

Lebanon Overview & Opportunities



Logistics Yard
Logistics by Logisticians



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Lebanon Overview & Opportunities



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➤ Lebanon - General Overview

- Lebanon Geography, Population, Politics, Security and Economy

➤ Lebanon Trade Activity

- Lebanon Seaports
- Beirut Seaport Activity

Imp & Exp Overview

Vessels

Port Facility

Shipping Lines

Airport Activity

Breakdown by Type of Imports & Exports

TEUs (Storage, Local & Transshipment)

Port & Container Terminal Equipment

Lines Market Share

Main Carriers and Forwarders list

➤ Company Profile

➤ Lebanon Opportunities

- Local Sub-Franchises
- Lebanon's Oil & Gas
- Rebuilding Syria
- Transit to Iraq
- Lebanon's New Logistics Projects

Lebanon - General Overview



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➤ Geography

- 10,452 m² bounded by Syria, Israel & the Mediterranean Sea with a 225 km coastline
- Gateway to the Levant (Lebanon, Syria, Iraq & Jordan)

➤ Population

- 4 million + 2 million refugees
- 15 million Lebanese outside Lebanon, covering all deficits in Lebanon's balance of payments



- **Politics & Security**
 - a Democracy among the very few in the region
 - In a turbulent region, Lebanon is one of the safest countries in the Levant region

- **Economy**
 - Small Economy of GDP 40 Billion USD growing at 1%
 - Free Economy, fully open to Foreign Investments
 - State Liabilities(21 Billion \$ external debt)



➤ ... Economy

- No restrictions on money exchange and transfers
- High Imports of 17 Billion \$
- Exports of 4 Billion \$
- Strong Banking Sector (Domestic Deposits 100 Billion \$)
- Very stable real estate market
- Lebanese Banks, Food Franchises and Media companies spread all over the MENA region



➤ ... Economy

- Local Freight Forwarders are in their turn establishing a good presence in the Levant and GCC
- Main income covering the Balance of Payments Deficit comes from Immigrants transfers inflows to the country
- Lebanese Population being only 4 million, Lebanese Immigrants exceed 15 million
(10% of the Brazil Chamber of Deputies are of Lebanese origin)
- Lebanon is a member of the Arab Trade Union and the European Free Trade Agreement Euro1
- Lebanese Investors have a strong presence in West Africa and Africa in general making cross trade in the continent from Lebanon a potential service

Lebanon - Trade Activity



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- Lebanon Seaports
 - Beirut Port holds the Main Commercial Activity
 - Sidon & Tyre Small Commercial & Fishing
 - Jounieh for passengers
 - Byblos, Amchit & Batroun Fishing
 - Chekka Cement
 - Oil & Gas Warehouses in Dora Tripoli Zahrani and Jiyeh receive directly oil cargo in their tanks

Tripoli Port is currently being expanded and expected to become the main hub for rebuilding Syria and regain its position as a transit cross point to Iraq



➤ Beirut Seaport Activity

- Private And Logistics Free Zone
- Nearly 6 million Tons / year
- Nearly 1 Million TEU / year
- Nearly 3 thousand Ships / year
- Port Stacking Capacity 1,200,000 TEU
- Transshipment hub for MSC and CMA-CGM Nearly 400k TEU / year

➤ Import & Export Overview

- **Average Yearly Imports** **18 million tons**
- **Average Yearly Exports** **2.5 million tons**

Lebanon – Trade Activity



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Exports

Jewelry, base metals, chemicals, miscellaneous consumer goods, fruit and vegetables, tobacco, construction minerals, electric power machinery and switchgear, textile fibers and paper.

Imports

Petroleum products, cars, medicinal products, clothing, meat and live animals, consumer goods, paper, textile fabrics, tobacco, electrical machinery and equipment and chemicals.

