



## Operational Plan - 2018



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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
IAP	Implementation Action Plan
IDAL	Investment Development Authority of Lebanon
IECD	Institut Européen de Coopération et de Développement
IMF	International Monetary Fund
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
Moi	Ministry of Industry
MoJ	Ministry of Justice
MoPH	Ministry of Public Health
MoPWT	Ministry of Public Works and Transport
MoSA	Ministry of Social Affairs
MoT	Ministry of Telecommunications
OP	Operational Plan
PPD	Public-Private Dialogue
R&D	Research & Development
RDCL	Lebanese Businessmen Association (Rassemblement de Dirigeants et Chefs d'Entreprises Libanais)
SME	Small & Medium Enterprises
SP	Strategic Plan
UNDP	United Nations Development Programme
UNIDO	United Nations Industrial Development Organization
WB	World Bank

## Introduction

In early March 2016, the Ministry of Industry (MoI) completed the formulation of the Implementation Action Plan (IAP) of its four-year Integrated Vision 2016-2020. This plan included three overall objectives, eight specific targets and thirty-five activities set for the MOI and the industrial sector. Activities were based on indicators of success, distribution of responsibilities and costs, if any.

To be implemented successfully, the IAP was divided into annual Operational Plans (OP) that will be used as road maps for the implementation of the strategy. After the first OP for year 2017 was completed, an overall evaluation of the 2017-OP implementation phases was carried out by the end of the year. The current quarterly 2018-OP was developed based on the outputs of this 2017-OP evaluation; and started to be implemented since January 2018.

This ambitious OP consists of 34 activities that must be partially or fully implemented during the second year of the overall IAP in spite of all challenges and circumstances. One activity was brought forward from last year and added to this year plan, it will be implemented upon the return of Parliamentary activity in Lebanon, bringing the total number to 35 activities designed to achieve the specific desired results set in the Strategic Plan (SP). Activities and steps of each activity were listed and numbered according to the same number sequence used in the SP. In parallel, tasks were distributed to related departments within the MoI and to external stakeholders such as organizations, agencies and partners to participate in the implementation of these activities. Indicators and results to be achieved before the end of current year were fixed in addition to resources, costs, timelines, and quarterly time indicators necessary to complete each step of each activity.

Since the OP is considered as the basis of reporting and follow-up, we developed a detailed timetable for this end.

By the end of the current year, achieved results will be evaluated and compared with the estimated results set in the SP. In case of variance, reasons and necessary corrective actions will be identified; this step is essential because adjustments to the OP of the subsequent year will be made accordingly.

Once evaluations and reporting are completed by the end of the second year, the third-year OP will be prepared on the basis of the SP and on the outputs of the second-year OP outputs, taking into consideration the adjustments made during the implementation of the SP activities till the end of year 2020.

## 1. Action Plan – Overview

Activity no.  (as per the SP)	Activity	Description of Activity  (steps to be completed this year)	Supplementary Budget  (necessary to complete steps of current year)	Expected outcomes  (to be completed by end of current year)	Responsible unit(s)  (Internal/External)	Timeline (2018)			
						Q1	Q2	Q3	Q4
1.1.1	Simplify Permitting procedures of Small and Medium Enterprises (SMEs), legalize and guide them in cooperation with partners (Ministries of Environment (MoE), Public Health (MoPH), Agriculture (MoA), Public Works & Transport (MoPWT)/ Urban Planning, Social Affairs (MoSA), Association of Lebanese Handcrafters, Association of Lebanese Industrialists (ALI), Chambers of Commerce, Industry and Agriculture (CCIAL)).	Consult industrialists and handcrafters regarding the simplification of Permitting procedures until the draft amendments of Decrees No. 8018 & 5243 are passed, and published in available media.	No supplementary budget.	<ul style="list-style-type: none"> <li>- Passing the draft amendments of Decrees No. 8018 &amp; 5243 for the simplification of Permitting Procedures.</li> <li>- Publishing of Decrees No. 8018 &amp; 5243 in available media outlets.</li> </ul>	<ul style="list-style-type: none"> <li>- Industrial Permitting Department.</li> <li>- MoSA, MoE, MoPH, MoA, Urban Planning, Union of Lebanese handcrafters, ALI, CCIAL.</li> </ul>				X
									X

