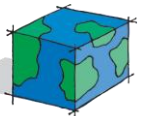


IDAL

**TRAINING WORKSHOP ON ONE-STOP-SHOP SERVICES FOR
INVESTORS IN THE MENA REGION
LEBANON MARCH 10-12, 2010**






IDAL

Investment Development Authority of Lebanon Presidency of the Council of Ministers






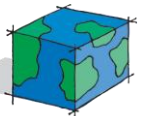
One-Stop-Shop Main Services

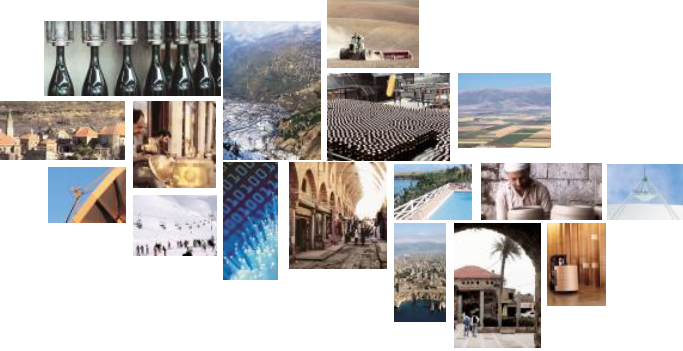
Issuing Permits, licenses & incentives

-  Facilitate the registration and issuance of permits and licenses required for any investment project governed by the Law 360/2001
-  Provides investors with tax & fee incentives
-  Offers advisory services in dealing with the Lebanese authorities

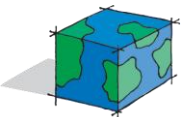
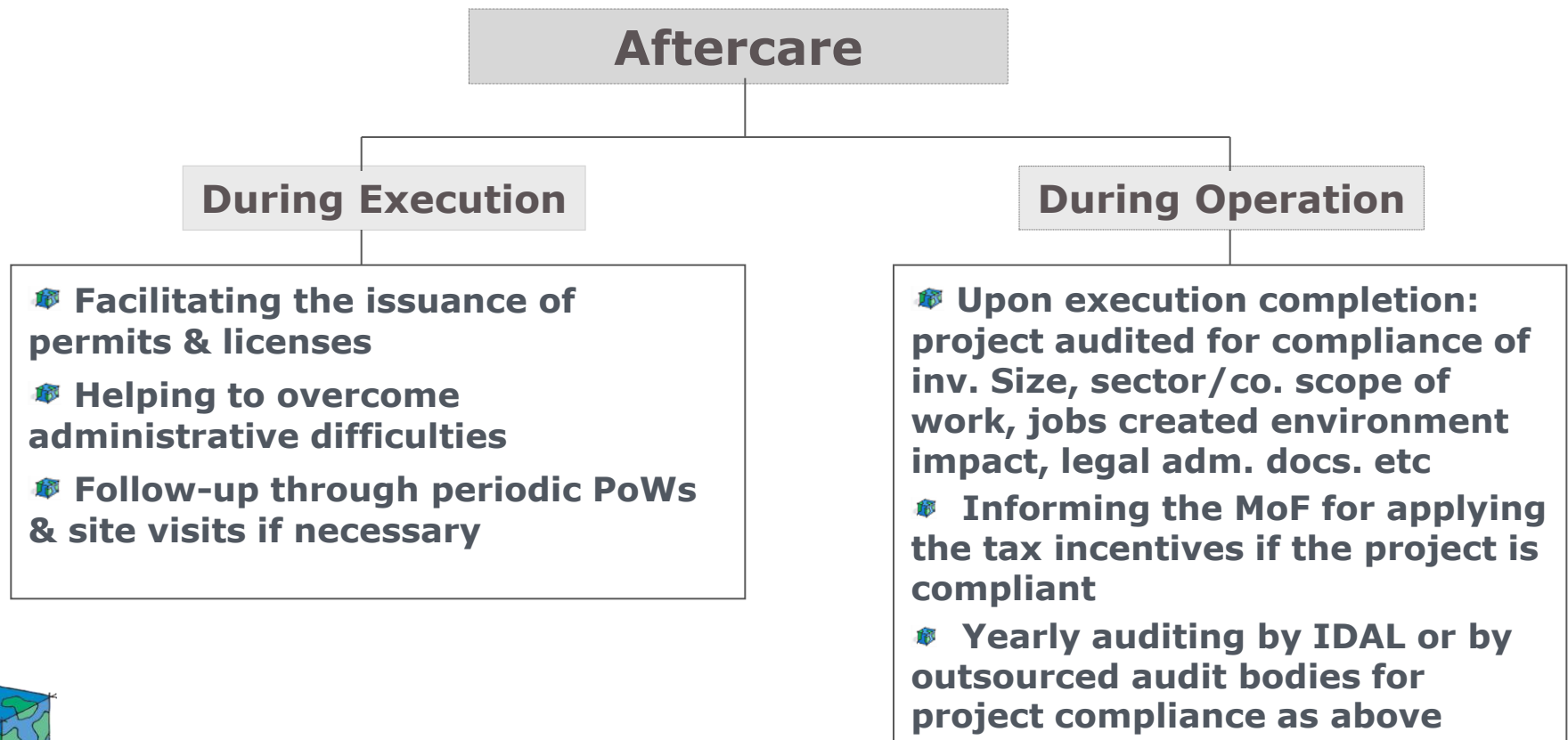
Aftercare