Principal trading partners - exports

South Africa: 19.3%

Switzerland: 12.2%

Saudi Arabia: 8%

UAE: 7.9%

Syria: 6.6%

Iraq: 4.7%

Principal trading partners - imports

USA: 11.2%

Italy: 8.6%

China: 8.3%

France: 7.2%

Germany: 5.6%

Turkey: 4.5%

Greece: 4.2%

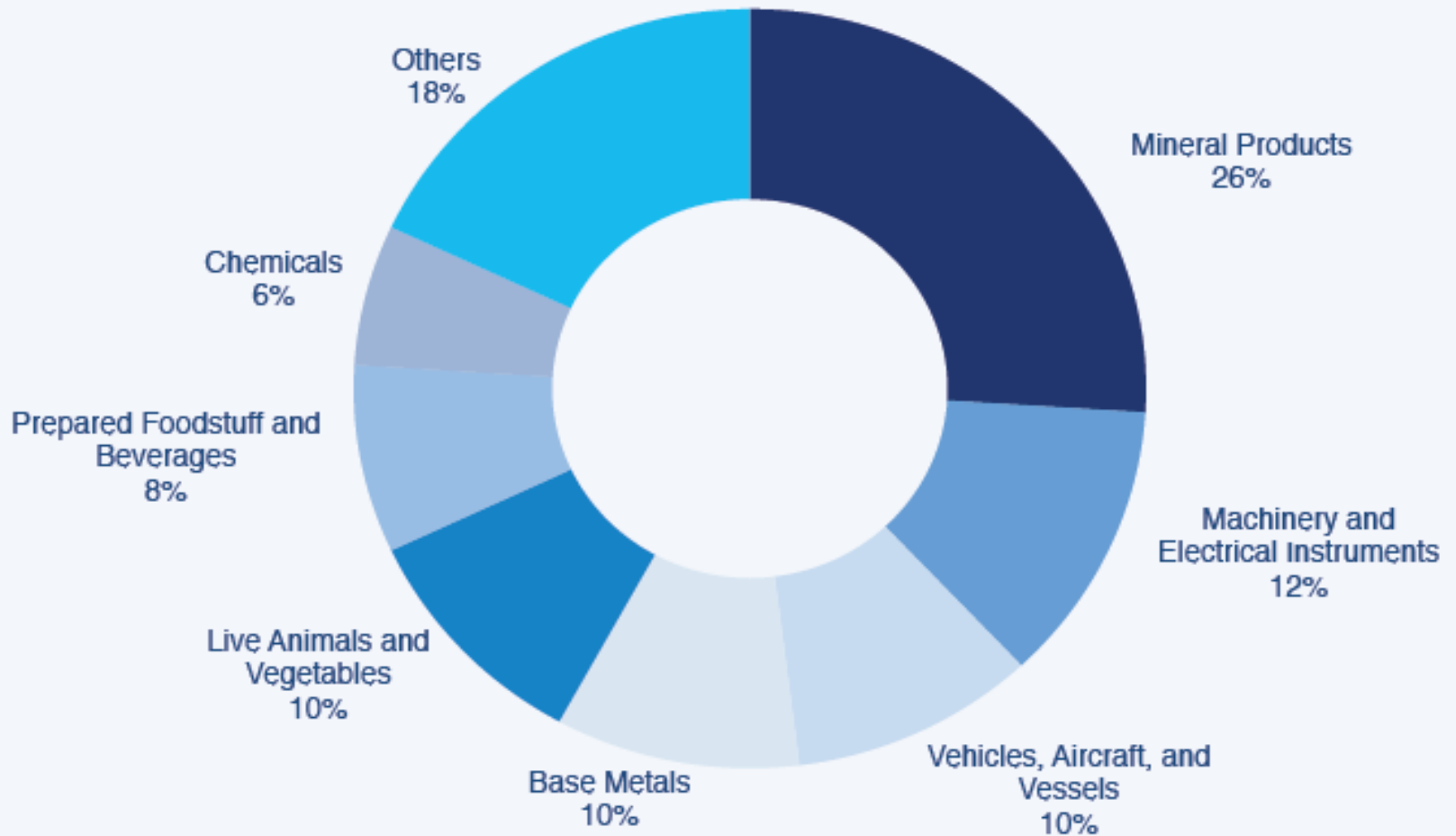
Lebanon – Trade Activity



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Beirut Port

Breakdown of Imports by Type



Source: Lebanese Customs

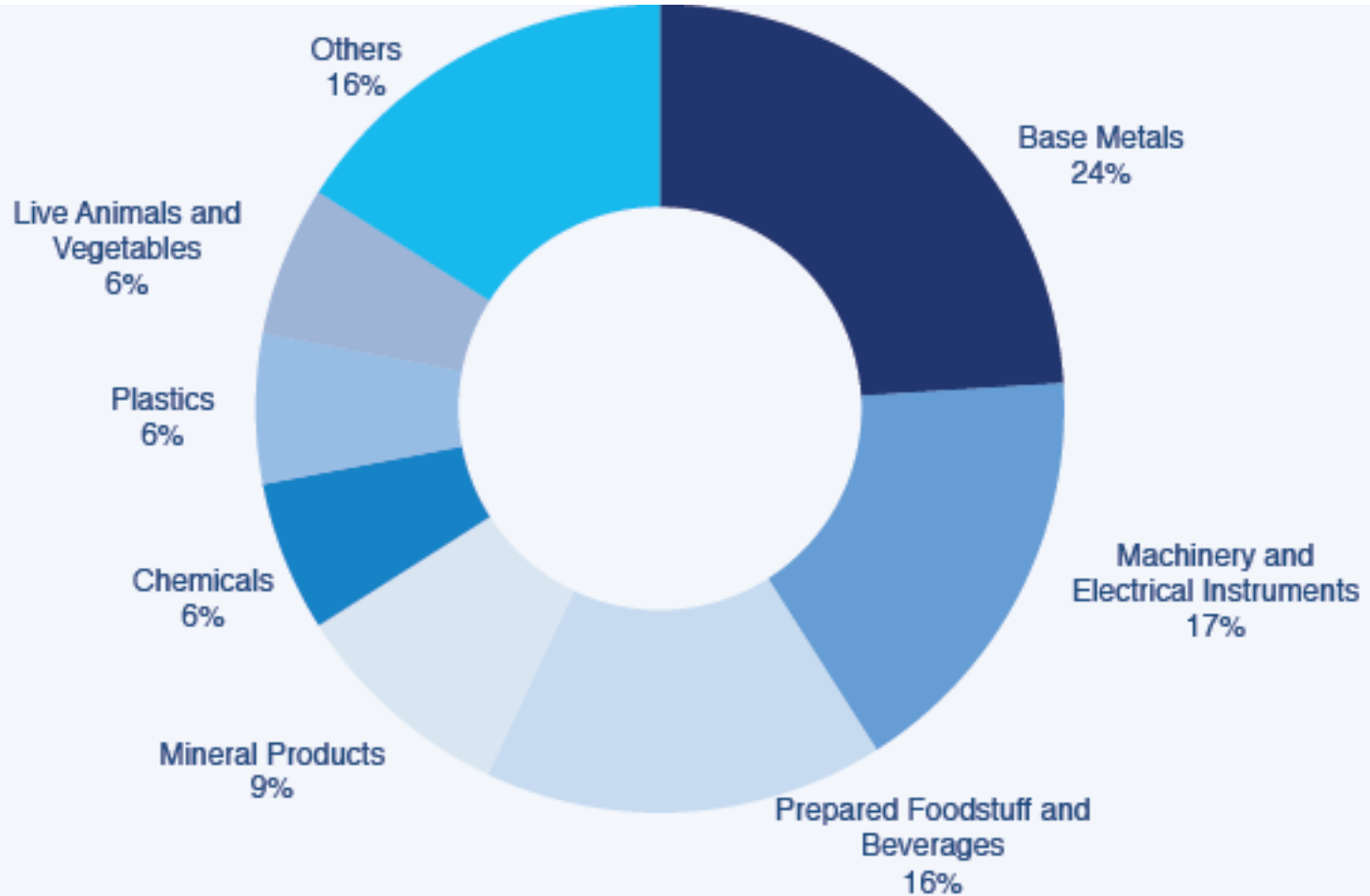
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Beirut Port