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						Q1	Q2	Q3	Q4
<b>1.1.2</b>	Launch and follow-up on joint ventures with international, regional, governmental and non-governmental organizations, foreign governments, World Bank (WB), European Banks, European Union, Banque du Liban (BDL), and financial companies to increase incentives that ensure additional funding for the industrial sector and to provide technical assistance (industrial zones, alternative energy, clean environment, Research and Development (R&D), training, marketing, new differentiated products).	Establish joint ventures with international, regional, governmental and non-governmental organizations, foreign governments, WB, BDL, financial companies to increase incentives in order to provide additional funding for the industrial sector and provide technical assistance (industrial zones, alternative energy, clean environment, R&D, training, marketing, new special products).	<ul style="list-style-type: none"> <li>- UNIDO, UNDP, Netherlands, Austria, Italy, Japan, BDL, EU, European Investment Bank (EIB)</li> <li>- European Bank for Reconstruction and Development (EBRD), WB.</li> </ul>	<ul style="list-style-type: none"> <li>- Joint Ventures established with international, regional, governmental and non-governmental organizations, foreign governments, WB, BDL, and financial companies to increase incentives in order to provide additional funding for the industrial sector.</li> <li>- Technical assistance provided (industrial zones, alternative energy, clean environment, R&amp;D, training, marketing, new special products).</li> </ul>	Industrial Permitting Department + Technical Affairs & Industrial Services department + industrial Information Department + Regional Services.				X
<b>1.1.3</b>	Institutionalize the Public-Private dialogue (PPD) to support SMEs and handcrafters, particularly industries of information technology, herbs, electronic control panels and other sectors respectively.	Follow-up the institutionalization of the PPD through the adoption of the draft resolution and the effective implementation of the draft.	<ul style="list-style-type: none"> <li>- No supplementary budget.</li> <li>- Funded by EU.</li> </ul>	<ul style="list-style-type: none"> <li>- Adoption of draft resolution.</li> <li>- Start of effective implementation of the draft.</li> </ul>	<ul style="list-style-type: none"> <li>- Economic Studies and Industrial Development Department</li> <li>- EU</li> </ul>				X

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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 less than 5%) to lighten the burden of industrialists.	Follow-up on passing the industries merging bill, by meeting with stakeholders to implement the bill, send necessary correspondence related to this law and publish it in available media.	No supplementary budget.	<ul style="list-style-type: none"> <li>- Passing of the merging bill and sending of necessary correspondence.</li> <li>- Publishing of law through available media.</li> </ul>	<ul style="list-style-type: none"> <li>- Economic Studies and Industrial Development Department</li> <li>- MoF, Customs Administration (CA), Council of Ministers, Parliament, ALI.</li> </ul>	X	X	X	X
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.	Follow-up the establishment of the new industrial zones infrastructure (Baalbek – Terbol – Jaliliya – Mtein and/or others) by securing funds for the development of the engineering studies by a specialized consulting office.	<ul style="list-style-type: none"> <li>- No supplementary budget.</li> <li>- External funding through UNIDO, the Italian Government, a loan from EIB, World Bank, EBRD and the Netherlands.</li> </ul>	<ul style="list-style-type: none"> <li>- Implementation of the Engineering studies for the establishment of the suggested industrial zones through UNIDO and start of the establishment of industrial zones.</li> <li>- Companies started joining the established industrial zones.</li> </ul>	<ul style="list-style-type: none"> <li>- Decision makers<sup>1</sup>, Industrial Cities &amp; Zones Bureau + UNIDO coordinator.</li> <li>- Dutch Embassy, Italian Agency for Development Cooperation Bureau, Italian Embassy.</li> <li>- UNIDO.</li> </ul>				X

<sup>1</sup> The Minister of Industry and the Director General of the MOI are referred to hereinafter as the "decision makers".

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1.2.2	Periodic meetings with related administrations and stakeholders (public administrations, public institutions, syndicates, municipalities) to develop the infrastructure and the services supporting the industrial enterprises and zones.	- Follow-up the cooperation with relevant administrations and stakeholders to obtain funding for the operational projects (Concept notes) developed by the MOI for the development of the infrastructure and the services supporting the industrial enterprises and zones.	- No supplementary budget. - UNIDO.	Obtain funding for the operational projects (Concept notes) to develop infrastructures in cooperation with concerned stakeholders and the services supporting the industrial enterprises and zones.	Permitting Department+ UNIDO +ALI + public administrations + public institutions + syndicates + municipalities.	X	X	X	X
1.3.1	Positively encourage industries by all available means to train their workers, and raise their level of expertise.	Communicate with industrialists directly or through ALI to ensure periodical trainings for workers and industrialists.	- No supplementary budget. - UNIDO - UNDP	Available training sessions provided and promoted amongst industrialists in collaboration with UNIDO, EU and IECI with the participation of Industries in collaboration with ALI.	- Permitting Department, ALI - UNIDO, UNDP, EU.	X	X	X	X



