

## Introduction

Lebanon is a country located in the Middle East on the eastern shore of the Mediterranean Sea. It is bordered by Syria and Israel. Lebanon's rugged terrain and location at the crossroads of the Mediterranean Basin and the Arabian hinterland has helped isolate, protect, and develop numerous factional groups within the country. The government system is a republic; the chief of state is the president, and the head of government is the prime minister. Lebanon is a member of the League of Arab States (Arab League).



**Location:** Western Asia

**Capital City:** Beirut (+2 GMT)

**Chief of State:** Vacant

**Head of Govt.:** Prime Minister Najib Miqati

**Currency:** Lebanese pound (LBP)

**Major Languages:** <p>Arabic (official), French, English, Armenian</p>

**Primary Religions:** <p>Muslim 67.8% (31.9% Sunni, 31.2% Shia, smaller percentages of Alawites and Ismailis), Christian 32.4% (Maronite Catholics are the largest Christian group), Druze 4.5%, very small numbers of Jews, Baha'is, Buddhists, and Hindus</p>

**Calling Code:** 961

**Voltage:** 110/220

## Key Websites

Main Government Page: [presidency.gov.lb](http://presidency.gov.lb)

Commerce Ministry: [ccib.org.lb](http://ccib.org.lb)

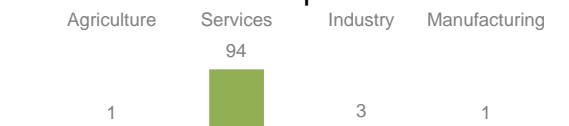
Export Promotion Agency: [investinlebanon.gov.lb](http://investinlebanon.gov.lb)

Investment Promotion Agency: [investinlebanon.gov.lb](http://investinlebanon.gov.lb)

## Key Economic Facts

Income Level (by per capita GNI):	Upper Middle Income
Level of Development:	Developing
GDP, PPP (current international \$):	\$80.15 billion (2021)
GDP growth (annual %):	-7.00% (2021)
GDP per capita, PPP (current international \$):	\$14,330.52 (2021)
External debt stocks, total (DOD, current US\$):	\$66,893,314,415.10 (2021)
Manufacturing, value added (% of GDP):	1.43% (2021)
Current account balance (BoP, current US\$):	-\$2.99 billion (2021)
Inflation, consumer prices (annual %):	154.76% (2021)
Labor force, total:	1,866,554 (2022)
Unemployment, total (% of total labor force) (modeled ILO estimate):	12.64% (2022)
Imports of goods and services (current US\$):	\$12.21 billion (2021)
Exports of goods and services (current US\$):	\$6.02 billion (2021)

## GDP Composition %



*\*Although Manufacturing is included in the Industry figures, it is also separately reported because it plays a critical role in economy.*

## Rankings

Index	Rank
Corruption Perceptions Index	151 / 178
Global Competitiveness Index	88 / 141
Global Enabling Trade Index	90 / 136
Index of Economic Freedom	164 / 176
International Logistics Performance Index (LPI)	79 / 160
Inward FDI Potential Index	82 / 139
KOF Index of Globalization	58 / 185
Networked Readiness Index (NRI)	88 / 139
Open Budget Index	102 / 114

## Risk Assessment (Provided by Coface)

**Country rating: D** - A high-risk political and economic situation and an often very difficult business environment can have a very significant impact on corporate payment behavior. Corporate default probability is very high.

**Business Climate rating: D** - The business environment is very difficult. Corporate financial information is rarely available and when available usually unreliable. The legal system makes debt collection very unpredictable. The institutional framework has very serious weaknesses. Intercompany transactions can thus be very difficult to manage in the highly risky environments rated D.

### Strengths

- Strategic geopolitical location at the crossroads of three continents
- Possibility of obtaining international aid in the event of a government commitment on reforms
- Offshore gas potential
- Tourism potential

### Weaknesses

- March 2020 sovereign default makes access to external funding problematic, forcing the consumption of dwindling foreign exchange reserves
- Commercial banks remain insolvent due to sovereign default
- Chronic foreign currency shortage weighs on fuel and food imports, contributing to a hyperinflationary environment
- Lack of a diversified manufacturing base, leading to import dependence
- Persistent political quagmire, with confessional, sectarian and family divisions paralysing the political scene and hindering reforms
- Armed Iran-controlled Shiite Hezbollah is a state in the state which contributes to political stalemate and tensions with Israel with which Lebanon is still officially in a state of war
- Weak business environment with poor legal procedures, low level of judicial independence, high perceived corruption
- Loss of an important part of local infrastructure after the Port of Beirut explosion in 2020

- Difficulty in restoring tourism flows due to social tensions resulting from the crisis, and security issues dissuading foreign visitors

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**U.S. Embassy**

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