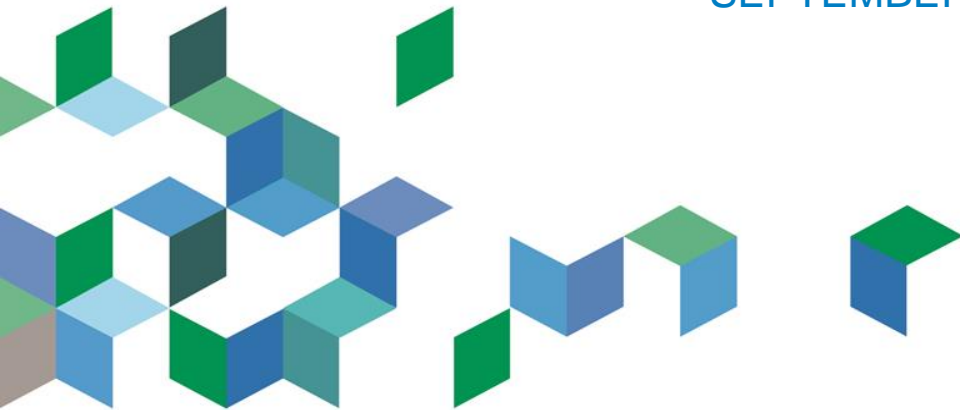




EUROMED MIGRATION III

SLOVENIA

SEPTEMBER 24-25, 2013



Headlines

1. Overview on the Lebanese Diaspora

2. Policy & Initiatives to Support the Diaspora

3. Case Studies

4. The Way Forward

5. Contact Us

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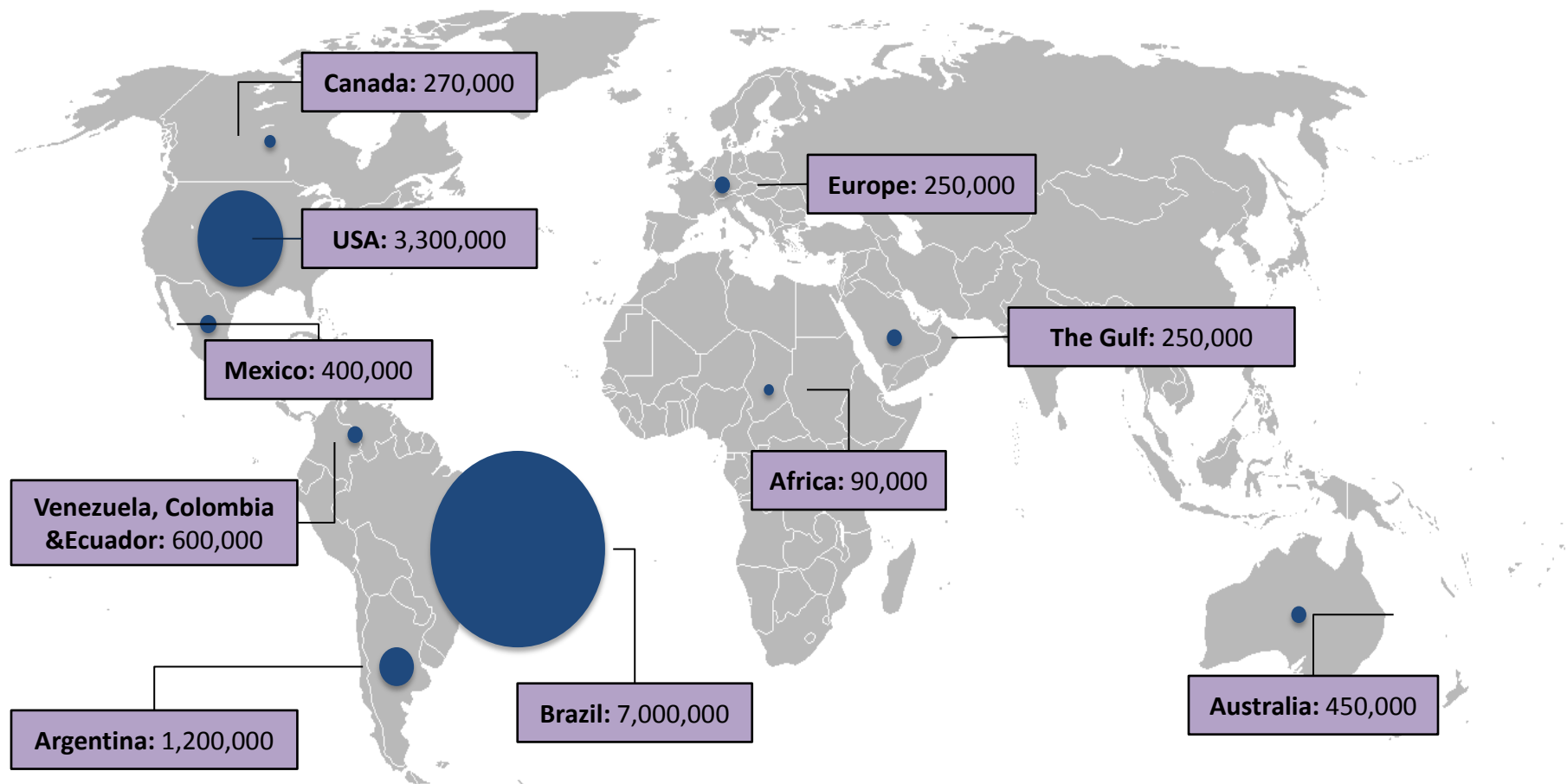
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Lebanon has a huge diaspora of 14 million people spread around the world