-  During execution phase: follow-up of works/ PoW reports
-  During operation phase: yearly auditing for compliance
-  Maintains active contact with the investors and collects feedback on activities to help overcome potential difficulties preventing further development.



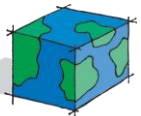
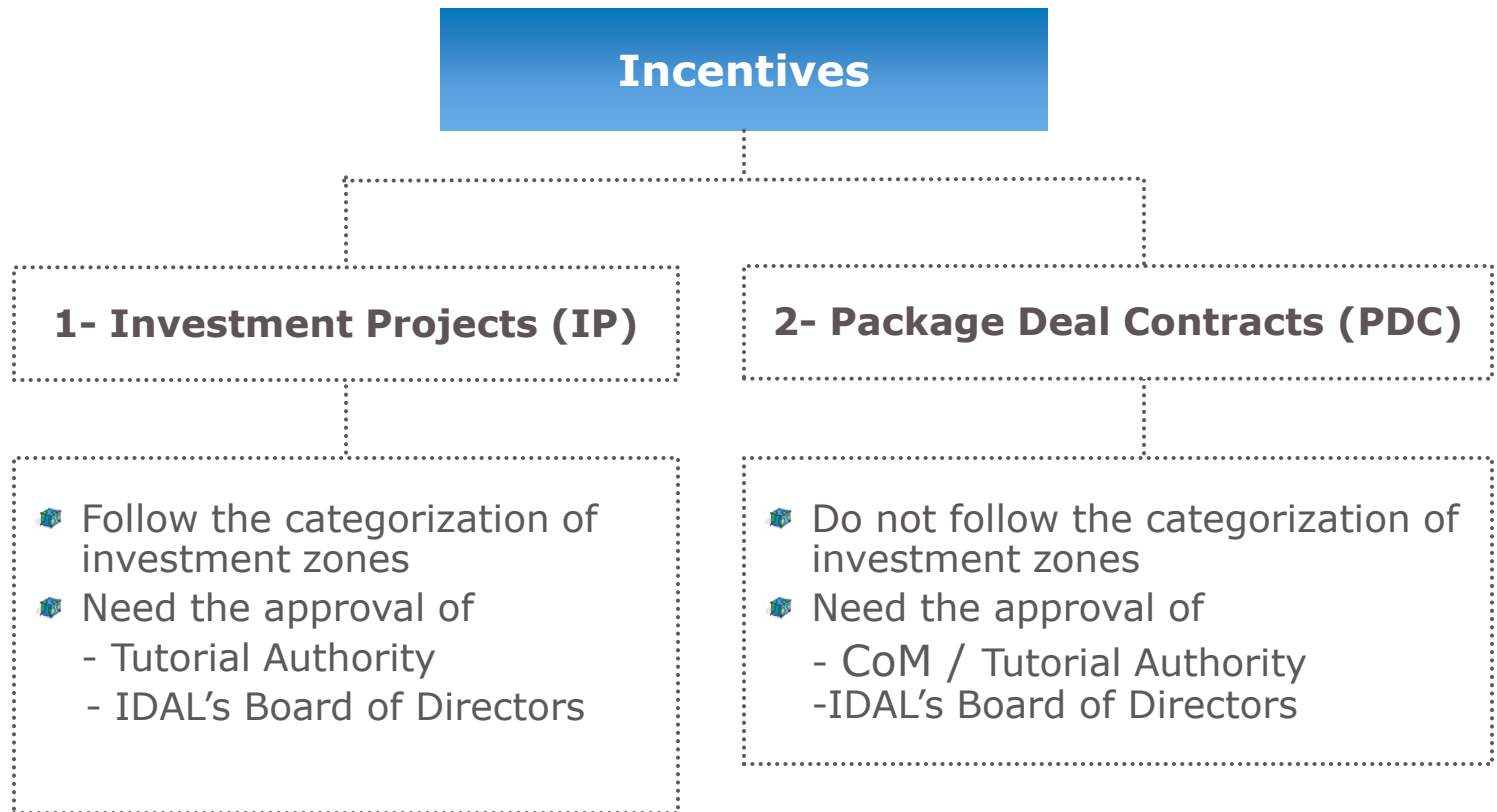