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1.3.2	Work internally and externally to support qualified and promising industries with loans, donations, trainings, etc., and develop their equipment and productivity.	Circulate available funding programs and technical support in collaboration with ALI and workshops to inform industrialists about available programs.	KAFALAT, EU, UNIDO, BDL.	Study the status quo of lending, examine ways to increase it and solve existing problems related to it.	Decision makers + UNIDO coordinator + Ministry's media specialists, Economic researchers, Industrial Information Department.	X	X	X	X
1.3.3	Promote the concepts of production specialization and integration, internally and externally by all means available.	Work on organizing B2B meetings between businessmen – specialized in production specialization and integration- and representatives from the industrial sector to exchange expertise, organize specialized and purposeful workshops, conferences and seminars for guidance and preparation.	No supplementary budget.	<ul style="list-style-type: none"> <li>- B2B meetings between businessmen specialized in production specialization and integration and representatives from the industrial sector were held.</li> <li>- Specialized and purposeful workshops, conferences and seminars for guidance and preparation.</li> </ul>	Director General + Permitting Department + Industrial Cities & Zones Bureau + Economic Studies and Industrial Development Department + Industrial Planning & Development Bureau + Industrial Information Department, municipalities, Lebanese Businessmen Association (RDCL) + the Federation of Chambers of Commerce, Industry & Agriculture in Lebanon (FCCIAL) + related syndicates + UNIDO + ALI.	X	X	X	X

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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.	Promote awareness about anti-dumping and increase of imports among Lebanese industrialists.	No supplementary budget.	Promotion of awareness about anti-dumping, increase of imports, simplification of procedures, and rules of origin, by all means available.	- Economic Studies & Industrial Development Department (Industrial Protection & Support Bureau), Technical Affairs and Industrial Services Department. - MoET, MoF, CA, CCIA, ALI, and syndicates.	X	X	X	X
1.3.5	Work vigorously with deputies, individually and/or as parliamentary committees to amend the legal texts related to: <ul style="list-style-type: none"> <li>• Port tariffs (including spare parts for industrial machines and industrial raw materials)</li> <li>• TVA</li> <li>• Lebanese Customs taxes.</li> </ul>	Contact concerned administrations to amend the legal texts related to port tariffs, Customs tariffs, and TVA, and promote the benefits of these amendments through media (Al Hadath Al-Sinai magazine, Industry Guide).	No supplementary budget.	- Contact with concerned administrations (Council of Ministers; MoF, CA) has been established. - Benefits of these amendments have been published through media outlets (Al-Hadath Al-Sinai Magazine, Industry Guide)	- Decision makers, Industrial protection & support Bureau  - MoF, CA, Council of Ministers	X  X	X  X	X  X	X  X

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1.3.6	Apply the principle of reciprocity towards any inappropriate foreign action	Develop a working mechanism to apply the principle of reciprocity	No supplementary budget.	Development of a working mechanism to apply the principle of reciprocity	- The Minister/the Director General-Exports Promotion Bureau / Legal Studies & Affairs Bureau / Industrial Services Bureau - Council of Ministers / MoF, MoET / CA.				X
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	Work on increasing customs tariffs on certain imported products that compete with domestic products and start implementing this increase gradually.	No supplementary budget.	Start of gradual tariffs increase.	- Decision makers + Industrial Protection & Support Bureau+ Industrial Services Bureau - Council of Ministers / MoF, MoET / CA.	X	X	X	X
1.3.8	Impose import/export permits where necessary	Work with concerned departments in the Ministry to identify products on which import permits shall be imposed, communicate with the concerned administrations (Council of Ministers,	No supplementary budget.	- Work with the concerned departments in the Ministry to identify products on which import permits shall be imposed, has been done. - Communication with the concerned	Decision makers + Technical Affairs and Industrial Services Department + Council of Ministers + MoF+ MoET+ CA	X	X	X	X
						X	X	X	X

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		MoF and MoET), and collaborate with MoET, Lebanese Customs, ALI, and the CCIA to coordinate the necessary steps and impose permits where need be.		administrations (Council of Ministers, MoF and MoET), and collaboration with MoET, Lebanese Customs, ALI, and the CCIA to coordinate necessary steps and impose permits where needed has been done.					
<b>1.3.9</b>	Increase the promotion of national products and their quality among citizens to increase their consumption and reduce imports of similar products.	Work on improving Lebanese products quality	No supplementary budget.	Lebanese products quality has improved.	Technical Affairs and Industrial Services Department/ Standards & Quality Control Bureau + Statistics & Information Bureau	X	X	X	X
<b>1.3.10</b>	Continue to use the Ministry's media tools (Food Industry Guide, instructions manuals, and website), means of promotion (documentaries, TV, magazines) and other media and advertising tools to influence and guide the audience.	Continuously update the Ministry's website and add sufficient required industrial information and use the ministry's website and publications as tools of guidance.	No supplementary budget.	<ul style="list-style-type: none"> <li>- The Ministry's website is continuously updated and it contains sufficient necessary industrial information</li> <li>- The ministry's website and publications are being used for guidance.</li> </ul>	<ul style="list-style-type: none"> <li>- Economic Studies and Industrial Development Department / Industrial Planning &amp; Development Bureau</li> <li>- Exports Promotion Bureau-Statistics &amp; Information Bureau</li> <li>- ALI- Media and information outlets.</li> </ul>	X	X	X	X

