, Lebanese)

Financial Times (in English, international)

Magazines

Al iktisaad wal Aamaal (in Arabic, regional)

Commerce du Levant (in French, regional)

Lebanon Opportunities (in English, regional)

Emirates (in Arabic, regional)

e. Press coverage

At the initiative of UNIDO Beirut office, Lebanese media was informed of the preparation of the Forum through a number of press conferences attended by high-ranking government officials and UNIDO Representative, Mr.M. Al-Hafedh.

V. Forum Summary

1. Opening Session (2 February 10:00 - 13:00)

On 2 February 1999, The Forum was opened by a welcoming address by Mr. M. Al-Hafedh, UNIDO Representative in Lebanon. Inauguration statements were made by H.E. the Prime Minister of Lebanon, Dr. Salim El-Hoss, UNESCWA Executive Secretary, Dr. Hazem El-Beblawi, and Deputy to the Director-General of UNIDO, Mr. Yo Maruno. The opening session was attended by more than 400 participants, which was far beyond the expectation of the Forum secretariat. The participants included Ministers, high ranking officials, representatives of private sector in Lebanon and more than 100 foreign participants. H.E. the Ambassador of the Permanent Mission of Lebanon to UNIDO, Mr. Samir Hobeica, was also present. A wide media (by TV and newspapers) coverage was made throughout the Forum. (See Annexes 3- Programme of the Forum, 8- speeches and presentations, 11-Press clippings). Summaries of these speeches are as follows:

H.E. Prime Minister of Lebanon, Dr. Salim El-Hoss

This forum is the results of the continuous efforts of UNIDO and IDAL. On this occasion, the financial assistance of the Kingdom of Saudi Arabia is deeply appreciated. Industry plays a very important role in the Lebanese economy and it represents currently 14% of the GDP and it is expected that it will increase its contribution to the economy within the coming years. The determination of the Lebanese Government is to develop an effective investment climate capable of attracting local and foreign investments to the services and manufacturing sectors and attracting also Lebanese expatriates' capitals. In order to confirm this determination, a Ministerial Communiqué was issued. In the Communiqué, the Government made it clear that there is a challenge in regaining confidence in the national economy, increasing the growth in the manufacturing sector, providing important role to the private sector and encouraging entrepreneurship. The most important aspect is providing medium and long term financing and

upgrading of technology for the all industrial subsectors in Lebanon. The future of Lebanon rests on its human resources. The existence of 17 universities and more than 200 technical schools supports the development of the workforce. The Government will continue its efforts in improving the investment climate in general and, in particular, facilitating the establishment of industrial projects. This forum plays an important role in the enhancement of manufacturing sector of Lebanon, including knowledge, technology, industrial planning, marketing and financing.

Executive Secretary of UNESCWA, Dr. Hazem El-Beblawi

The importance of this Forum is not only limited to the furnishing of general information on investment, but providing relevant information at individual meetings and personal inputs. Therefore, this Forum is considered as a rare opportunity for cooperation, negotiation, and subcontracting between Lebanese industrialists and foreign investors meeting face to face. This efforts of UNIDO in organizing the Forum complements the activities of the United Nations in this region. UNESCWA aims at economic and social development in Western Asian countries and supports cooperation between them. In this connection, UNIDO's initiative is very important from the point of view of UNESCWA. Side by side, UNESCWA and UNIDO will work together under the UN flag, and it is the pleasure of ESCWA to hold this Industrial Investment Forum for Lebanon at ESCWA's venue.

Deputy to the Director-General of UNIDO, Mr. Yo Maruno

This Industrial Investment Forum for Lebanon is the most business-oriented meetings ever held in Lebanon. After the civil war, the top policy priority of the Government is the reconstruction and sustainable development to ensure Lebanon's enabling environment for Lebanese industrialists. Lebanon's pre-war success rested on its human resources, which are still the county's major assets. After the difficult years, Lebanese entrepreneurship, vitality and resourcefulness remain undiminished and these are one of the keys of success of the country in the years to come. Lebanon's options are likely to be found in diversifying its services and industrial base and in seeking market niches and specialization. UNIDO has been working with Governments, business associations and individual companies to solve industrial problems in recipient countries for more than 30 years. In 1997, UNIDO changed drastically under the new leadership of Mr. Carlos Magariños. 'New UNIDO' is ready to offer its tailor-made solutions for the sustainable industrial development of recipient governments. The basic concept of this technical assistance programme of UNIDO for Lebanon is how to multiply efforts of UNIDO and the Lebanese Government to inform foreign potential investors of readiness of Lebanon as a re-opened venue for industrial business. In close cooperation with IDAL, UNIDO Hqs, UNIDO office in Beirut and UNIDO Investment and Technology Promotion offices in industrial countries joined efforts in promotion of Lebanon as well as individual business proposals. This Forum is

the beginning of a process which will lead to mutually profitable industrial partnerships.