One-Stop-Shop Services Aftercare

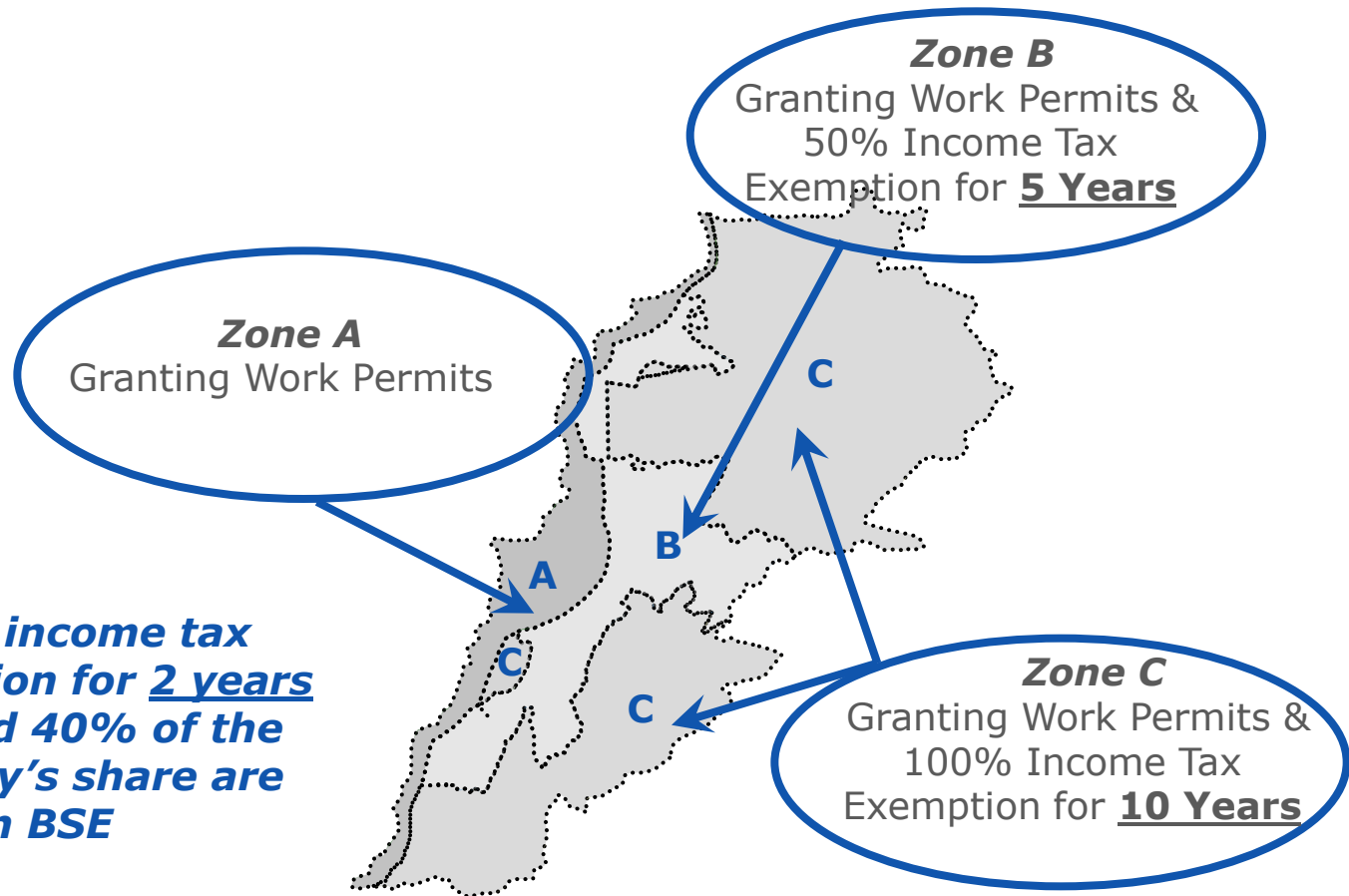


Investment Development Law 360

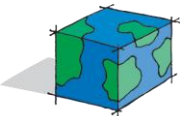
Incentives for new Projects



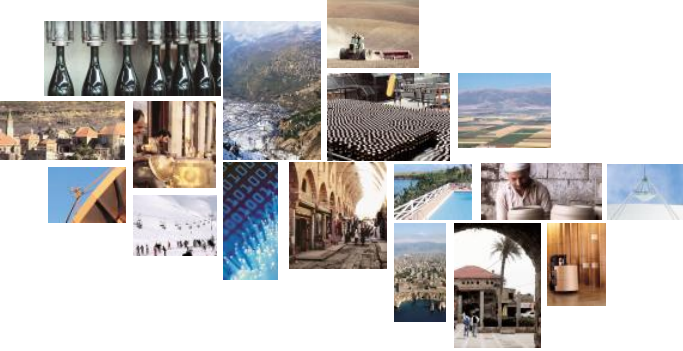
Incentive Scheme Investment Project (IP)



+100% income tax exemption for 2 years provided 40% of the company's share are listed on BSE



Investment Project (IP) Criteria



Tourism



Zone A US\$10,000,000
Zone B US\$ 4,000,000
Zone C US\$ 1,000,000

Industry



Zone A US\$5,000,000
Zone B US\$3,000,000
Zone C US\$1,000,000

Agriculture



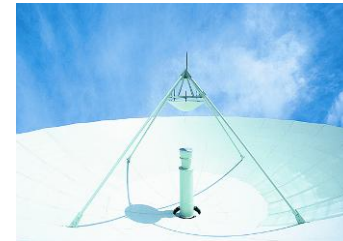
Zone A US\$1,500,000
Zone B US\$1,000,000
Zone C US\$ 500,000

Agro-Industry

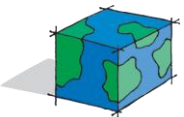


Zone A US\$2,000,000
Zone B US\$1,500,000
Zone C US\$1,000,000

ICT & Media



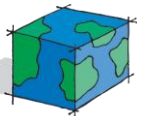
Zones A,B & C US\$200,000





Incentive Scheme Package Deal Contract (PDC)

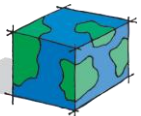
- ❏ Obtaining work permits for all categories
- ❏ Up to 50% reduction on work and residence permits fees
- ❏ Full exemption from income taxes for up to 10 years
- ❏ Full exemption from taxes on project dividends for up to 10 years
- ❏ Up to 50% reduction on construction permits fees
- ❏ Full exemption from land registration fees



OSS Service Project Application

Application for PDC/IP projects must be filled in as follows:

