

SOLID ECONOMIC, AND BUSINESS OPPORTUNITIES AROUND LEBANESE INDUSTRY



— جَمْعِيَّةُ الصُّنَّاعِيَّةِ اللَّبْنَانِيِّينَ —
ASSOCIATION OF LEBANESE INDUSTRIALISTS

LEBANESE BRAZILLIAN CONFERENCE
MAY 3ND , 2017

CONVERGING CONCRETE POTENTIAL IN SOLID REALIZATIONS

BUSINESS OPPORTUNITIES ,
AND ALSO A STRATEGIC DIMENSION : SUSTAINABLE
ECONOMIC DEVELOPMENT

- ECONOMIC SITUATION
- SOCIO-ECONOMIC RECOVERY
- ROLE OF INDUSTRY: PHASE I TRADE RELATIONS
- ROLE OF INDUSTRY: PHASE II INVESTMENTS, AND OPPORTUNITIES

LEBANESE ECONOMY : A CONJONCTURAL AND STRCUTURAL DISTURBING SCENARIO: CONCRETE POTENTIALS, A LAGGING ECONOMY

IMPORTANT RESSOURCES

- BANKS ASSETS > 205 BILLION USD
- Human Ressources and unique entrepreneurial drive
- Unique Diaspora

SOCIO ECONOMIC PERFORMANCE

- GDP 51 BILLION USD
- PER CAPITA INCOME < 11,000 USD YEAR
- UNEMPLOYMENT > 25%
- IMMIGRATION
- LOW GROWTH
- DEFICITS TRADE BALANCE

LEBANESE ECONOMY : CHALLENGES

LEARNING FROM THE PAST

LEBANON ' S PREVIOUS ECONOMIC
EXPERIENCE : PRE 1974 WORLD
RECORD FINANCIAL WEALTH
ACCUMULATION , YET DISMAL
GROWTH !

M2/NNP

Lebanon 1.3

USA .7

Japan .97

GROWTH

.Lebanon 6%

.Brazil 12 %

.Korea 16%

CHALLENGES

- GROWTH
- EMPLOYMENT
 - LEBANON Needs 40,000 jobs/
year
 - UNIDO: ONE NEW JOB IN
INDUSTRY= 2,2 ADDITIONAL
JOBS

POSSIBLE SOLUTIONS : YES WE CAN!

- WAIT AND SUFFER
 - REGIONAL CRISIS
 - ECONOMIC PROBLEMS
- « LEBANISE THE ECONOMY » :
CONVERGING THE BUILT-IN STRENGTHS OF
LEBANON WITH OUR DIASPORA

SIX PILLARS FOR A SOCIO-ECONOMIC PROGRAM

- 1. Adopting an economic stimulus package of new economic incentives covering *all sectors* to secure growth, sustain jobs for the Lebanese and create new job opportunities. (POINTS)**
- 2. Adopting a time phased reform and administration empowerment plan,**
- 3. Enhancing social conditions of both public and private sector**
- 4. Working with the international community on strengthening the internal security and social stability, and claim an international assistance program similar to the assistance received to enhance security, in order to mitigate the impact of the Syrian refugees.**
- 5. Taking necessary measures to develop Public Private Partnerships, and enhance services level, which will contribute to the creation of new jobs and limitation of losses.**
- 6. Developing a clear vision for the exploitation of oil and gas, and setting an agenda to leverage key resources.**

