



Assessment of The Operational Plan – 2017



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List of Acronyms & Abbreviations

ALI	Association of Lebanese Industrialists
BDL	Banque Du Liban
CA	Customs Administration
CCIA	Chambers of Commerce, Industry and Agriculture
COLIBAC	Lebanese Accreditation Council (Conseil Libanais d'Accréditation)
EBRD	European Bank for Reconstruction and Development
EC	European Commission
EIB	European Investment Bank
EU	European Union
FCCIAL	Federation of Chambers of Commerce, Industry & Agriculture in Lebanon
IRI	Industrial Research Institute
LIBNOR	Lebanese Standards Institution
LIRA	Lebanese Industrial Research Achievements Program
MEHE	Ministry of Education and Higher Education
MoA	Ministry of Agriculture
MoE	Ministry of Environment
MoET	Ministry of Economy and Trade
MoF	Ministry of Finance
MoFA	Ministry of Foreign Affairs and Emigrants
Mol	Ministry of Industry
MoPH	Ministry of Public Health
MoSA	Ministry of Social Affairs
MoT	Ministry of Telecommunications
OP	Operational Plan
PPD	Public-Private Dialogue
SME	Small & Medium Enterprises
SP	Strategic Plan
UNIDO	United Nations Industrial Development Organization

1. Assessment of the Operational Plan 2017

Activity no. <small>(as per the SP)</small>	Activity	Expected outcomes <small>(To be completed by end of current year)</small>	Effective outcomes <small>(Completed)</small>	Variance	Progress achieved
1.1.1	Simplify Permitting procedures of Small and Medium Enterprises (SMEs), legalize and guide them in cooperation with partners (Ministries of Social Affairs (MoSA), Association of Lebanese Handcrafters, Association of Lebanese Industrialists (ALI).	<ul style="list-style-type: none"> - Consult industrialists and handcrafters to learn about their requirements. - Passing the draft amendments of Decrees No. 8018 & 5243 for the simplification of Permitting Procedures. 	Amendments nearly completed with continuous follow-up		Yes
1.1.3	Institutionalize the Public-Private dialogue (PPD) to support SMEs and handcrafters, particularly industries of information technology, herbs, electronic control panels and other sectors respectively.	<ul style="list-style-type: none"> - Draft resolution was adopted - Effective implementation of the draft has started. 	- Completion of the draft decree pending its ratification		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
1.1.4	Pass the industries merging bill, promote its benefits, and direct investments towards production expansion and integration to enforce the Decree on Real Estate Improvement, and reduction of taxes (from 10% to at least 5%) to lighten the burden of industrialists.	<ul style="list-style-type: none"> - Meet with stakeholders (Council of Ministers, Parliament, Ministry of Finance (MoF) and customs Administration) - Implement the bill, complete necessary correspondence related to this law. 	<ul style="list-style-type: none"> - Discussions in the Parliamentary sub-committee are completed, awaiting the adoption of the bill. 		Yes
1.2.1	Upgrade the MoI's "Industrial Cities & Zones Bureau" into a separate Department, and strengthen its role. Complete the infrastructure of the new suggested industrial zones (Baalbek – Terbol – Jaliliya – Mtein and/or others) funded by the Netherlands in collaboration with UNIDO.	<ul style="list-style-type: none"> - Completion of engineering studies for the establishment of the new industrial zones infrastructure (Baalbek – Terbol – Jaliliya – Mtein and/or others) by a specialized consulting office. - Tendering for international bidding through UNIDO 	<p>The amendment Bill of the Ministry of Industry establishment law (97/642) was completed and sent to the Civil Service Board, to the Advisory (Shura) Council, then to the Council of Ministers.</p> <p>The bill includes radical restructuring of the ministry's administrative structure and upgrading a number of current bureaus to the level of departments such as the Industrial Cities and Zones Bureau</p>		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
1.2.2	Hold periodic meetings with related administrations and stakeholders (public administrations, public institutions, and syndicates, municipalities) to develop the infrastructure and the services supporting the industrial enterprises and zones.	<ul style="list-style-type: none"> - A teamwork was formed - An implementation plan was developed 	<ul style="list-style-type: none"> - Projects are ready, clear progress in securing the necessary resources to start implementation within months. 		Yes
1.3.1	Positively encourage industries by all available means to train workers, and raise their level of expertise.	Industrialists were contacted to learn about their training needs to develop a full list of ongoing training courses in collaboration with ALI and circulate it among industrialists.	Workshops in different fields were conducted involving the public and the private sectors.		Yes