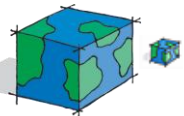
- 📦 Legal status and ownership
- 📦 Project description
- 📦 Value of investment
- 📦 Employment
- 📦 Requested incentives & exemptions
- 📦 Requested permits, licenses and administrative approvals
- 📦 Contact person for reference and follow-up



OSS Service Project Application-contd'

Requested documents are the following:

- 📁 Feasibility Study
- 📁 Preliminary Project Design
- 📁 Environment Impact Study
- 📁 Land Registry Certificate
- 📁 Recent certificate copies, Stamped by Commercial Register of: Co. bylaws, Incorp. certificate, Co. Formation Deed, etc.
- 📁 Copy of ID of the person authorized to sign
- 📁 Copy of the Co. Reg. Certificate at the MoF
- 📁 Copy of the Purchase Contract of the land as reg'd at the Real Estate Directorate
- 📁 A Letter specifying the rules of Arbitration



Project Application Submission Flow Chart-OSSS

Application Submission

PDC scheme

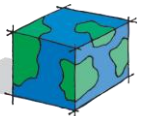
- 1-OSS check-list all requ'd documents
- 2-OSS formulating the Preliminary Evaluation Report
- 3-OSS formulating the Final Report
- 4-IDAL Board MoM to PM for Approval
- 5-PDC prepared by IDAL for sign. betw. IDAL repres. the Leb. Gov. & the Inv.
- 6- COM approval

IP scheme

- 1-OSS check-list all requ'd documents
- 2-OSS formulating the Preliminary Evaluation Report
- 3-OSS formulating the Final Report
- 4-IDAL Board MoM to PM for Approval
- 5-Engagement Letter to be signed by the Inv. & Notary Public

NB:

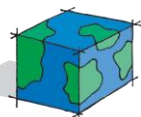
- Ten working days from Application Submission till formulating the Final Report by the OSS Directorate;
- Twenty one working days from IDAL Board approval till completion for IPs as an average;
- Thirty working days from IDAL Board approval till completion for PDCs as an average.



Completed Projects OSS Service

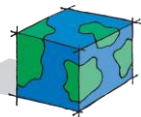
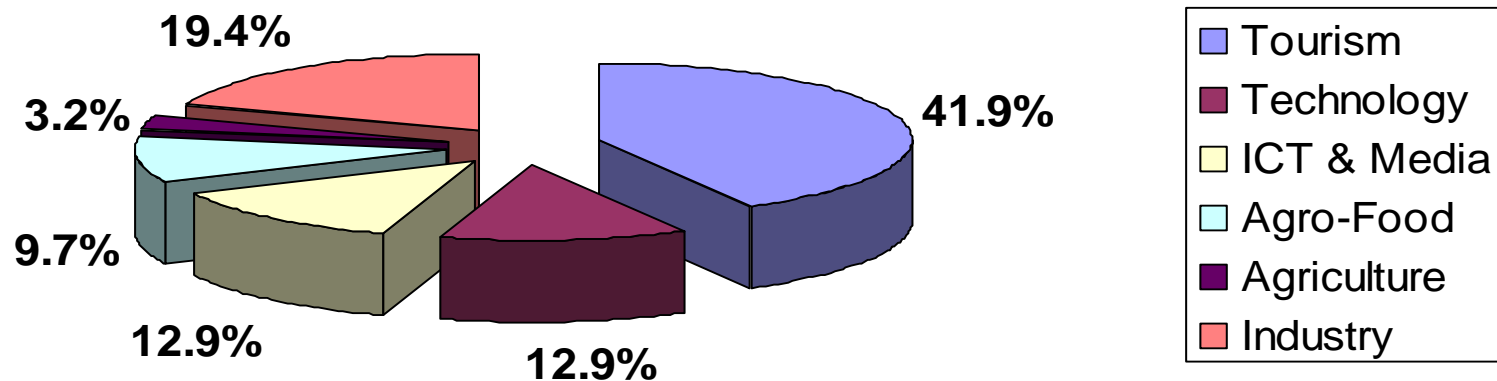
Distribution of Projects by Sector (2003 - 2009)