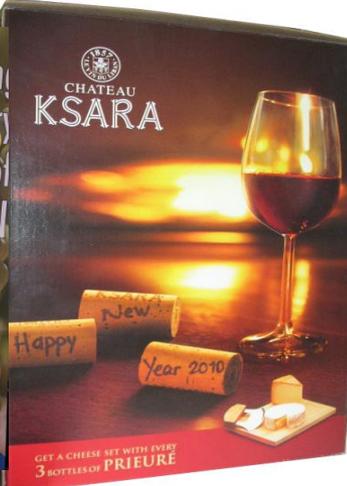
PILLAR 1: ECONOMIC STIMULUS MEASURES

- FINANCING SME'S: GUARANTEE FUND
- BOOSTING CONSUMPTION : REDUCE VAT ON DURABLE GOODS FOR ONE YEAR
- SUSTAINING REAL ESTATE ACTIVITY: WAIVING REGISTRATION CHARGES FOR LOW HOUSING FOR A YEAR
- BOOSTING TOURISTIC ACTIVITY THRU FOCUS ON SPECIALIZED ACTIVITY AROUND LEBANESE PROFESSIONALS OVERSEAS
- BOOSTING LEBANON AS A DESTINATION FOR PROFESSIONAL HOSPITALIZATION

YES, WE CAN!
SUCCESS STORIES

INTERNATIONAL SUCCESSES
INTERNATIONAL PRESENCE
SUCCESS STORIES DESPITE ALL ODDS

VARIETY & QUALITY TRADITIONAL PRODUCTS



MADE

BPI Together Towards Excellence...

Besta Pharma Industries (BPI) is a leading pharmaceutical industry committed to improving human wellbeing.

- A portfolio of more than 130 high quality pharmaceutical products and medical devices.
- Innovation and excellence in manufacturing at two state-of-the-art industrial operations sites in Lebanon and Egypt covering complex technologies that include the production of Cytotoxic and Anti-cancer products, ophthalmics and antibiotics, biological and biotechnology products in addition to the production of Intra Ocular lenses for cataract procedures.
- High focus on Research and Development through a dedicated unit and a GMP certified Pilot plant capable of developing, formulating, packaging and analyzing pipeline products.
- Partnership with more than 7 multinational companies for In Licensing, out- Licensing and toll manufacturing
- Global Expansion in more than 30 countries.

www.bpi.com.lb



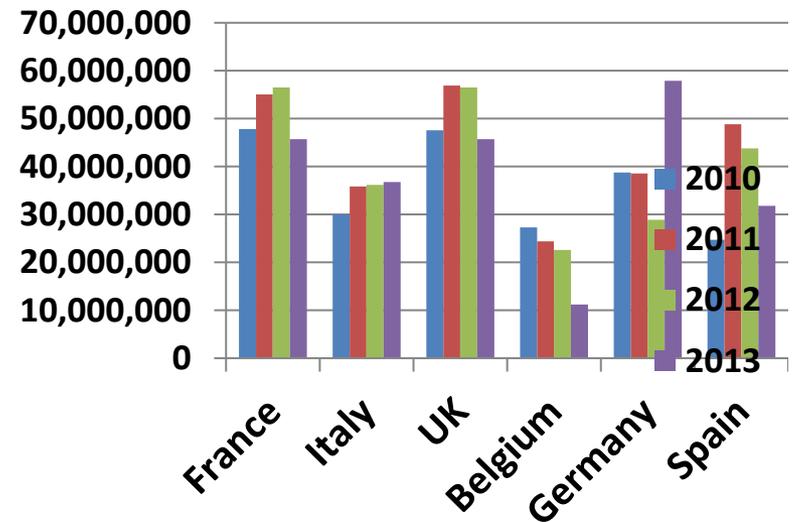
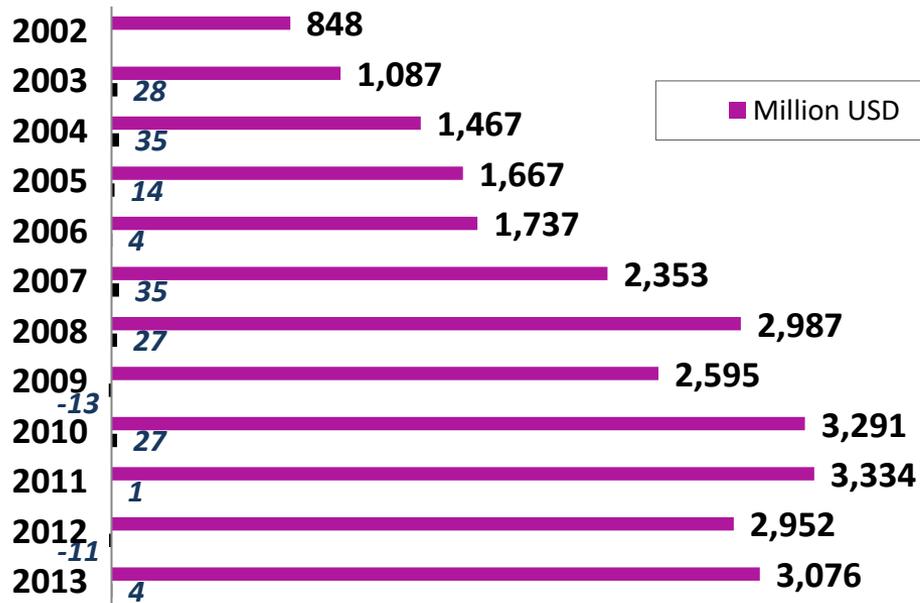
PAPER, PROMOTION & PACKAGING FOR INTERNATIONAL