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2.1.1	Ensure and update industrial statistics and information to formulate policies, activities and guidance accordingly.	Periodically provide and improve the statistical information by communicating with CA, Central administration of Statistics, and ALI.	No supplementary budget.	<ul style="list-style-type: none"> <li>- Statistical information periodically provided and improved by communicating with CA, Central administration of Statistics, and ALI.</li> <li>- Statistical studies are being used as the basis for policies, activities and guidance.</li> </ul>	<ul style="list-style-type: none"> <li>- Industrial Information Department/ Statistics &amp; Information Bureau in collaboration with Permitting Department, Technical Affairs and Industrial Services Department, and Economic Studies and Industrial Development Department</li> <li>- CA, Central Administration of Statistics, and ALI.</li> </ul>	X	X	X	X
2.1.2	Activate direct and indirect contact with related stakeholders within the country and abroad, to increase trade exchange and solve problems.	Improve the quality of Lebanese products and remove technical obstacles to allow the access of Lebanese exports to foreign markets, in collaboration with the MoFA.	No supplementary budget.	<ul style="list-style-type: none"> <li>- Improvement of many Lebanese products quality.</li> <li>- Ongoing and continuous removal of technical obstacles of Lebanese exports allowing them access to foreign markets, in collaboration with the MoFA.</li> </ul>	Economic Studies and Industrial Development Department/ Industrial Planning & Development Bureau- Technical Affairs and Industrial Services Department/ Standards & Quality Control Bureau.				X  X

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2.1.3	Use media and advertising promotion by covering all industrial activities to increase industrial exports and encourage foreign consumption of national products.	Distribute and publish advertising, statistical, and information materials through audio-visual media	No supplementary budget.	- Steady expansion of the distribution and publication of advertising, statistical, and information materials through audio-visual media, and focusing the attention of national community on the importance of national products.	Economic Studies and Industrial Development Department/ Industrial Planning & Development Bureau, ALI, FCCIAL, Industrial Clusters, syndicates, media & advertising, MoFA	X	X	X	X
2.1.4	Organize and participate in exhibitions within the country and abroad within a developed, goal-oriented and specialized perspective.	Increase the number of Lebanese exhibitors in international exhibitions, and increase incentives for industrialists to participate in these exhibitions through ALI and IDAL.	- No supplementary budget. - External funding from UNIDO, ALI, EU	- Increase in the number of Lebanese exhibitors in international exhibitions. - Increase in the incentives offered by ALI and IDAL to industrialists to participate in international exhibitions.	Decision makers + Exports Promotion Bureau + Industrial Planning & Development Bureau+ cooperation & Industrial Relations Bureau + projects & programs coordinators + MoET + UNIDO + ALI + EU.	X	X	X	X
2.1.5	Consolidate the mechanism of communication with Lebanese missions abroad in cooperation with MoFA, foreign missions operating in Lebanon, and	Organize meetings with Lebanese commercial attachés abroad	- No supplementary budget. - External funding and funding from	Meetings held with Lebanese diplomatic missions abroad.	Decision makers + Exports Promotion Bureau+ Industrial Planning & Development Bureau+ MoFA +				X

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	international organizations to facilitate trade exchange, introduce Lebanese products, and bring industrialists closer to entrepreneurs and traders.		MoFA.		EU + UNIDO				
<b>2.2.1</b>	Support LibanPack and introduce it to a larger number of industrialists.	Increase the number of industrial enterprises that benefit from LibanPack activities (training, standards, consultations, etc.).	No supplementary budget.	Increase in the number of industrial enterprises profiting from LibanPack activities (training, standards, consultations, etc.).	Standards & Quality Control Bureau, Liban Pack, ALI				X
<b>2.2.2</b>	Urge the Lebanese Standards Institution (LIBNOR) to increase the issuance and application of standards to raise the level of national production.	Continuous follow-up to make recommendations for the issuance of new standards and technical rules.	No supplementary budget.	Recommendations to issue new standards and technical rules are being followed-up.	- Standards & Quality Control Bureau - LIBNOR	X	X	X	X
<b>2.2.3</b>	Sign Memorandums of Understanding (MOU) and international agreements related to mutual recognition of national standards and certificates of conformity.	- Make recommendations for LIBNOR and IRI in collaboration with ALI to sign new agreements.	No supplementary budget.	Recommendations to LIBNOR and IRI in collaboration with ALI to sign new agreements have been made.	Decision makers + Standards & Quality Control Bureau + Exports Promotion Bureau + Industrial Protection & Support Bureau- LIBNOR/IRI and ALI, CCIAL/ MoFA / Ministry of Justice (MoJ)	X	X	X	X