Sector	Number of Projects	Investments (USD)	Job Opportunities
Tourism	13	774,475,366	3,167
Industry	6	112,858,000	277
Technology	4	14,594,445	98
ICT & Media	4	7,904,400	174
Agro-Food	3	14,950,000	320
Agriculture	1	8,500,000	62
TOTAL	31	933,282,211	4,098



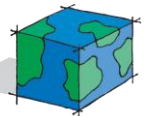
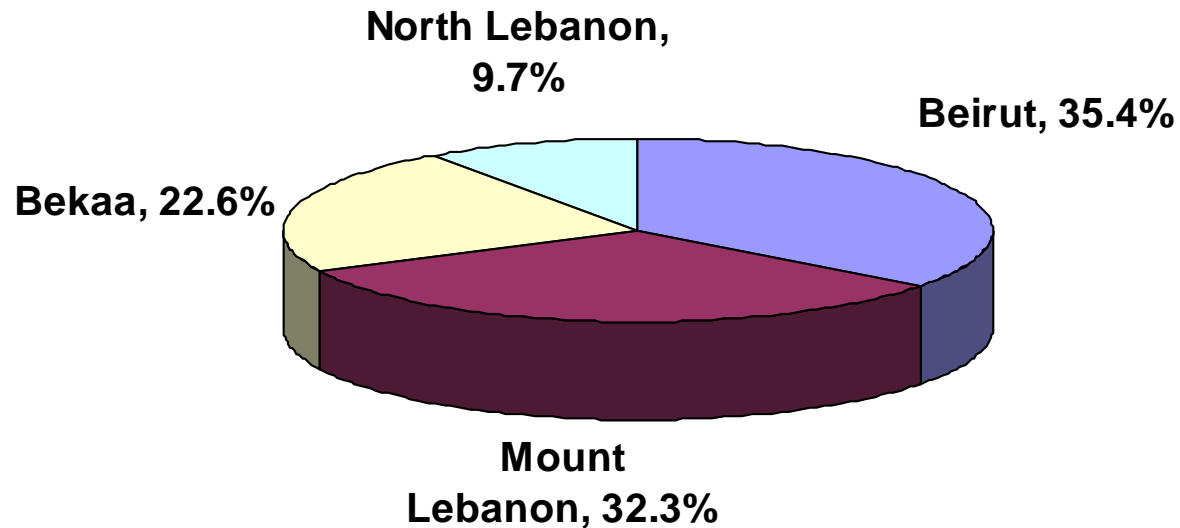
Completed Projects OSS Service

Projects Distribution by Sector (2003-2009)