Mapping of Lebanese Diaspora Around the World



Total Lebanese Immigrants: \approx 14,000,000

While in the early years of migration migrants were mostly involved in craftsmanship and low skilled labor, expatriates have slowly moved to high value added jobs

Sector of Economic Involvement of the Diaspora

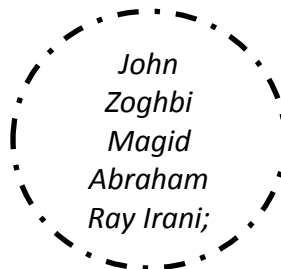
1800-1900: Early waves of Immigration

Technicians
Teachers
Craftsmen
Building Contractors



Mid 90's: Second wave of immigration

Engineers
Businessmen
Medical Specialists
Bankers
Qualified Manpower



Early 2000: New Wave of Immigrants in the Tech sector

ICT Sector
Tech
Banking and Finance



Some of these migrants are amongst Forbes richest list while others have participated in the political leadership of countries

Example of Successful Diaspora Members

BUSINESSMAN

Carlos Slim



- **Lebanese Mexican business magnate**, investor, and philanthropist.
- **Ranked by Forbes as the richest person in the world from 2010-2013.**
- Have interests in the fields of communications, technology, retailing, and finance. Presently CEO of Telmex and America Movil

POLITICIAN

Jamil Mouawad



- President of Ecuador from 1998 to 2000
- He proposed economic reforms that produced the "dollarization" of the economy
- During Mahuad's presidency, a historical peace agreement with Peru was signed, resolving long-standing border disputes