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2.2.4	Organize workshops with partners (LIBNOR, IRI, QUALEB) + enterprises from the private sector to provide technical assistance for industries to become ISO & CE Mark certified.	Enhance interaction with IRI, QUALEB and LIBNOR.	No supplementary budget.	Increased interaction with IRI, QUALEB and LIBNOR.	Technical Rehabilitation Bureau, Standards & Quality Control Bureau, QUALEB, LIBNOR, IRI.	X	X	X	X
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.	Obtain the approval of relevant stakeholders, and elaborate feasibility studies and supporting plans.	No supplementary budget.	Approval of relevant stakeholders has been obtained; feasibility studies and supporting plans elaborated.	Decision makers+ Industrial Protection & Support Bureau + Industrial Planning & Development Bureau +Legal Studies & Affairs Bureau+ MoF + Lebanese CA +Council of Ministers+ parliament and its competent committees.				X
2.3.2	Reduce exportation procedures in collaboration with CA and directly concerned ministries (MoET, MoPH, MoA, MoE, etc.).	Work on formulating mechanisms for cooperation, coordination, and solving problems.	No supplementary budget.	Cooperation, coordination, and solving problems mechanisms formulated.	Exports Promotion Bureau + Technical Affairs & Industrial Services Department, Industrial Protection & Support Bureau, Industrial Services Bureau.	X	X	X	X



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2.3.3	Work on passing tax exemption draft law on industrial raw materials machinery and equipment imported for industrial use.	Engage concerned parties to pass the tax exemption law, help the project take its legal course, and contact ministers and parliamentary to pass it.	No supplementary budget.	<ul style="list-style-type: none"> <li>- Intensify contacts and urge the passing of the draft law.</li> <li>- The draft law took its legal course; ministers and parliamentary blocs were contacted to adopt it.</li> </ul>	Decision makers + Industrial Protection & Support Bureau, Legal Studies and Affairs Bureau, Industrial Planning & Development Bureau, MoF, CA, Council of Ministers.	X	X	X	X
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.	Work on increasing the number of students benefiting from this mechanism.	No supplementary budget.	The number of students benefitting from this mechanism increased.	Permitting Department + Technical Rehabilitation Bureau + projects and programs coordinators, Universities, MEHE & ALI.				X
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)).	Establish a public-private network of communication to promote innovation and development factors and activate the LIRA program. Develop studies and researches. Workshops, seminars, and conferences. Training and follow-up.	No supplementary budget.	<ul style="list-style-type: none"> <li>- Public-private network established.</li> <li>- LIRA Program activated.</li> <li>- Studies and researches were developed and published.</li> <li>- The Ministry, a center for research, studies, and orientation.</li> </ul>	<ul style="list-style-type: none"> <li>- A working team presided by his Excellency the Director General.</li> <li>- MEHE, Universities and technical institutes, ALI, IRI &amp; CNRS.</li> </ul>	X	X	X	X
						X	X	X	X

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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.	Follow-up with stakeholders to pass the draft law to exempt the expenses of researches and development from income tax (lobbying) and take the legal course to pass the draft law.	No supplementary budget.	- Lobbying and taking the legal course to pass the draft law.	Decision makers + Industrial Protection & Support Bureau - Legal Studies and Affairs Bureau - MoF- CA - the Council of Ministers - the Parliament and its competent committees.	X	X	X	X
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"> <li>- Visits of industrialists to technical institutes and universities;</li> <li>- Visits of students of all levels to factories to teach them about national industry;</li> <li>- Removing the rejection and</li> </ul>	Organize workshops, seminars and industrial exhibitions in institutes and schools throughout Lebanon and provide job opportunities for graduates.	- No supplementary budget.  - External funding from MEHE, IRI, and ALI.	Workshops, seminars and industrial exhibitions were held in institutes and schools throughout Lebanon.  - Job opportunities for graduates were provided.	Decision makers + Technical Rehabilitation Bureau - Exports Promotion Bureau- Industrial Planning and Development Bureau- Legal Studies and Affairs Bureau- ALI - MEHE -universities.	X	X	X	X