SPECIALIZED, AND ADVANCED PRODUCTS



EXPORTS INCREASING, AND TO MOST DEMANDING DESTINATIONS



BOOST INDUSTRIAL OUTPUT: ONE BILLION USD = 64,000 JOBS

IMPORTS

SUBSTITUTION

- OUT OF 19 BIL, 4 TO 5 BIL CAN BE MADE IN LEBANON
- RECIPROCITY & EQUAL OPPORTUNITY
- ANTI- DUMPING
- LIBNOR

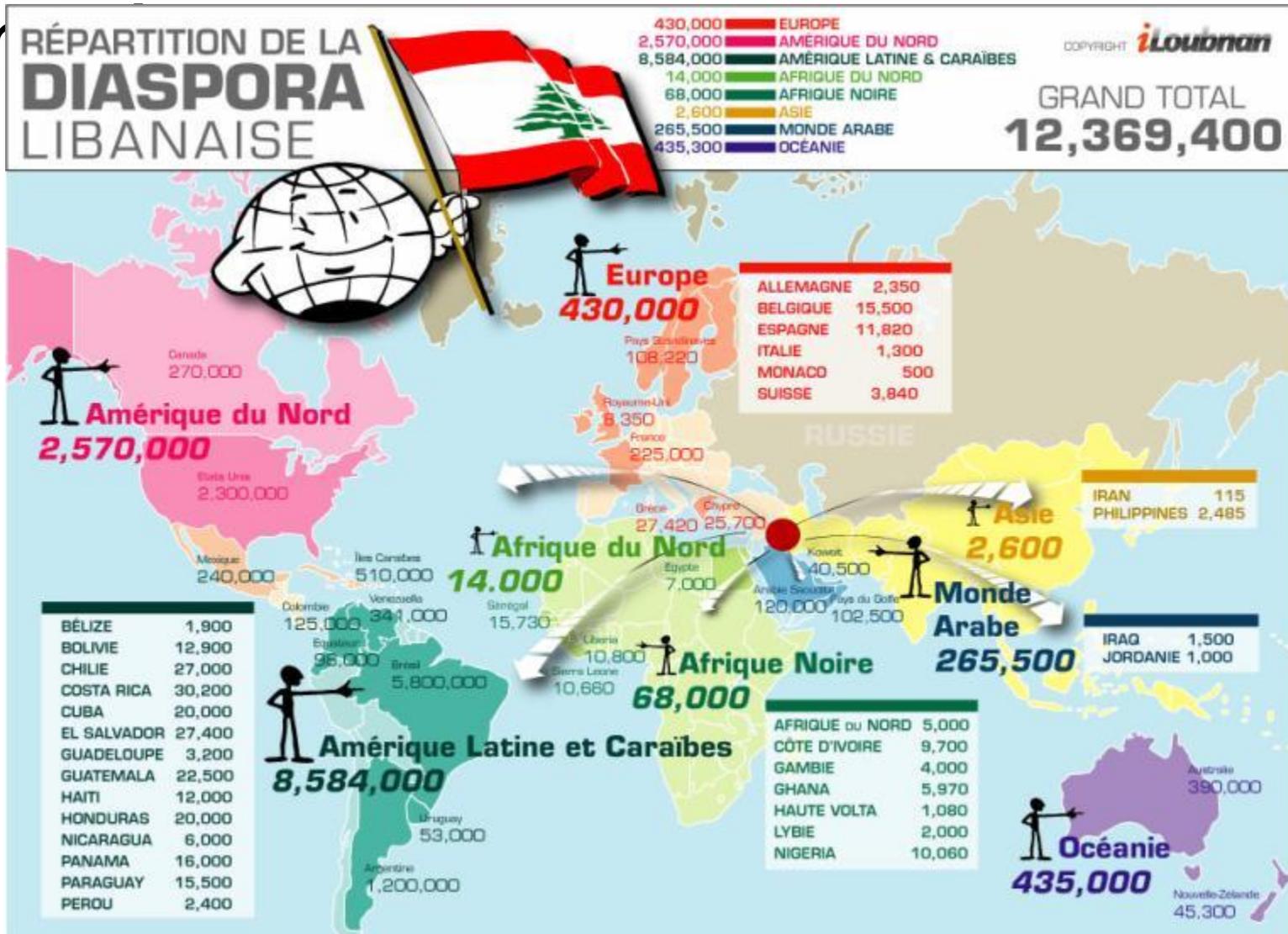
EXPORTS

PROMOTION

- SHIPPING COSTS
- WORKING CAPITAL
- DIASPORA & ECONOMIC DIPLOMACY
- BOOST EXPORTS WITH TRADING PARTNERS
- AID TO REFUGEES MADE IN LEBANON

Lebanese Diaspora: a potential

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EXPORTS FROM LEBANON: PRIORITY # 1

DIASPORA-IMPORTERS

DATA TRADE FLOW IMBALANCES

NUMBERS, AND

POTENTIAL

	SENEGAL	IVORY COAST	NIGERIA	AUSTRALIA	LATIN AND NORTH AMERICA	TOTAL
2011	10,738	24,576	49,199	14,510	99,930	184,443
2012	6,802	28,410	43,224	12,728	109,570	188,006
2013	7,288	26,583	73,332	13,975	125,659	232,862
2014	6,954	37,793	58,752	14,009	110,846	214,345

POTENTIAL WITH BRAZIL BILATERAL OPPORTUNITIES

HS	Description	2013	2014	2015	2016