H.E. the Minister of Economy, Trade and Industry, Dr. Nasser Saidi, the President of the Association of the Lebanese Industrialists, Mr. Jacques Sarraf, and the Chairman of IDAL, Dr. Youssef Choucair, made presentations on the investment climate and industrial policies of Lebanon. Summaries of their presentations are as follows:

H.E. the Minister of Economy, Trade and Industry, Dr. Nasser Saidi.

The Lebanese economy faces a number of challenges that can only be tackled by an overall economic policy to determine the role of Lebanon locally, regionally and internationally. This process should be whole and radical so that the industry can take steady steps toward realizing its goals, coupled with the setting up of a suitable environment for confidence re-building, restoration of the necessary infrastructure, in addition to the establishment and implementation of regional, Arab and international trade agreements. The Ministerial decree clearly indicated two main economic goals: first to decrease deficit in the national budget and second to improve the competitiveness of the Lebanese economy and the Lebanese private companies and institutions. Lebanon has already regained its economic stability and it is prime time to move from the stability stage to the economic development and investment stage. The financial policy of the current Government aims at gradual and sustainable reduction in the budget deficit through tax reforms and expenditure control and at the same time, it is expected that these policies would decrease the national public debt.

The Lebanese industry, prior to the outbreak of the civil war, has enjoyed its prosperity for 10 years. In 1975, industry marked the highest growth rate compared with other sectors. However, due to the civil war and the destruction in the country had badly affected the industrial sector, hence hindering its growth and development. During those 15 years of the hostilities, the Arab region and the whole world went through a number of rapid changes. The world economy became geared toward integrated markets and free economy. Lebanon is following up negotiations with the EU to join the EURO-Arab Mediterranean partnership. It is expected that more than 85 million consumer market will be opened following the industrial and economic agreement with Syria and the agreement on free trade with Egypt and Kuwait. This is in addition to Lebanon's belief in the importance of implementing the Arab League decisions on setting up of Arab Free Trade Zone.

At present, Lebanon offers several comparative advantages that enable it to compete in a number of industrial fields that require high level skills and high quality value added. Lebanon offers highly skilled human resources with substantive scientific, intellectual and technical capabilities.

The Government is committed to eliminate all obstacles facing the promotion of competitiveness of the Lebanese industries.

As regards industrial policy, industrial partnerships through formulation of joint ventures are encouraged, as this partnership provides means of introducing technology and know-how transfer to small- and medium-scale enterprises. These types of partnerships will create job opportunities, increase the production and services, and make a balance in economic and social development in the country. This partnership would also modify family-owned Lebanese companies to advanced structure of companies. The government pays special attention to industrial property right. This would underline the importance of knowledge-based industry in Lebanon in the future and its large potentiality. This Forum will be the foundation for the future of new industry for Lebanon.

Mr. Jacques Sarraf, President of the Association of Lebanese Industrialists

In the past, the Lebanese industrialists faced a number of difficulties. Lebanon is now applying a right industrial policy. The physical infrastructure, such as electricity supply and road connections, is back and upgraded, and there are industrial zones specially designed for industrial use. Lebanese market is now linked to regional markets through agreement with Egypt and other countries and will further be expanded through EU partnership. Lebanese industrialists are ready to foster business partnerships with potential business partners.