TECH

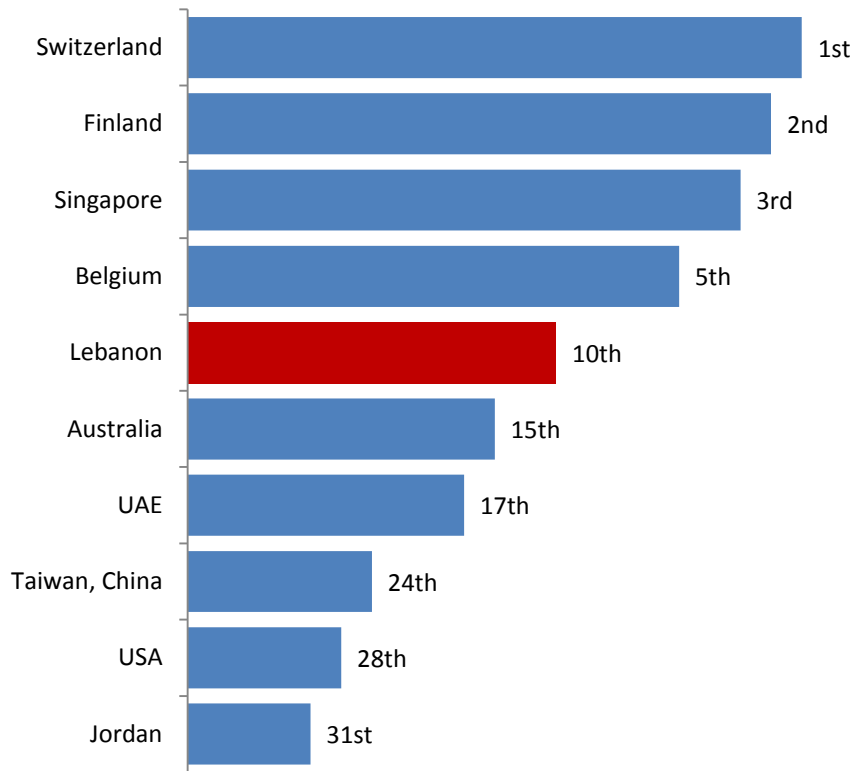
Tony Fadell



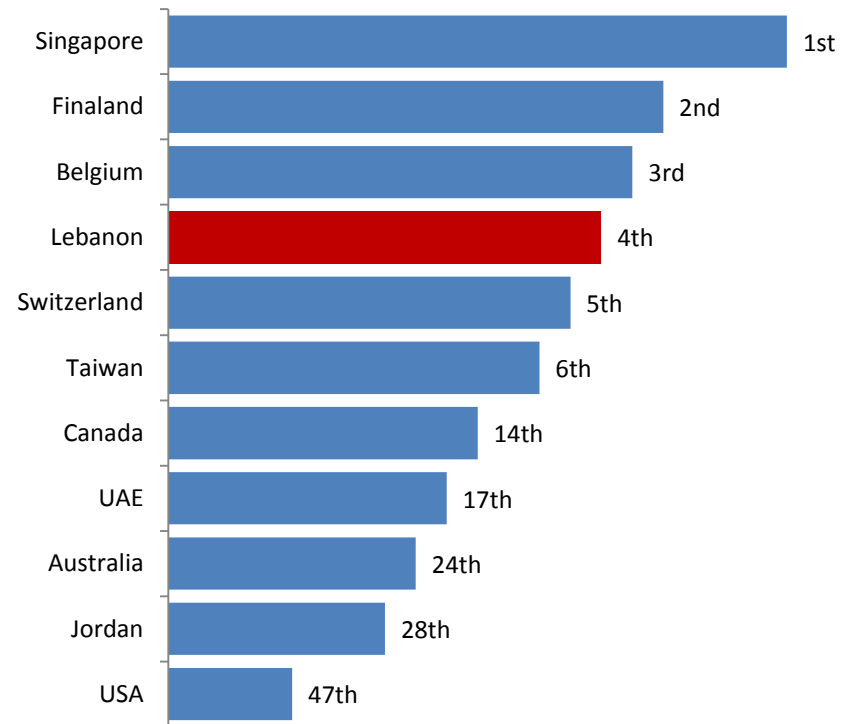
- A Lebanese American¹ **computer science engineer** who was known for being the Senior Vice President of the **iPod** Division at Apple Inc.
- In 2012, he was the recipient of the Alva Award, honoring him as '**the next great serial inventor**'

Lebanon has indeed on of the best educational systems internationally, resulting in a trilingual, highly qualified labor force

Overall Quality of Education (2012)