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	<p>hostility barriers separating the Lebanese society and the national industry;</p> <p>- Link the consumption of domestic products with patriotism.</p>								
<b>3.2.1</b>	<p>Hold coordination meetings with parties that provide the funding, management and/or technical help for industrial incubators in order to support innovators in the fields that contribute to the development of the industrial sector and information technology (Ministry of Telecommunications (MoT) - Berytech – BIAT - SouthBic).</p>	<p>Work on increasing the number of start-ups in incubators, and promote the concepts of innovation and specialization.</p>	<p>No supplementary budget.</p>	<p>- The number of start-ups in incubators increased.</p> <p>- Promotion of innovation and specialization concepts.</p>	<p>- Decision makers - UNIDO coordinator - Industrial Information Department - Technical Affairs &amp; Industrial Services Department - Industrial Services - MoT - Berytech - BIAT</p>	X	X	X	X

Activity no.  (as per the SP)	Activity	Description of Activity  (steps to be completed this year)	Supplementary Budget  (necessary to complete steps of current year)	Expected outcomes  (to be completed by end of current year)	Responsible unit(s)  (Internal/External)	Timeline (2018)			
						Q1	Q2	Q3	Q4
3.2.2	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, pharmaceutical, software, alternative energy, manufacturing of industrial equipment and machinery, cosmetics, perfumes, medicinal herbs, industrial chemistry, biochemistry, industrial chemistry, and recycling industries, etc.	Offer incentives for competent researchers to create new inventions, provide supporters to help innovators execute their new inventions, and organize workshops, seminars, and conferences.	<ul style="list-style-type: none"> <li>- No supplementary budget.</li> <li>- External funding from MEHE, universities, IRI, and ALI.</li> </ul>	<ul style="list-style-type: none"> <li>- Incentives offered to competent researchers to execute their inventions.</li> <li>- Supporters to help inventors implement their new inventions provided; workshops, seminars, and conferences were held.</li> </ul>	Decision makers + Exports Promotion Bureau + Legal Studies and Affairs Bureau - competent bureaus such as Standards & Quality Control Bureau + Industrial Permitting Bureau – Universities- MEHE- ALI- IRI.	X	X	X	X
3.2.3	Encourage and promote scientific research in industrial fields in collaboration with concerned universities and institutions within Lebanon and abroad.	Provide incentives for university teachers and students to increase scientific research in the industrial field, and organize workshops, seminars and conferences.	No supplementary budget.	Launching of new scientific research projects that have added-value to the industrial sector, and organize workshops, seminars and conferences.	Decision makers in collaboration with universities, MEHE, ALI, and IRI.	X	X	X	X

## 2. Action Plan – 2018 Report

Activity no. (as per the SP)	Activity	Expected outcomes (to be achieved by end of current year)	Actual status/ results achieved (by year-end)	Variance
1.1.1	Simplify Permitting procedures of Small and Medium Enterprises (SMEs), legalize and guide them in cooperation with partners (Ministries of Environment (MoE), Public Health (MoPH), Agriculture (MoA), Public Works & Transport (MoPWT)/ Urban Planning, Social Affairs (MoSA), Association of Lebanese Handcrafters, Association of Lebanese Industrialists (ALI), Chambers of Commerce, Industry and Agriculture (CCIAL)).	<ul style="list-style-type: none"> <li>- Passing the draft amendments of Decrees No. 8018 &amp; 5243 for the simplification of Permitting Procedures.</li> <li>- Publishing of Decrees No. 8018 &amp; 5243 in available media outlets.</li> </ul>		
1.1.2	Launch and follow-up on joint ventures with international, regional, governmental and non-governmental organizations, foreign governments, World Bank (WB), European Banks, European Union, Banque du Liban (BDL), and financial companies to increase incentives that ensure additional funding for the industrial sector and to provide technical assistance (industrial zones, alternative energy, clean environment, Research and Development (R&D), training, marketing, new differentiated products).	<ul style="list-style-type: none"> <li>- Joint Ventures established with international, regional, governmental and non-governmental organizations, foreign governments, WB, BDL, and financial companies to increase incentives in order to provide additional funding for the industrial sector.</li> <li>- Technical assistance provided (industrial zones, alternative energy, clean environment, R&amp;D, training, marketing, new special products)</li> </ul>		