Breakdown of Exports by Type



Source: Lebanese Customs

Lebanon – Trade Activity

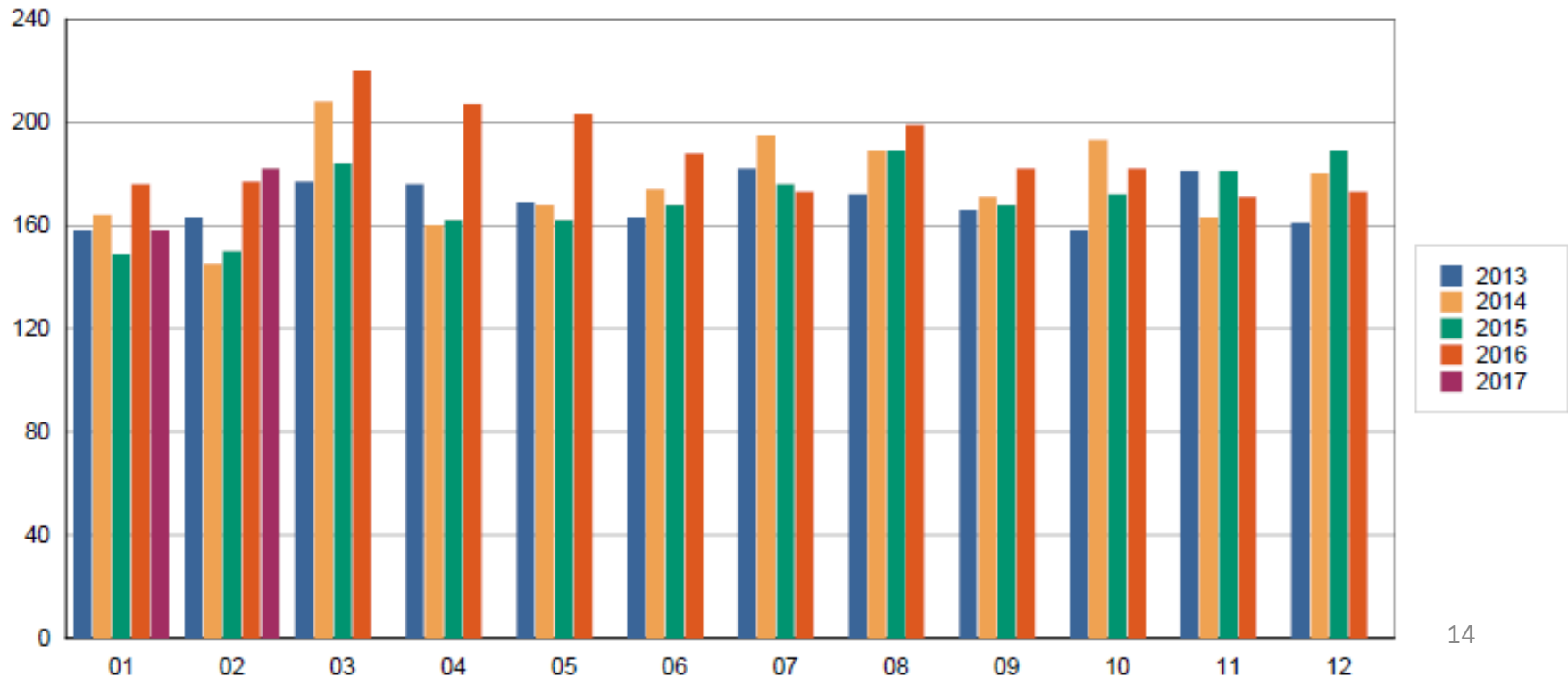


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Beirut Port

Number of Vessels

	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.	TOTAL	Sub-total
2013	158	163	177	176	169	163	182	172	166	158	181	161	2,026	321
2014	164	145	208	160	168	174	195	189	171	193	163	180	2,110	309
2015	149	150	184	162	162	168	176	189	168	172	181	189	2,050	299
2016	176	177	220	207	203	188	173	199	182	182	171	173	2,251	353
2017	158	182	0										340	340
Var %	-10.23	2.82												-3.68