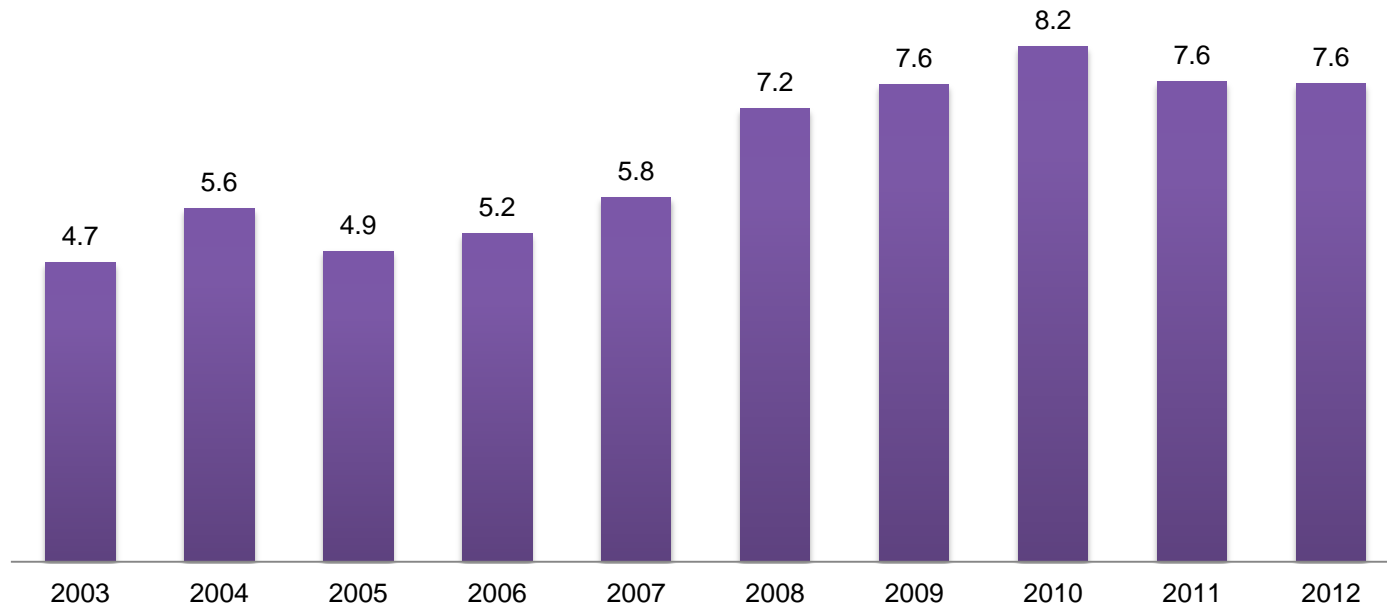


Quality of Math & Science Education Index (2012 - 2013)