	IMP	Thousands \$	Thousands \$	Thousands \$	Thousands \$
1	live Animals	226,830	244,549	145,857	121,614
2	Vegetable Products	73,481	66,272	61,415	55,551
3	Animal or Vegetebal fats & Oils	901	206	275	209
4	Prepared foodstuffs, Beverages	44,413	53,501	61,998	105,272
5	Minereal Products	30	11	0	0
6	Products of the chemical or allied industries	2,108	2,677	2,378	1,931
7	Plastics & Articles thereof	1,815	1,416	2,806	1,498
8	Raw hides & skins, leather	295	66	109	108
9	Wood & articles of wood	914	527	536	628
10	Pulp of wood, paper & paperboard	3,524	6,914	3,952	5,731
11	Textiles	930	593	756	719
12	Footwear	2,902	2,264	1,865	2,160
13	Articles of Stones	610	862	601	949
14	Pearls	122	159	132	240
15	Base Metals	1,393	1,215	1,639	1,440
16	Machinery, Electrical Instruments	4,419	4,112	2,177	2,599
17	Vehicles	365	470	929	578
18	Optical, photographic	1,314	1,299	1,074	645
19	Arms & Ammunition	355	273	541	121
20	Miscellaneous	282	255	306	627
21	Works of Art	32	23	32	13
	Total	367,035	387,667	289,379	302,632