Completed Projects OSS Service

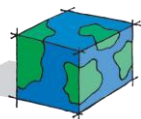
Projects Distribution by Region



Active Projects OSS Service

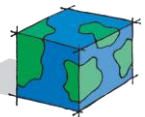
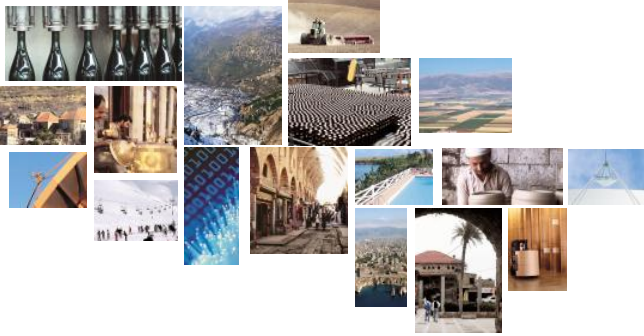
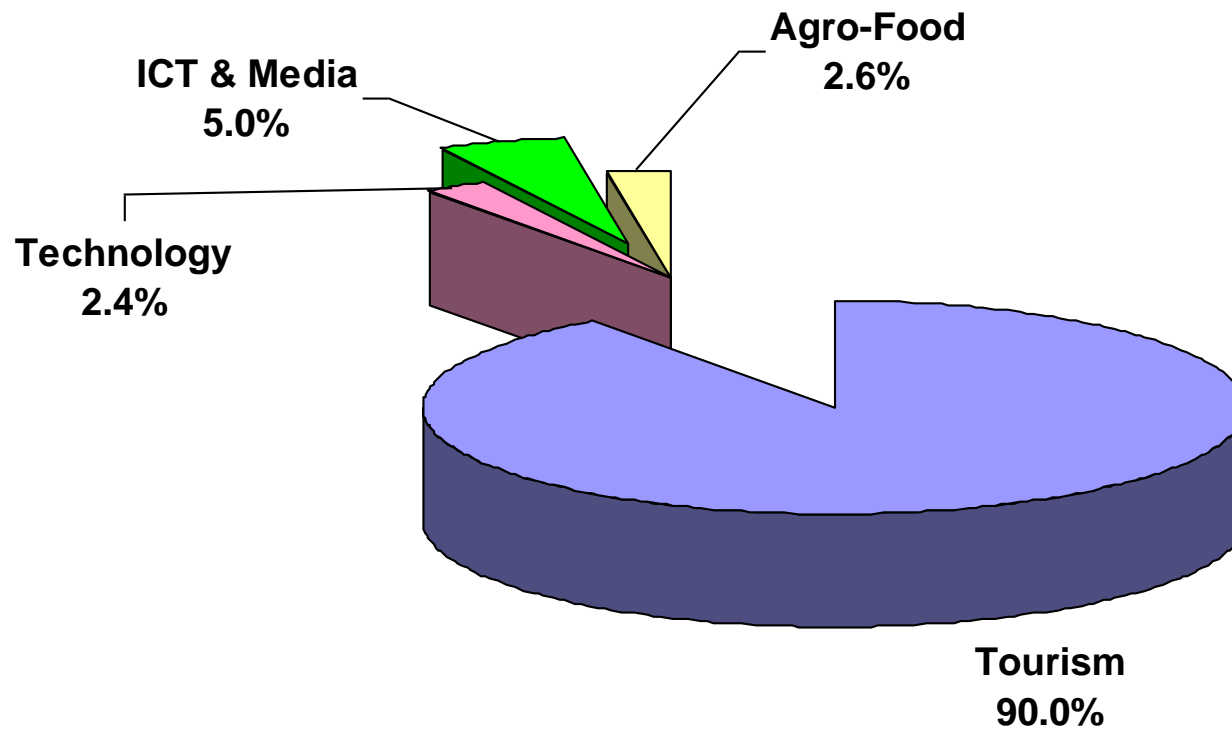
Distribution of Projects by Sector (Feb-2010)

Sector	Number of Projects	Investments (USD)	Job Opportunities
Tourism	1	218,200,000	445
Technology	2	5,878,926	101
ICT & Media	2	12,646,200	57
Agro-Food	2	6,204,000	123
TOTAL	7	242,929,126	726



Active Projects OSS Service

Investment Size Breakdown by Sector

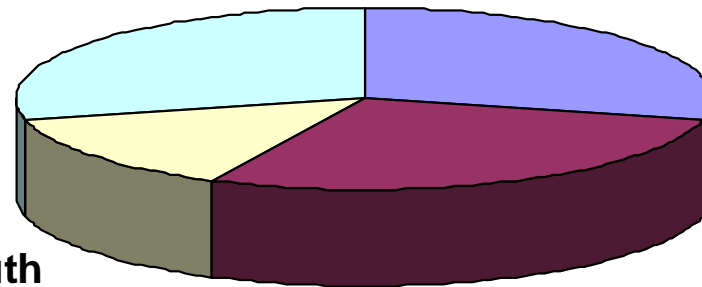


Active Projects OSS Service

Projects Distribution by Region

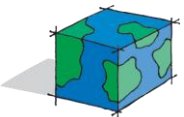
North Lebanon,
28.6%

Beirut, 28.6%



South
Lebanon,
14.2%

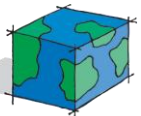
Mount
Lebanon,
28.6%



OSS Directorate Future Plan

**A-Enhancing the role of the OSS Directorate as
per Law 360/2001**

**B- Reclassifying of the Investment Zones as per
Article "10" of the Law**

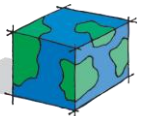


OSS Directorate Future Plan (cont'd)