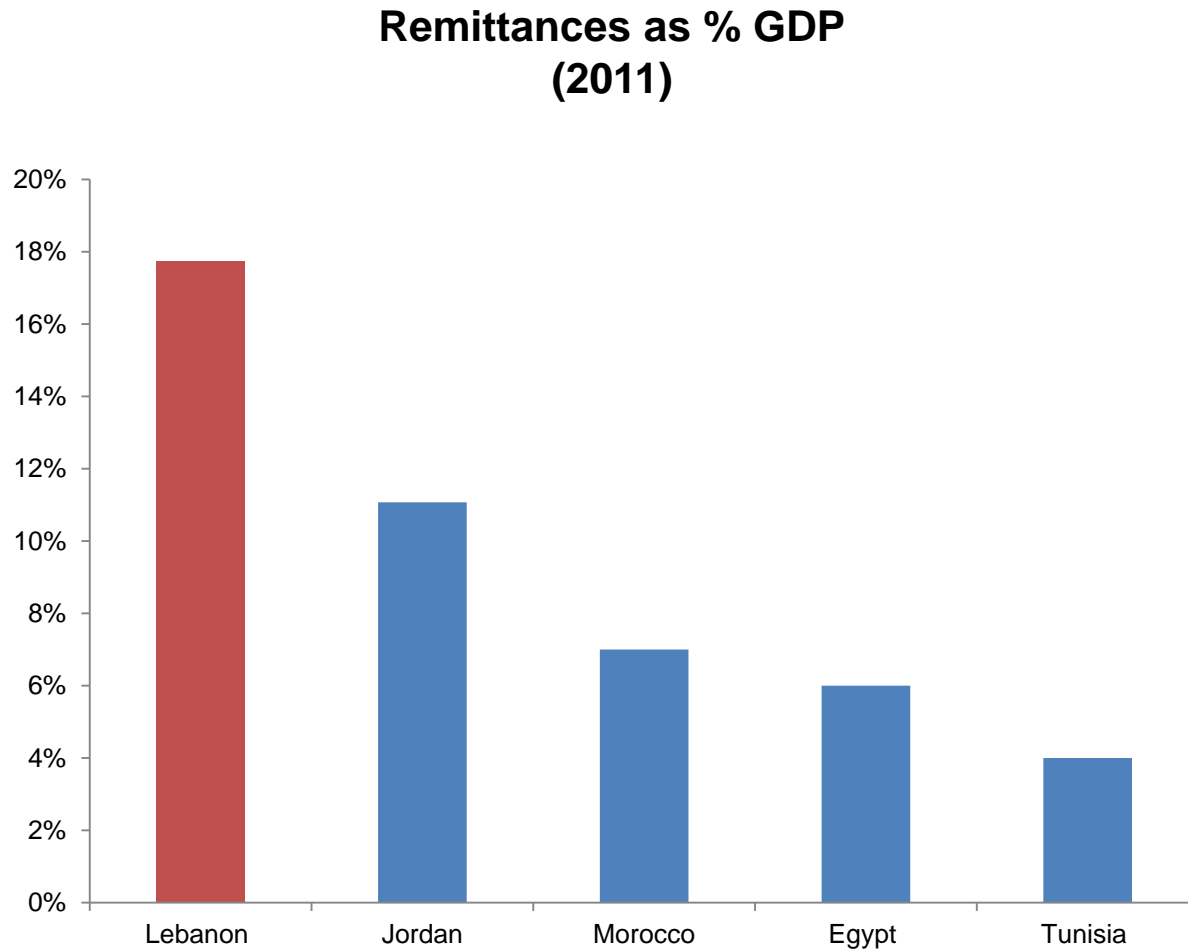


Lebanese emigrants have been an important contributor to the economy's growth, generating around USD 8 billions of remittances in 2009

Inward Remittance Flows into Lebanon (2003 - 2012)



Lebanon is actually the country with one of the highest ratio of remittances to GDP in the world and the highest in the region



Migrants and return migrants have heavily invested in Lebanon over the years, mainly in the Real estate, Tourism, and recently in the Tech sector

Sectors of Interest to the Diaspora

Real Estate



City Mall, BHV

Tourism



Example of projects include:
Le Grey Hotel ,
Jiyeh Marina

Financial Services



Expatriates increasingly putting deposits in Lebanese banks due to high interest rates and banking secrecy

IT & Tech



Example of projects include Multilane, Roxana, Dermendar, etc..

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Many initiatives have been undertaken by private and public entities to support expatriates

Mapping of Entities Linking Expatriates to Lebanon

NON EXHAUSTIVE

Associations
Representing
Expatriates

Public Organizations

- General Directorate of Emigrants at the Ministry of Emigrants
- Investment Development Authority of Lebanon
- Lebanese International Business Council
- Lebanese Immigrants

Private NGOs

- Lebanese expatriate / moughtarebeen
- LIFE
- Lebnet
- World Cultural Union
- Lebanese American Chamber of Commerce
- Joint Chambers
- Lebanese Club in Brazil
- Lebanese consulates
- Lebanese clubs
- The Lebanese Cultural University

Political Foundations

- Hariri Foundation
- United Australian Lebanese Movement

Religious Foundations

- Maronite Foundation
- Maronite League

Commercial Banks

- Banque Libano Francaise launched a new program for Lebanese living abroad called the Expat Package from which they can benefit from a special range of products and services to simplify their daily banking transactions

The Lebanese government more specifically has been working actively to support the return of migrants through various financial and technical schemes