HS	Description	2013	2014	2015	2016
	EXP	Thousands \$	Thousands \$	Thousands \$	Thousands \$
1	live Animals	0	0	0	0
2	Vegetable Products	216	209	110	191
3	Animal or Vegetebal fats & Oils	165	75	45	68
4	Prepared foodstuffs, Beverages	1,199	1,489	924	653
5	Minereal Products	28	42	10	0
6	Products of the chemical or allied industries	21,749	9,671	21,300	1,826
7	Plastics & Articles thereof	3	3	0	0
8	Raw hides & skins, leather	0	0	0	0
9	Wood & articles of wood	1	0	0	0
10	Pulp of wood, paper & paperboard	78	58	17	10
11	Textiles	7	17	74	33
12	Footwear	0	0	0	0
13	Articles of Stones	2	0	3	0
14	Pearls	0	0	0	0
15	Base Metals	2,663	3,053	689	1,063
16	Machinery, Electrical Instruments	377	695	169	2,193
17	Vehicles	0	0	0	0
18	Optical, photographic	0	0	0	0
19	Arms	0	0	0	0
20	Miscellaneous	163	67	6	1
21	Works of Art	9	0	1	35
	Total	26,661	15,380	23,348	6,075

DREAM

IF EVERY EMIGRANT BUYS FOR 100 USD PER YEAR,
EXPORTS TO EMIGRATION WOULD EXCEED 1,2
BILLION DOLLARS/YEAR.

WORLD CLASS QUALITY. UNIQUE DESIGN.
EXCELLENT SERVICE. COMPETITIVE SOLUTIONS.

Economic diplomacy : promoting Lebanese
products , and also
the Lebanese industrialist, and
Lebanon's attractive investment climate.

ADDITIONAL STRENGTHS

CONVERSION OF TWO GREAT POWERS

Lebanese power overseas

Strong economic role in many countries:

The African case, the example of
IVORY COAST 40% of the economy in the
hands of Lebanese immigrants

Lebanese industrialists around the globe:
Africa, Latin America, East Europe, Egypt, GCC,
Iran, France, USA

LEBANESE SUCCESS STORIES IN INDUSTRY IN AFRICA

ANGOLA	FOODSTUFFS-COSMETICS
COTE D'IVOIRE	FLOUR MILLS-PACKAGING-DAIRY PRODUCTS (Nestlé)- HYGENIC PAPERS(Georgia-Pacific)
EGYPT	SANITARY AND CERAMICS –STEEL FOR CONSTRUCTION – TEXTILE – WATER AND BEVERAGES –PHARMACEUTICALS- PIPES- PAINTS – PACKAGING-DAIRY PRODUCTS - HYGENIC PAPERS
ETHIOPIA	MATTRESSES
GABON	WASTE MANAGEMENT
GHANA	FOODSTUFFS-
MADAGASCAR	FISHERIES
MOROC CO	PIPES
NIGERIA	MOTORCYCLES (Suzuki, Guzzi) – BEVERAGES (Pepsi) BISCUITS– PRINTING-PLASTICS
RD CONGO	FOODSTUFFS
SENEGAL	CANDIES – FLOUR MILLS- PACKAGING PLASTICS AND DETERGENTS (Colgate Palmolive)
SIERRA LEONE	FISHERIES– COSMETICS- FOOD PRODUCTS
TOGO	COSMETICS- BEAUTY PRODUCTS