A-Enhancing the role of IDAL as per Law 360/2001:

Facilitation of procedures:

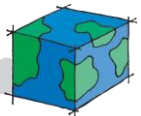
- Allocating the required resources to the OSS Directorate as per Law 360/2001 and its application Decrees;
- Outsourcing the services of delegated/named representatives from public administrations in order to expedite the issuing of permits & licenses and for overcoming any administrative difficulties during execution/operation phases;
- Issuing required administrative permits and licenses for projects governed by this Law.

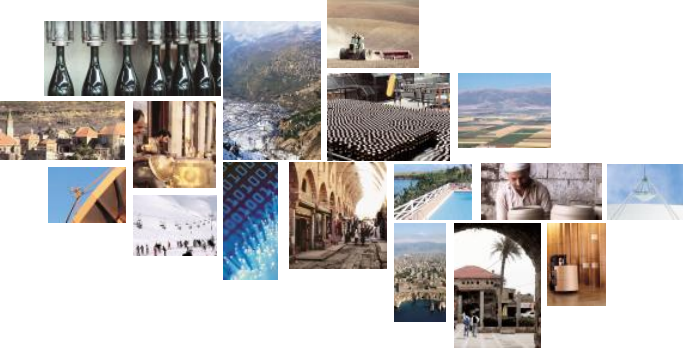




OSS Directorate Future Plan (cont'd)

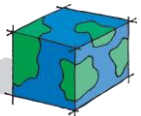
- ❏ **Amendment of PDC/IP criteria in accordance with the five sectors governed by Law 360 and amendments of the offered incentives in accordance with some of these sectors;**
- ❏ **Adding sectors/promising and added value clusters to the sectors governed by the Law 360 in order to attract capital investments (i.e. Health & Sport tourism, medicinal plantations, etc.);**





OSS Directorate Future Plan (cont'd)

- ❖ **Implementation of Special Economic Zones with specific incentives in order to create attractive pools for SMEs development and encouraging the Business matching of local entrepreneurs with local & foreign investors;**
- ❖ **Development of dedicated Sector Zones/Poles in order to create PPPs (i.e. BETZ, BCCC, etc.).**

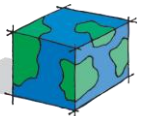


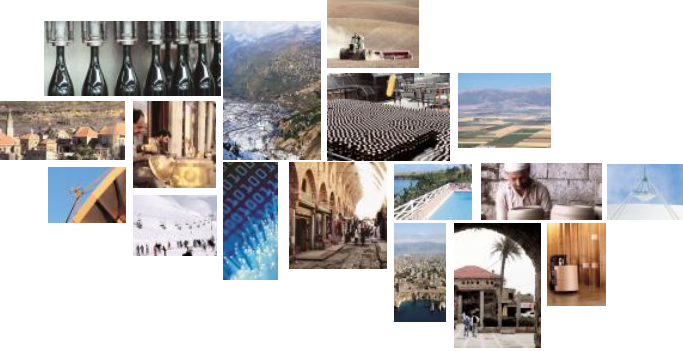


OSS Directorate Future Plan (cont'd)

Other additional incentives:

- 1- NSSF fees holiday for investment projects in the IT sectors since these projects are small and mainly dependant on skilled human resources, a Law issuance is needed in this concern;**
- 2- A project Law for cancelling the stamp fee on PDCs (3/1000 of the contract amount) taking into consideration the spirit of Law 360/2001 and its incentives specially that the investor is paying the due stamp fee on all the requested administrative documents related to his project.**





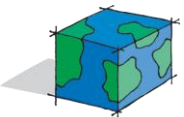
LEBANON FIRM BELIEF UNBREAKABLE WILL

Nadim Makdessi
Director
One-Stop-Shop Directorate

Investment Development Authority of Lebanon - IDAL
Presidency of the Council of Ministers

Direct Line : 00961 1 98 11 88

www.idal.com.lb



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