Lebanese Government Support to Expatriates

1	Financial Support	<ul style="list-style-type: none">• The GoL has put in place various schemes to provide direct and indirect support to start-ups in general• IDAL and the Central Bank are amongst the institutions providing this support
2	Incubation Assistance	<ul style="list-style-type: none">• The GoL has been actively supporting the growth of incubators and accelerators either through the provision of financial support or the enactment of legislation that would support their growth• Incubators and accelerators are essential to provide start-ups with the needed ecosystem to grow
3	Legislative Assistance	<ul style="list-style-type: none">• IDAL is currently working on activating Article 6 Point 12 of Investment Law N0.360 that would enable it to provide direct equity support to incubators
4	Information Provision	<ul style="list-style-type: none">• The GoL is updating all social media channels that would provide expatriates with the needed info to start their business• IDAL and the Ministry of Emigrants are currently working on information provision
5	Technical Assistance	<ul style="list-style-type: none">• IDAL has actively over the last 2 years the work of start-ups and expatriate initiatives through the organization of workshops

As a 1st type of support, IDAL offers investors including the diaspora with financial incentives to open a business in Lebanon, in addition to a business linkage program



IDAL's Offering to Expatriates and Entrepreneurs

Fiscal Incentives

IDAL provides special tax exemptions for projects in 8 economic sectors including ICT, High Tech, Media, Industry, Agriculture, etc. These incentives are provided to foreign and local investors alike and as such apply to the diaspora

Business Linkages

IDAL has put in place a program aimed at fostering linkages between Lebanese companies and expatriates. Its current program is mainly targeted at companies operating in the ICT sector

Information Provision

IDAL has put in place a new website that contains all information needed by investors to open and operate in Lebanon

Other financial support available to entrepreneurs and migrants provided by the government include the equity funds supported by the Central Bank

Government Offerings to Start-Ups

1

400 Million \$ Equity Fund



New fund Launched in August 2013
Central Bank of Lebanon

The Central Bank of Lebanon has guaranteed \$400 million for Lebanese banks equity investment in startups, incubators, accelerators and funds

How it Works? If a local bank agrees to invest in startups, it receives a seven-year interest-free credit from the Central Bank which can be invested in treasury bonds that return interest rate of 7%.

The BDL will also guarantee up to 75% of the value of this investment

2

Loan Guarantees and Equity Fund

KAFALAT S.A.L.





Managed by Kafalat
2 schemes: The New Fund for innovation and the traditional scheme of investments

New Fund: Kafalat Start-ups and Innovation is the result of a partnership with the European Union and the Presidency of Council of Ministers to serve the needs of innovative enterprises

How it Works? The fund will enable guaranteeing loans granted to highly innovative investments and conventional start-ups in 5 sectors mainly IT, Tech, Tourism & Agri – **Since the start of 2013 1.35 Million USD of innovative investments were guaranteed**

The government has also supported financially and through legislation the growth of 5 business incubators which are supporting the growth of start-ups

Incubators Supported by the Government

Name of Incubator	Year of Creation	Location	Key Activities	Description
 Berytech <small>Nurturing Innovation</small>	2001	Beirut	ICT	One of the 1 st incubators developed in Lebanon which provided companies in the ICT sector. It was initially funded by the government
Beirut Digital District	2012	Beirut	ICT	Private initiative which however received government support under a decree signed by the Ministry of Telecommunication
 Beirut Arab University (BAU)	2011	Beirut	All	Incubator at its embryonic stage funded by an EU grant. It has so far provided support to 2 graduates which have not sold their product yet.
 SouthBic	2006	South	All	Initiative by the MoET and the EU since 2006 First innovation center of its kind in South Lebanon. It offers incubation and counseling services to manufacturing & service enterprises.
 BIAT <small>Business Incubation Association in Tripoli</small>	2006	North	All	Initiative by the MoET and the EU Incubator aimed at assisting and promote growth potential sector in Tripoli, North Lebanon.