Lebanon – Trade Activity



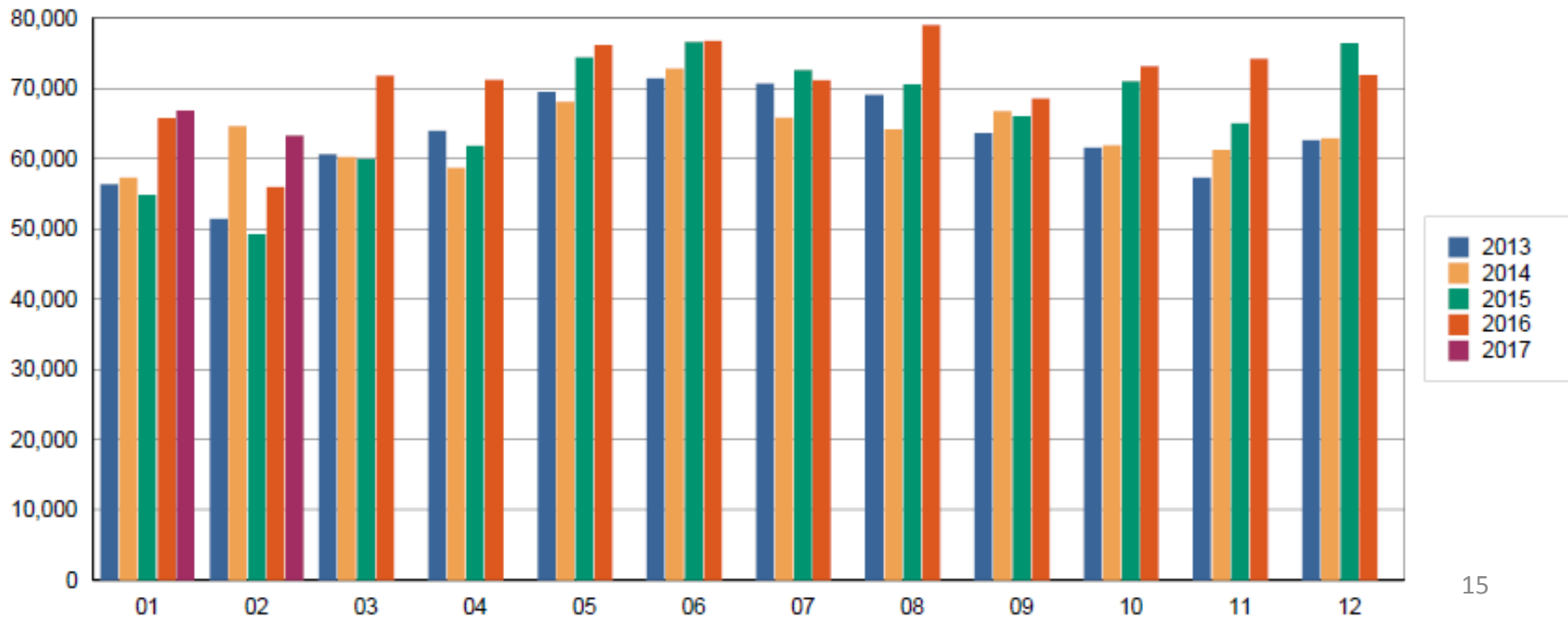
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Beirut Port

TEU Local (In/Out/Full/Empty)

TEU Local	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.	TOTAL	Sub-Total
2013	56,341	51,438	60,823	63,950	69,538	71,444	70,737	69,100	63,653	61,582	57,305	62,628	758,338	107,779
2014	57,279	64,654	60,212	58,702	68,071	72,849	65,854	64,135	66,756	61,879	61,183	62,878	764,451	121,933
2015	54,855	49,220	59,918	61,805	74,422	76,613	72,638	70,601	66,018	71,057	65,000	76,442	798,589	104,075
2016	65,776	55,964	71,861	71,256	76,156	76,783	71,127	79,018	68,592	73,159	74,249	71,935	855,877	121,739
2017	66,857	63,290											130,147	130,147
Variation %	1.64	13.09												6.91

TEU Local (In/Out/Full/Empty)