1.3.2	Work internally and externally to support qualified and promising industries with loans, donations, trainings, etc., and develop their equipment and productivity.	<ul style="list-style-type: none"> - Examine lending situation, seek ways to increase it, and solve existing problems. - Issue supporting texts. 	BDL decision to support working capital loans		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
1.3.3	Promote the concepts of production specialization and integration, internally and externally by all means available.	<ul style="list-style-type: none"> - Organize purposeful workshops to promote production specialization and integration concepts. - Contact different local and international stakeholders to adopt these two concepts as the solution for damaging competition. - 	<ul style="list-style-type: none"> - Meetings, media, encouragement and activation. 		Yes
1.3.4	Intensify workshops, conferences and meetings to produce binding recommendations that promote awareness about anti-dumping, increase of imports, simplification of procedures, rules of origin, and common commitment to serious constructive work to build effective competitiveness towards foreign industries.	<ul style="list-style-type: none"> - Contact the MoET and international entities. - Conduct workshops on fighting anti-dumping, increasing imports, simplification of procedures, and rules of origin. 	17 files of products that need anti-dumping protection, pending its adoption at the Council of Ministers.		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
1.3.5	<p>Work vigorously with deputies, individually and/or as parliamentary committees to amend the legal texts related to:</p> <ul style="list-style-type: none"> • Port tariffs (including spare parts for industrial machines and industrial raw materials) • TVA • Customs taxes. 	Contact relevant administrations (Council of Ministers, MoF, CA).	- Draft laws and legal texts had been sent to stakeholders.		Yes
1.3.6	Apply the principle of reciprocity towards any inappropriate foreign action	Contact relevant authorities (Council of Ministers, MoF, MoET, CA).	Meetings were held with EU, Arab and foreign countries, practical actions were taken.		Yes
1.3.7	Where applicable, work on increasing customs tariffs on certain imported products that compete with domestic products due to increase of imports, dumping, and subsidies.	Contact relevant authorities (Council of Ministers, MoF, MoET, CA).	- Files were prepared, pending approval.		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
1.3.8	Impose import/export permits where necessary	Work with concerned departments in the Ministry to simplify permitting procedures, and establish rules and regulations thereof.	- Start mandatory permitting for industries related to the prepared files.		Yes
1.3.10	Continue to use the Ministry's media tools (Food Industry Guide, instructions manuals, and website), other promotion tools (documentaries, TV, magazines), additional media and advertising tools to influence and guide the public.	Work on continuously upgrading the ministry's Al-Hadath Al-Sinai Magazine, Food Industry Guide, and updating the Ministry's website.	Media promotion is effective, tackling the industrial sector matters more than ever before		Yes
2.1.1	Ensure and update industrial statistics and information to formulate policies, activities and guidance accordingly.	Adopt information analysis and develop statistical studies.	Continuous development and update		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
2.1.3	Use media and advertising promotion by covering all industrial activities to increase industrial exports and encourage foreign consumption of domestic products.	Exports promotion is provided through cooperation with Lebanese delegations abroad and foreign delegations in Lebanon and relevant actors in the private sector (ALI, FCCIAL, industrial clusters, unions, and media).	Continuous		Yes
2.1.4	Organize and participate in exhibitions inside and outside the country within a developed, goal-oriented and specialized perspective.	<ul style="list-style-type: none"> - The cooperation protocol is activated and developed. - A working mechanism is developed to support, involve and select enterprises to participate in exhibitions. 	- Since its establishment, the ministry is participating and organizing exhibitions for the first time.		Yes
2.1.5	Consolidate the mechanism of communication with Lebanese delegations abroad in cooperation with MoFA, foreign delegations operating in Lebanon, and international organizations to facilitate trade exchange, introduce Lebanese products, and bring industrialists closer to entrepreneurs and traders.	Direct contact with the MoFA, diaspora, and its specialized units.	Continuous cooperation		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
2.2.1	Support LibanPack and introduce it to a larger number of industrialists.	Organize workshops with ALI to introduce Liban Pack	Approve an annual budget (of 150 million LBP) to the center allocated from the ministry's budget.		Yes