On the technical assistance front, IDAL has provided support to many expatriates led initiatives



Workshops to Support Expatriates Led Programs

NON EXHAUSTIVE

Program / Event Description

Supporting Innovative Start-Ups	IDAL organized a workshop with the Prime Minister office to identify issues facing entrepreneurs. The workshops was organized with a series of expatriates to get their experience	2012
Astrolab Training	IDAL organized a workshop with a 2 expatriates to provide technical assistance to companies in Lebanon engaged in e-commerce	2013
Support to Arab Net	Arab Net an initiative led by expatriates aimed at supporting the growth of the ICT and digital media sector. IDAL has partnered with Arab Net over 2 years in that regard	2012-2013
Global Entrepreneurship Week	IDAL has over the last 2 years partnered with GEW to increase support to entrepreneurs	2012-2013

On the legislative front, LIFE a private initiative set up a to channel the diaspora resources to Lebanon, now partnering with the government to remove obstacles to investments

LEBANESE
INTERNATIONAL
FINANCE
EXECUTIVES



New Private Initiative – LIFE

What is Life Mission?

- To accelerate the development of the Lebanese IT start-up ecosystem through the active involvement of diaspora organizations
- Build a functioning gateway between the entrepreneur community in Lebanon and the diaspora, and to push forward with several initiatives locally that would contribute to the ecosystem as a whole.
- Build an entrepreneurship Center
- increase in the rate of formation of IT start-ups in Lebanon.

Modus Operandi

- LIFE have partnered with LebNet (a Lebanese diaspora organization based in the Bay area in California) and SEAL (Social and Economic Action for Lebanon, based in NY)
- **They have now partnered with the government to work on removing barriers to investments to the diaspora**

Who are its members?

- Investment Bankers in New York and London
- Lebnet members ie CEO of companies engaged in ICT activities
- Entrepreneurs in Lebanon
- High Net Worth individuals

A new initiative which has just come to light is the one created by Berytech targeted specifically at the diaspora



New Private Initiative 2013 – Berytech

- **Berytech has launched a new program aimed at incubating startups by Lebanese expatriates** in their relocation to Lebanon, as part of the Innovative Enterprises Creation and Incubation Program for the Mediterranean (PACEIM), aimed at encouraging expatriates to start up their business in their home country, in the Mediterranean region
- **€35,000 will be awarded as grant** for each start-ups of support to relocate to Lebanon and implement their ideas.
- **Criteria for Receiving Award:**
 - ✓ Projects are science and technology oriented
 - ✓ Projects are led by expatriates living in France
 - ✓ Owner of a project need to have a scientific university degree

The PCAEIM: Programme destiné aux ressortissants du Sud de la Méditerranée, résidant en France, en accueil universitaire, titulaires d'un diplôme d'enseignement supérieur de niveau master à post-doctorat ou techniciens, ingénieurs et chercheurs ayant effectué des études scientifiques dans ou en lien avec des établissements publics de recherche au Nord (universités, grandes écoles).

In terms of information provision, IDAL has launched its new website that provides all kind of info for doing business in Lebanon (1/2)

 Republic of Lebanon



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A A



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Lazariah Tower, 4th Floor, Emir
Bechir Street, Riad El-Solh Beirut,
Lebanon, P.O.Box 113-7251

► Phone

+961 1 983306 / 7 / 8

► Fax

+961 1 983302 / 3



► E-mail

invest@idal.com.lb
export@idal.com.lb

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If you are looking for a place to invest in the Middle East, Lebanon is your best choice in the region. Lebanon's strategic location, free market economy and liberal financial environment have traditionally played a key role in making Lebanon the most favored destination for investors. Its banking secrecy law, the soundness of its banking sector,

In terms of information provision, IDAL has launched its new website that provides all kind of info for doing business in Lebanon (2/2)



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[Loans & Other Facilities](#)

[Financial System Overview](#)

FINANCING YOUR BUSINESS


With a proactive approach to business, Lebanon is endowed with a competitive, dynamic and outward oriented economy. The attractiveness and the wide range of financial services, guarantees and incentives provided to investors coupled with a sound banking system form the backbone of this thriving environment.



Loans & Other Facilities

Financial institutions in Lebanon and selected government agencies offer a range of financial incentives and facilities to help companies set-up, operate and expand their businesses in Lebanon.

[Read More](#)




Financial System Overview

The banking sector continues to be the backbone of the Lebanese economy: it is known to be stable, highly liquid and exceptionally sound, ranking 12th worldwide along the Soundness of Banks Indicator.