FRANCE	EQUIPEMENTS VOITURES, INDUSTRIE PAPETIERE
IRAN	INDUSTRIE PAPETIERE, EMBALLAGES, PRODUITS ALIMENTAIRES
IRAQ	BOISSONS GAZEUZES, PRODUITS ALIMENTAIRES, CIMENTERIES, EMBALLAGES
KSA	MENUISERIE, EMBALLAGES, PLASTIQUE, VEHICULES SPECIALISES, PRODUITS ALIMENTAIRES, MATERIAU DE CONSTRUCTION
KUWAIT	PRODUITS ALIMENTAIRES, MATERIAU DE CONSTRUCTION
QATAR	IMPRIMERIE, MATERIAU DE CONSTRUCTION, CERAMIQUE
ALGERIE	WASTE MANAGEMENT
USA	PAPER MAKING, TEXTILES,
BRAZIL	ALL SECTORS

II. STRENGTHS OF LEBANESE INDUSTRIALISTS

- *CREATIVITY, DESIGN AND INNOVATION*
- STATE OF THE ART TECHNOLOGY
- FOCUSING ON VALUE-ADDED PRODUCTS



- HAS BECOME AN EXPERT IN MANAGING CRISIS
 - FLEXIBILITY AND RESILLIENCE

THE LEBANESE INDUSTRIALIST: A CREDIBLE PARTNER

EXCEPTIONAL DRIVERS : HIDDEN CHAMPIONS,
SUCCEEDING AGAINST ALL ODDS. POTENTIAL
FOR SUCCESSFUL OPPORTUNITIES



The cedar paper network

Tradition and history in Lebanon for the whole region

Printing 1584 saint Anthony monastery

Bags 1923 Tazco

Notebooks 1957, OPP

Recycling paperboard since 1929: Gemayel Frères sal

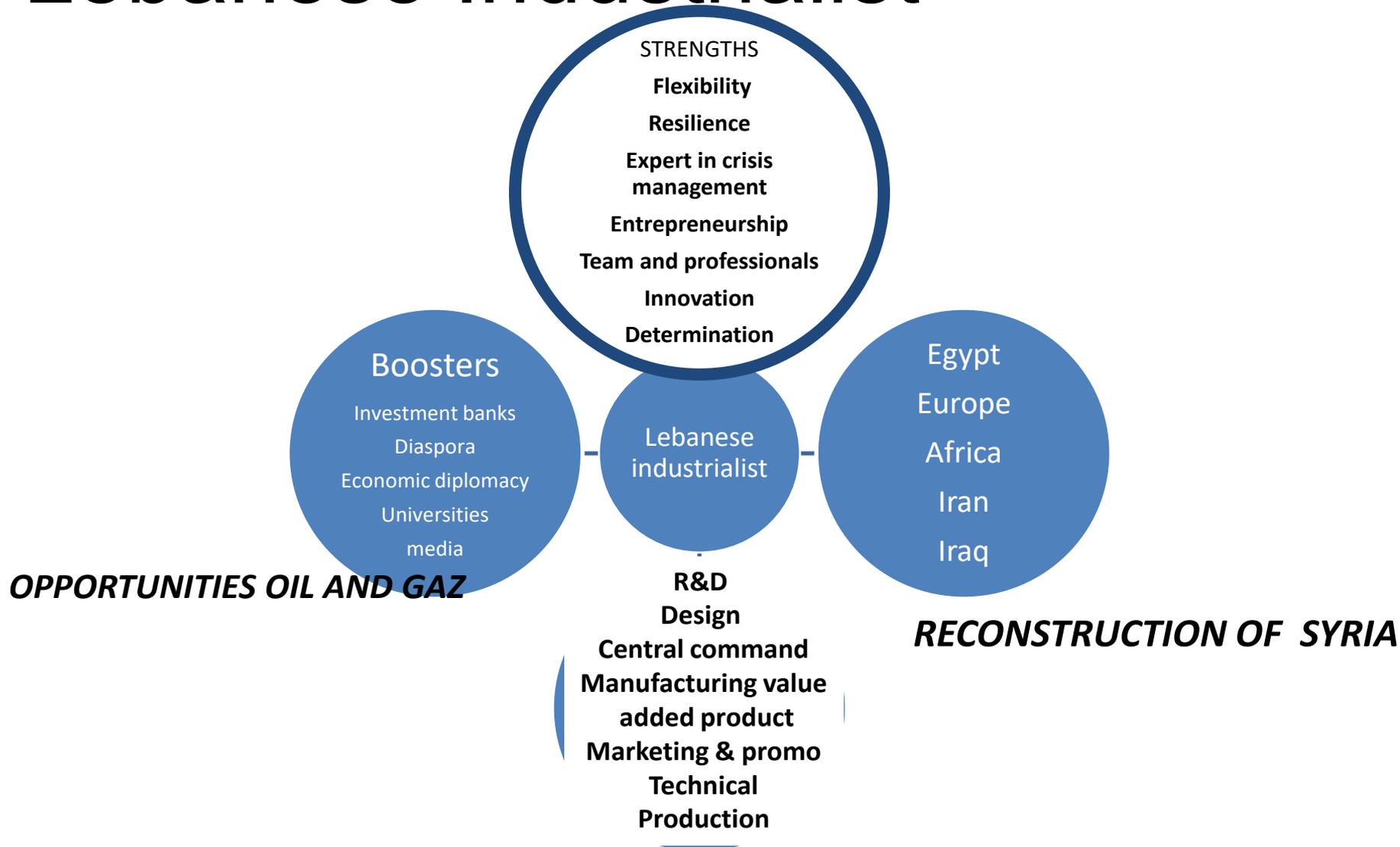
Corrugating cardboard since 1956: Gemayel Frères sal