Lebanon – Trade Activity



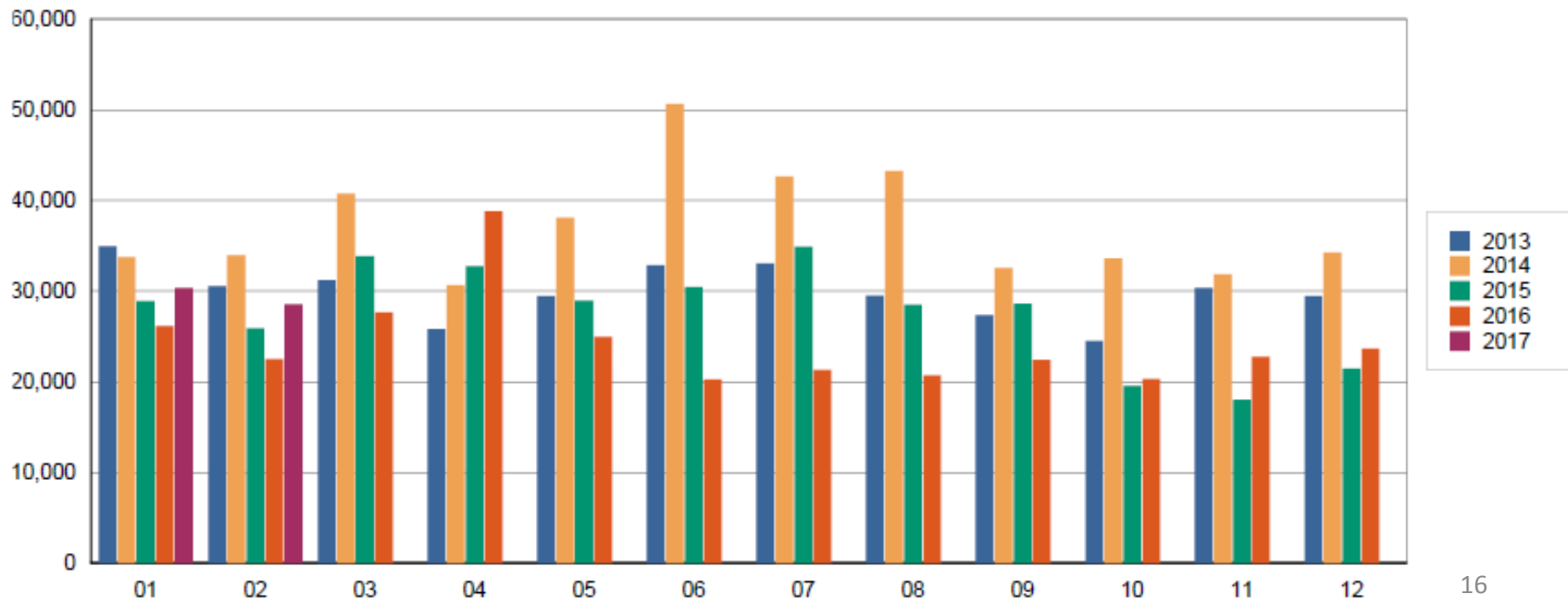
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Beirut Port

TEU Transshipment (In/Out/Full/Empty)

TEU TS	JAN.	FEB.	MAR.	APR.	MAY	JUN.	JUL.	AUG.	SEP.	OCT.	NOV.	DEC.	TOTAL	Sub-Total
2013	34,952	30,557	31,227	25,794	29,453	32,845	33,036	29,523	27,331	24,491	30,343	29,443	358,996	65,509
2014	33,739	33,975	40,725	30,636	38,095	50,652	42,642	43,235	32,549	33,607	31,860	34,246	445,962	67,714
2015	28,915	25,886	33,840	32,734	28,937	30,465	34,885	28,404	28,588	19,520	17,977	21,454	331,695	54,801
2016	26,122	22,480	27,873	38,805	24,957	20,241	21,295	20,691	22,375	20,288	22,743	23,673	291,342	48,603
2017	30,360	28,552	0										58,912	58,912
Variation %	16.22	27.01												21.21

TEU Transshipment (In/Out/Full/Empty)



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Beirut Port

Facility

Port of Beirut infrastructure

POB total area : 1,200,000 m²

Water basin total area: 1,002,000 m²

Main Breakwater : 3,190m.

Detached Breakwater : 550m.

Total length of quays : 5.655m of which

- 1,654m for general cargo operation: depth between 8m and 10,5m
- 1,334m for containers operation: depth between 10,5m and 13m
- Dedicated container quay (No.16) with 1.100m length which 600m with 15.5m depth & 500m with 16.5m depth.
- 220m bulk quay with 13m depth

All quays are equipped with water outlets for ship service.