[Read More](#)

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Lazarieh Tower, 4th Floor, Emir Bechir Street, Riad El-Solh Beirut, Lebanon, P.O.Box 113-7251

► Phone


+961 1 983306 / 7 / 8

► Fax

+961 1 983302 / 3


► E-mail


invest@idal.com.lb
export@idal.com.lb

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Association of Banks in Leba



 Visit Website


The General Directorate of Migrants has partnered with ICPMD to put in place a new website targeting emigrants

Lebanese Republic

Other sites

3 November 2010

Member Login | Register



Ministry Of Foreign Affairs and Emigrants
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Title of the book goes here
3 November 2010
The aim of the project is to enable recovery-rehabilitation... [more](#)



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Recovery and Rehabilitation of Dairy Sector in Bekaa Valley and Hermel
The aim of the project is to enable recovery-rehabilitation and assistance to the livelihoods of 300 vulnerable livestock keepers in Central Bekaa Valley, North Akkar and Hermel-Akkar Highlands who are resource poor, with little or... [more](#)

1 2 3

History


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General Manager Letter
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3 November 2010
The aim of the project is to enable recovery.



3 November 2010
The aim of the project is to enable recovery.



3 November 2010
The aim of the project is to enable recovery.


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Invest in Lebanon

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Lebanon has recently seen a surge of young entrepreneurs who have decided to relocate to Lebanon

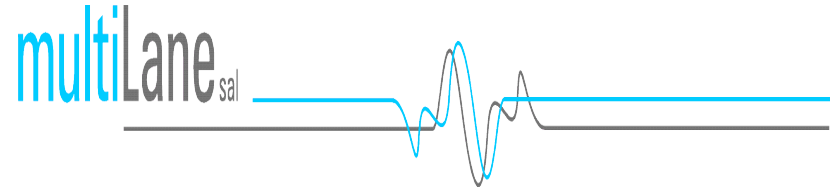
Case Study of Young Entrepreneurs - Fadi Daou : High Tech Sector -

Company Overview

Fadi Daou young entrepreneur, founded several companies in the US and decided to come back to Lebanon.

MultiLane develops technology and products for the optical communication market. It enables leading semiconductor companies to offer communication equipment for the next generation network. MultiLane's customers include Cisco Systems, Broadcom, Intel Corporation, Gennum, Google, Teledyne Scientific, Cortina, Adtran, IPG Photonics, and TE connectivity.

The market for MultiLane's product is global, with customers in the US, Europe, Taiwan, China, and Japan.



Government Offering

Investment Development Authority of Lebanon provides through its incentive schemes, companies involved in the semiconductor or manufacturing of ICT related equipment's, with a set of fiscal exemptions on profits generated.

How did the government help?

Support was provided to reduce customs procedures on tech products

Another case is a touristic resort developed on the Lebanese coast and that was developed by a returning migrant

Jiyeh Resort - Mohammad Saleh: Tourism Sector

Project Overview

This resort, located in the coastal town of Jiyeh, 35km south of Beirut, will be built in two phases. The first phase will include the construction of 196 chalets and 92 cabins, 3 swimming pools, 2 restaurants and a 17,577m² yacht berths. The second phase will see the rise of an eight-story hotel with 138 rooms and 10 suites, as well as a restaurant, terrace, ballroom and health club.

Mohammad Saleh a Lebanese expat has returned to Lebanon to give back to his country. His project will employ 210 people



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Going forward, we are working on promoting programs to expatriates and increase linkages with the entrepreneurial ecosystems. A major milestone has been the electoral law and the ability of expats to vote

Way Forward

Increase Government Support

- Increase networking and missions to countries with highest concentration of immigrants
- Increase campaigns and specially social media campaign targeting the expatriates
- Increase awareness on IDALs incentives

Foster Linkages with Private NGOs

- Establish linkages with universities and foster programs to increase involvement of expatriates in technical training
- Increase collaboration with UNDP programs on expatriates
- Collaborate with commercial banks to create special incentive packages for young entrepreneurs
- Increase collaboration with local incubators / accelerators who are providing links with the diaspora and provide them with financial incentives

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+961 (0) 1 983306