Tissue since 196*: Mimosa

- ▶ EXPORTS TO THE GLOBE

- ▶ STRONG international presence
 - ▶ KSA
 - ▶ EGYPT
 - ▶ EAST EUROPE
 - ▶ COTE D'IVOIRE
 - ▶ SENEGAL
 - ▶ NIGERIA
 - ▶ TOGO
 - ▶ FRANCE
 - ▶ IRAN
 - ▶ USA INDEVCO

Solid opportunities around the Lebanese Industrialist



THE CEDAR INDUSTRIAL NETWORK

NETWORKING LEBANESE INDUSTRIALISTS AROUND THE GLOBE

COMPLETING PRODUCT LINES, AND MARKETS
CONSOLIDATED OFFERING FOR INTERNATIONAL GROUPS
COMBINED VOLUME PURCHASING
JOINT VENTURES
LEBANON CENTER: RESEARCH, MARKETING,
MANAGEMENT

DATA BASE AND GUIDE FOR DIASPORA'S DIRECT INTERACTION

THE CEDARS INDUSTRIAL NETWORK FORUM:
SUMMER 201?

BEYOND SOLID BUSINESS OPPORTUNITIES, SUSTAINABLE ECONOMIC DEVELOPMENT

Funds & Investments in Lebanon

Remittances estimated at 7 to 8 billion USD per year

From deposits and land acquisition to Direct Investments leading to job creation

An ***investment fund*** for SME's in collaboration with the Lebanese
Banks' Association

THANK YOU BRAZIL

SPECIAL THANKS TO HIS H.E. AMBASSADOR
JORGE KADRY WHO IS CALLING TO INCREASE
LEBANESE EXPORTS TO BRAZIL.

YES, LEBANON CAN

INDEED A SMALL COUNTRY, BUT IT IS WITH
ITS EMIGRANTS' NETWORK
A WORLD OF OPPORTUNITIES!

THE TRUE SWITZERLAND OF THE MIDDLE EAST:
A COUNTRY OF EXCELLENCE, INNOVATION,
AND UNIQUE CULTURE.