Dr. Youssef Choucair, Chairman of IDAL

The Lebanese Government considers private investment in the productive sectors and in industry in particular a major foundation of economic growth and prosperity. It is necessary that Lebanese industrialists foster business partnerships with foreign partners who can provide the complementary and necessary contributions to successful long-term ventures. Type of industries that are most likely to succeed are: value added products which are flexible in changes in market conditions, skill-intensive industry, export-oriented, low energy intensive industries and environmentally friendly manufacturing process. There are 6 good reasons for investing in Lebanon:

1. Attractive financial and operational incentives,
2. Skilled and productive labour force with competitive wages,
3. A wide network of export market backed by free-trade agreements with Syria and other countries and partnership with the European Union,
4. New infrastructure rebuilt to highest standard,
5. Increase in industrial investment in recent years, and
6. Large number of industrial zones with easy access to ports and regional highways.

Incentives for investing in industry are:

1. 6-10 years tax holiday in industrial zones outside urban areas,
2. Interest rate support for 5-7 year bank loans to industrial projects,
3. Minimal 6% custom duties on raw and semi-raw materials, machines and spare parts for newly established industries,
4. Fiscal exemptions for industrial firms allocating part of their annual net profits to their own investments in Lebanon,
5. Government purchases for public projects will favor locally made products with a 15% comparative price advantage,
6. 100% foreign ownership allowed, and
7. 59 industrial zones spread throughout the country.

IDAL is a governmental promotion agency reporting directly to the Prime Minister. The goals of IDAL are:

1. To attract private investment into government sponsored projects,
2. To facilitate investment in private productive projects,
3. To provide information on government initiated investment opportunities for private sector companies,
4. To assist foreign companies in setting up in Lebanon in minimum time requirement, and
5. To provide legal assistance and advice for foreign companies in locating Lebanese joint-venture partners.

2 UNIDO national consultants also made short presentations to provide the participants with the general views of these specific subsectors.

2. Bilateral discussions (2 February 14:30 - 18:00, 3 February 10:00 - 18:00)

Total of 217 bilateral meetings were arranged to discuss 26 projects in agro-food and construction-related equipment sectors (24 projects formulated by UNIDO, additional 2 projects submitted by IDAL). Statistics of these bilateral meetings are as follows:

Total number of bilateral meetings arranged:	217
No. of Lebanese projects discussed at the bilateral meetings:	26
No. of representatives of the above Lebanese projects:	43
No. of foreign companies which requested bilateral meetings to discuss 26 projects:	53
No. of representatives of the above foreign companies who attended the meetings:	68
No. of Lebanese companies which requested bilateral meetings to discuss 26 projects:	57
No. of representatives of the above Lebanese companies who attended the meetings:	76

It should be noted that 76 Lebanese businessmen requested meetings with Lebanese project sponsors to explore their business possibilities. These Lebanese businessmen, mainly from financing institutions, found this Forum a big step forward to work more closely with industrial companies in the country.

Breakdown of foreign participants who requested bilateral meetings are as follows:

Name of Country	No. of companies	No. of representatives
Belgium	1	1
Canada	2	2
China	4	6
Cyprus	1	1
Egypt	1	2
France	13	17
Germany	5	6
Greece	3	4
Indonesia	1	2
Italy	4	6
Japan	1	1
Korea	4	4
Kuwait	2	3
Poland	2	2
Saudi Arabia	3	4
Syria	1	1
United Arab Emirates	1	1
USA	3	4
Venezuela	1	1
Total: 19 countries	53 companies	68 representatives

One of the success indicators of the Forum is the number of meetings arranged per Lebanese project sponsor. Maximum number of meetings which can be arranged according to the Forum programme was 11. By end of the Forum, 2 Lebanese project sponsors had 11 meetings arranged, 3 had 10 meetings and 1 Lebanese sponsor had 9 meetings. During the coffee breaks and lunches, informal business discussions between participants were also held. This result shows

high interest among participants, both foreign and Lebanese, in discussing concrete industrial business proposals in Lebanon.

In addition to the above foreign company representatives, 6 UNIDO ITPO representatives (from ITPO Athens, Beijing, Milan, Seoul, Tokyo and Warsaw) as well as a representative of UNIDO-Walloon region in Belgium programme participated in the business discussions on behalf of companies in their respective country.

At the venue 8 software development companies demonstrated their products to explore business service possibilities. A number of meetings on BOT projects were made separately between IDAL and foreign participants. The statistics on the bilateral meetings on pages 12-13 do not include the number of business meetings held on software development and BOT projects.