2.2.2	Urge the Lebanese Standards Institution (LIBNOR) to increase the issuance and application of standards to raise the level of national production.	Make recommendations for the issuance of new standards and technical rules.	Ongoing consecutively		Yes
2.2.3	Sign Memorandums of Understanding (MOU) and international agreements related to mutual recognition of national standards and certificates of conformity.	Expand contact and communication span with foreign delegations.	Ongoing consecutively		Yes
2.2.4	Organize workshops with partners (LIBNOR, IRI, and QUALEB) + enterprises from the private sector to provide technical assistance for industries to become ISO & CE Mark certified.	Participation in workshops with ministry's partners (IRI, QUALEB, and LIBNOR) + private sector enterprises to offer industries technical assistance and help them acquire ISO and CE Mark certificates.	Continuous		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
2.3.1	Work on a draft law for the exemption of industrial exports by 100% of the income tax, after the implementation of exemption law on industrial exports by 50% has been established.	- Identify justifications and rationale.	Awaiting suitable conditions		Yes
2.3.2	Reduce exportation procedures in collaboration with CA and directly concerned ministries (MoET, MoPH, MoA, MoE, etc.).	Meeting with CA and relevant ministries	Continuous coordination		Yes
2.3.3	Work on passing tax exemption draft law on industrial raw materials machinery and equipment imported for industrial use.	Intensify contacts and lobbying to pass it.	Follow-up with stakeholders		Yes
3.1.1	Ask manufacturers to establish an internship program for universities and technical institutes' students and offer them the opportunity to receive adequate trainings related to their fields of specialization in coordination with the MoI.	Establish a communication mechanism that links the triangle formed of the MoI & ALI, industries and universities.	Continuous		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
3.1.2	Establish effective network of communication and cooperation between concerned parties to promote innovation and development factors, (MEHE, universities, technical institutes, ALI, IRI, and National Council for Scientific Research (CNRS)).	<ul style="list-style-type: none"> - Establishment of a public-private network of communication. - Activation of LIRA program. 	<ul style="list-style-type: none"> - Continuously activated - “Innovated in Lebanon” motto has been launched, with focus on advanced sectors (such as nanotechnology). 		Yes
3.1.3	Work on passing the draft law for the amendment of Article 5-bis of the Income Tax Law to exempt the expenses of researches and development from income tax.	<ul style="list-style-type: none"> - Meetings with MoF and CA. - Workshops with ALI, relevant ministries on the importance of passing this draft law. 	Follow-up with stakeholders		Yes
3.1.4	Promote the cooperation agreement signed between the MoI, MEHE, and ALI to bring the curricula, and educational programs closer to manufacturing needs, and to find alternatives and new developed production processes thorough:	<ul style="list-style-type: none"> - Extension of the agreement between the two ministries and ALI. - Promote communication between colleges and industries. 	- We are working on reactivating the agreement following the non-responsiveness of ALI and MEHE.		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
	<ul style="list-style-type: none"> - Visits of industrialists to technical institutes and universities; - Visits of students of all levels to factories to teach them about national industry; - Removing the rejection and hostility barriers separating the Lebanese society and the national industry; - Link the consumption of domestic products with patriotism. 				
3.2.1	Hold coordination meetings with parties that provide the funding, management and/or technical help for industrial incubators in order to support innovators in fields that contribute to the industrial sector and information technology development (MoT - Berytech - BIAT - SouthBic).	Coordination meetings with providers of funding, management and/or technical assistance to industrial incubators, industrial clusters and specialized unions.	Follow-up and activation.		Yes

Activity no. (as per the SP)	Activity	Expected outcomes (To be completed by end of current year)	Effective outcomes (Completed)	Variance	Progress achieved
	Develop the articles of draft agreements, scientific cooperation and exchange of experiences with the participation of universities and scientific research centers to apply the best researches in specialized fields that the ministry finds suitable such as nanotechnology, mechatronics, food industry, pharmaceuticals, software, alternative energy, manufacturing of industrial equipment and machinery, cosmetics, perfumes, medicinal herbs, industrial chemistry, biochemistry, industrial chemistry, and recycling industries, etc.	Support and guide industries to adopt added-value productions.	Launch innovation, creativity and development as a 20-year essential strategic plan for the ministry.		Yes