Activity no. (as per the SP)	Activity	Expected outcomes (to be achieved by end of current year)	Actual status/ results achieved (by year-end)	Variance
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"> <li>- Adoption of draft resolution.</li> <li>- Start of effective implementation of the draft.</li> </ul>		
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 less than 5%) to lighten the burden of industrialists.	<ul style="list-style-type: none"> <li>- Passing of the merging bill and sending of necessary correspondence.</li> <li>- Publishing of law through available media.</li> </ul>		
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"> <li>- Implementation of the Engineering studies for the establishment of the suggested industrial zones through UNIDO and start of establishing industrial zones.</li> <li>- Companies started joining the established industrial zones.</li> </ul>		
1.2.2	Periodic meetings with related administrations and stakeholders (public administrations, public institutions, syndicates, municipalities) to develop the infrastructure and the services supporting the industrial enterprises and zones.	Obtain funding for the operational projects (Concept notes) to develop infrastructures in cooperation with concerned stakeholders and the services supporting the industrial enterprises and zones.		
1.3.1	Positively encourage industries by all available means to train their workers, and raise their level of expertise.	Available training sessions provided and promoted amongst industrialists in collaboration with UNIDO, EU and IECD with the participation of Industries in collaboration with ALI.		

Activity no. (as per the SP)	Activity	Expected outcomes (to be achieved by end of current year)	Actual status/ results achieved (by year-end)	Variance
1.3.2	Work internally and externally to support qualified and promising industries with loans, donations, trainings, etc., and develop their equipment and productivity.	Study the status quo of lending, examine ways to increase it and solve existing problems related to it.		
1.3.3	Promote the concepts of production specialization and integration, internally and externally by all means available.	<ul style="list-style-type: none"> <li>- B2B meetings between businessmen specialized in production specialization and integration and representatives from the industrial sector were held.</li> <li>- Specialized and purposeful workshops, conferences and seminars for guidance and preparation.</li> </ul>		
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.	Promotion of awareness about anti-dumping, increase of imports, simplification of procedures, and rules of origin, by all means available.		
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"> <li>• Port tariffs (including spare parts for industrial machines and industrial raw materials)</li> <li>• TVA</li> <li>• Lebanese Customs taxes.</li> </ul>	<ul style="list-style-type: none"> <li>- Contact with concerned administrations (Council of Ministers; MoF, Lebanese CA) has been established.</li> <li>- Benefits of these amendments have been published through media outlets (Al-Hadath Al-Sinai Magazine, Industry Guide)</li> </ul>		

Activity no. (as per the SP)	Activity	Expected outcomes (to be achieved by end of current year)	Actual status/ results achieved (by year-end)	Variance
1.3.6	Apply the principle of reciprocity towards any inappropriate foreign action.	- Development of a working mechanism to apply the principle of reciprocity		
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.	Start of gradual tariffs increase.		
1.3.8	Impose import/export permits where necessary	<ul style="list-style-type: none"> <li>- Work with the concerned departments in the Ministry to identify products on which import permits shall be imposed, has been done.</li> <li>- Communication with the concerned administrations (Council of Ministers, MoF and MoET), and collaboration with MoET, Lebanese Customs, ALI, and the CCIA to coordinate necessary steps and impose permits where needed has been done.</li> </ul>		
1.3.9	Increase the promotion of national products and their quality among citizens to increase their consumption and reduce imports of similar products.	- Lebanese products quality has improved.		
1.3.10	Continue to use the Ministry's media tools (Food Industry Guide, instructions manuals, and website), means of promotion (documentaries, TV, magazines) and other media and advertising tools to influence and guide the audience.	<ul style="list-style-type: none"> <li>- The Ministry's website is continuously updated and it contains sufficient necessary industrial information</li> <li>- The ministry's website and publications are being used for guidance.</li> </ul>		



Activity no. (as per the SP)	Activity	Expected outcomes (to be achieved by end of current year)	Actual status/ results achieved (by year-end)	Variance
2.1.1	Ensure and update industrial statistics and information to formulate policies, activities and guidance accordingly.	<ul style="list-style-type: none"> <li>- Statistical information periodically provided and improved by communicating with CA, Central administration of Statistics, and ALI.</li> <li>- Statistical studies are being used as the basis for policies, activities and guidance.</li> </ul>		
2.1.2	Activate direct and indirect contact with related stakeholders within the country and abroad, to increase trade exchange and solve problems.	<ul style="list-style-type: none"> <li>- Improvement of many Lebanese products quality.</li> <li>- Ongoing and continuous removal of technical obstacles of Lebanese exports allowing them access to foreign markets, in collaboration with the MoFA</li> </ul>		
2.1.3	Use media and advertising promotion by covering all industrial activities to increase industrial exports and encourage foreign consumption of national products.	<ul style="list-style-type: none"> <li>- Steady expansion of the distribution and publication of advertising, statistical, and information materials through audio-visual media, and focusing the attention of national community on the importance of national products.</li> </ul>		
2.1.4	Organize and participate in exhibitions within the country and abroad within a developed, goal-oriented and specialized perspective.	<ul style="list-style-type: none"> <li>- Increase in the number of Lebanese exhibitors in international exhibitions.</li> <li>- Increase in the incentives offered by ALI and IDAL to industrialists to participate in international exhibitions.</li> </ul>		