VI. Result of the Forum/Reaction of the participants

The Government, IDAL, Lebanese project sponsors and other participants considered this Forum as the first meeting in Lebanon to discuss industrial investment possibilities presenting concrete business proposals and offering face-to-face bilateral business meeting opportunities and they were all pleased. Foreign participants highly appreciated this Forum as they were able to witness the recovery process of the country and to learn the determination of the Government to support the industry. Lebanese project sponsors were extremely pleased to have a number of business meetings with potential business partners. Other Lebanese participants from financial institutions considered this Forum as the most practical approach to establish business partnership with industrialists in the country. UNIDO was informed during the Forum that IDAL would follow-up on the business discussions initiated during the Forum.

1. Bilateral business meetings

90% of the bilateral meeting evaluation forms completed by company representatives indicated their strong commitments to follow-up on the business negotiations initiated during the Forum to conclude a business deal. IDAL has been providing assistance to these Lebanese companies so that they can reach business agreements with business partners.

2. Results of the questionnaire sent to Lebanese project sponsors after the Forum

A questionnaire was forwarded to all Lebanese project sponsors to find out their findings of the Forum by IDAL on 15 February. All Lebanese project sponsors found the Forum an excellent initiative and efforts of UNIDO and IDAL. Due to business confidentiality, details of on-going negotiations between the Lebanese project sponsors and potential partners are too premature to be revealed. Some Lebanese project sponsors requested that the Forum should be

held as an annual event. Another project sponsor even suggested that the Forum should be held on a monthly basis. These Lebanese project sponsors suggested that continuous efforts should be made to support Lebanese industrialists in initiating international partnerships and also to continue country promotion efforts.

On 10 February 1999, UNIDO received a letter of appreciation from Dr. Youssef Choucair, Chairman of IDAL, addressed to the Director-General of UNIDO, Mr. Carlos Magariños. (Annex 1)

3. Follow-up activities by UNIDO

At UNIDO ITPO Heads meeting (8-10 February 1999) in Vienna, the following activities were agreed upon by ITPO Heads and the project manager:

ITPO Athens will follow-up on the negotiations between Greek Forum participants and Lebanese project sponsors. Since Greek investors are looking for large scale agro-food business proposals, identification of projects which could meet the requirements of Greek investors should be carried out.

ITPO Beijing will keep contacts with Chinese Forum participants and a number of Chinese companies which showed interest in the Forum but were not able to attend.

IPU Cairo will further promote Lebanon among Egyptian companies to strengthen regional business cooperation. Cooperation between the General Authority for Investment in Egypt and IDAL in Lebanon should be considered.

ITPO Milan will host a second Lebanese delegate (see item 4 below) to follow-up on negotiations initiated between Italian and Lebanese companies.

ITPO Moscow supports the promotion of Lebanon in the Russian Federation.

ITPO Paris will follow-up on 17 French companies attended the Forum.

ITPO Seoul will assist Korean companies in negotiating with Lebanese project sponsors.

ITPO Tokyo agreed to host a Lebanese delegate (see item 4 below) to carry out a long-term country promotion for Lebanon in Japan.

ITPO Warsaw showed interest in hosting a regional delegate (including Lebanon) to promote business opportunities in the Middle East among Polish companies. Modalities and sources of financing are to be determined.

Walloon Region of Belgium has identified a private bank in Belgium which is ready to sponsor a country presentation on Lebanon in 1999.

4. Follow-up delegates at ITPO Milan and ITPO Tokyo in 1999

A follow-up delegate at ITPO Milan (2 months as of March 1999, Mr. A. Barhoumi of IDAL) started in March 1999 to follow-up on the contact established during the Forum as well

as identification of business proposal in Lebanon by Italian companies. Some Agro-food fairs in Italy are scheduled during his stay in Milan and it is expected that the delegate will establish close contacts with the Syndicate of Lebanese Food Industrialists.

It was agreed that ITPO Tokyo will receive a 3-month delegate (Mr. G. Tannous of IDAL) as of May 1999 to intensively promote Lebanon among Japanese business community. Prior to the placement of the delegate, Japan External Trade Organization (JETRO) and the Lebanese Embassy in Japan offered their support to this delegate programme. Copy of a name list of 800 Japanese company representatives who stayed in Beirut from 60s-70s was sent to ITPO Tokyo to multiply their promotion efforts. Second Lebanese delegate programme could be considered upon completion of this first delegate in order to ensure continuity of the promotion of Lebanon in Japan.

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