Activity no. (as per the SP)	Activity	Expected outcomes (to be achieved by end of current year)	Actual status/ results achieved (by year-end)	Variance
2.1.5	Consolidate the mechanism of communication with Lebanese missions abroad in cooperation with MoFA, foreign missions operating in Lebanon, and international organizations to facilitate trade exchange, introduce Lebanese products, and bring industrialists closer to entrepreneurs and traders.	Meetings held with Lebanese diplomatic missions abroad.		
2.2.1	Support LibanPack and introduce it to a larger number of industrialists.	Increase in the number of industrial enterprises that benefit from LibanPack activities (training, standards, consultations, etc.).		
2.2.2	Urge the Lebanese Standards Institution (LIBNOR) to increase the issuance and application of standards to raise the level of national production.	Recommendations to issue new standards and technical rules are being followed-up.		
2.2.3	Sign Memorandums of Understanding (MOU) and international agreements related to mutual recognition of national standards and certificates of conformity.	Recommendations to LIBNOR and IRI in collaboration with ALI to sign new agreements have been made.		
2.2.4	Organize workshops with partners (LIBNOR, IRI, QUALEB) + enterprises from the private sector to provide technical assistance for industries to become ISO & CE Mark certified.	Increased interaction with IRI, QUALEB and LIBNOR.		
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.	Approval of relevant stakeholders has been obtained; feasibility studies and supporting plans elaborated.		

Activity no. (as per the SP)	Activity	Expected outcomes (to be achieved by end of current year)	Actual status/ results achieved (by year-end)	Variance
2.3.2	Reduce exportation procedures in collaboration with CA and directly concerned ministries (MoET, MoPH, MoA, MoE, etc.).	Cooperation, coordination, and solving problems mechanisms formulated.		
2.3.3	Work on passing tax exemption draft law on industrial raw materials machinery and equipment imported for industrial use.	<ul style="list-style-type: none"> <li>- Intensify contacts and urge the passing of the draft law.</li> <li>- The draft law took its legal course; ministers and parliamentary blocs were contacted to adopt it.</li> <li>-</li> </ul>		
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.	<ul style="list-style-type: none"> <li>- The number of students benefitting from this mechanism increased.</li> </ul>		
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"> <li>- Public-private network established.</li> <li>- LIRA Program activated.</li> <li>- Studies and researches were developed and published.</li> <li>- The Ministry, a center for research, studies, and orientation.</li> </ul>		
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.	Lobbying and taking the legal course to pass the draft law.		

Activity no. (as per the SP)	Activity	Expected outcomes (to be achieved by end of current year)	Actual status/ results achieved (by year-end)	Variance
3.1.4	<p>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:</p> <ul style="list-style-type: none"> <li>• Visits of industrialists to technical institutes and universities;</li> <li>• Visits of students of all levels to factories to teach them about national industry;</li> <li>• Removing the rejection and hostility barriers separating the Lebanese society and the national industry;</li> <li>• Link the consumption of domestic products with patriotism.</li> <li>•</li> </ul>	<ul style="list-style-type: none"> <li>- Workshops, seminars and industrial exhibitions were held in institutes and schools throughout Lebanon.</li> <li>- Job opportunities for graduates were provided.</li> </ul>		
3.2.1	<p>Hold coordination meetings with parties that provide the funding, management and/or technical help for industrial incubators in order to support innovators in the fields that contribute to the development of the industrial sector and information technology (Ministry of Telecommunications (MoT) - Berytech – BIAT -SouthBic).</p>	<ul style="list-style-type: none"> <li>- The number of start-ups in incubators increased.</li> <li>- Promotion of innovation and specialization concepts.</li> </ul>		

Activity no. (as per the SP)	Activity	Expected outcomes (to be achieved by end of current year)	Actual status/ results achieved (by year-end)	Variance
3.2.2	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, pharmaceutical, software, alternative energy, manufacturing of industrial equipment and machinery, cosmetics, perfumes, medicinal herbs, industrial chemistry, biochemistry, industrial chemistry, and recycling industries, etc.	<ul style="list-style-type: none"> <li>- Incentives offered to competent researchers to execute their inventions.</li> <li>- Supporters to help inventors implement their new inventions provided; workshops, seminars, and conferences were held.</li> </ul>		
3.2.3	Encourage and promote scientific research in industrial fields in collaboration with concerned universities and institutions within Lebanon and abroad.	Launching of new scientific research projects that have added-value to the industrial sector, and organize workshops, seminars and conferences.		