Lebanon – Trade Activity



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Beirut Port

... Facility

Port Warehouses

4 warehouses for general cargo: total area 25,547m²

3 warehouses for groupage operation: total area 20,488m²

3 warehouses for cars: total area 17,958m²

1 open warehouse for cars and heavy load engines: total area 8,220m²

1 warehouse for hazardous goods: total area 5.231m²

Free Zone

Duty Free Market: total area 11,200m² (modular shops)

3 Industrial buildings: total area 32,400m²:

52 warehouses/bldg of which 16 on ground floor

Approx. 200m²/warehouse

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Beirut Port

...Facility

Logistic Free Zone

17 Logistic warehouses are exploited by 10 different companies.

6 Logistic warehouses under construction for industrial usage.

Silos

Total capacity: 120,000 tons

48 big cells: capacity 2,500tons/cell

50 small cells: capacity 500tons/cell

Suction speed: 600tons/hour

Parking

Free Zone: capacity 475 cars

Administrative bldgs. gate: capacity 160 trucks

Gate No.9: capacity 140 trucks

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Beirut Port & Container Terminal Equipment

Beirut Port Container Terminal is managed by BCTC

BCTC maintains the following major equipment:

Reefer: 800 points

12 Ship-To-Shore (STS) Post Panamax gantry cranes, with a 60-meter outreach;

2 Mobile Harbor Cranes;

39 Rubber Tired Gantry (RTG) cranes with a 40-ton capacity each;

14 Reach Stackers; 4 Top Loaders;

8 Empty Handlers; 58 Terminal Trucks;

4 Terminal Tractors; 5 Six-Wheel Trucks;

4 Goose Necks; 69 Trailers

(including 6 Mafi Trailers and Flat Beds)

BCTC also handles containers on Ro/Ro vessels .

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Beirut Port

Other Port Equipment

For General Cargo

35 mobile cranes for steel: capacity 50 to 300 tons

12 mobile cranes for general cargo: capacity 25 tons\

34 forklifts 1.5 to 10 tones

30 trucks

78 trailers

7 tractors

2 water cisterns

Lebanon – Trade Activity



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Lebanon Shipping Lines Market Share	
Liner	Market Share
1 MSC	32.79%
2 CMA	15.77%
3 Maersk SAFMarine SEAGOLine	14.27%
4 ARKAS	11.26%
5 EVERGREEN	8.08%
6 HAMBURG SUD	6.83%
7 UASC	4.19%
8 COSCO	3.26%
9 TURKON	1.68%
10 TARROS	1.27%
11 MESSINA	0.61%



- Beirut Airport Cargo Activity
 - 100k tons per year
 - Main Airport Transit moves pharmaceuticals to UN troops in Syria

- Lebanon's main Trade Destinations
 - Main Imports come from EU, China, Sub-Indian Continent & GCC
 - Main Exports go to Africa, GCC & EU

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➤ Main Cargo Carriers with fixed timetables at Beirut Airport

EK	EY	QR	Air France	KLM
TK	Lufthansa	BA	DHL Aviation	
Cargolux	SV	MS	Aegean	
AZ	Gulf Air			

Tiers 2

Fly Dubai	Pegasus	Al Arabiya	Air Armenia
Tarom	Armavia		

➤ Main Forwarders and Shipping Lines with presence in Beirut

Kuehne+Nagel Inc.	Expeditors	DHL Forwarding	
UPS	DB Shencker	CEVA	
Panalpina	Eculine	Shipco	Bollore group

MSC CMA	Maersk	COSCO	Turkon	Arkas
Evergreen	Grimaldi	SAF Marine	Seago Line	

Company Profile



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- Established in 2009 as a 4PL consultancy. LY has partnered with globally known partners in 4PL, Cargo Risk Insurance and Logistics optimization systems
- in 2017 Logistics Yard has become Toll Global Forwarding Master Franchisee in Lebanon
-



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- Logistics Yard main office is located at:
 - Marina Bay Center, Dbayeh, Lebanon
 - PO Box 60-177, Tel +961 4 411994
 - management@logisticsyard.net
 - www.logisticsyard.net
- 2 new Branches in Lebanon under establishment
 - in Tripoli (main coastal city & Port)
 - in Zahle (inland agricultural and industrial city)
- Staff including main office, clearing office and 2 branches reach 50 members.



- Logistics Yard is specialized in the Import, Export and cross trade, our fields of activity cover logistics, freight forwarding, warehousing, distribution and customs clearance services along with free zone operations.
- Our Services Cover Air, Sea, Land, FCL, LCL..., we also have special regular groupage service covering all EU from Antwerp and we also have the same coming from a number of Chinese ports.
- Logistics Yard has established a global network through Toll franchise and other strategic partnerships like Transmec Italy, Carga Belgium and Cargo Partner, as well as local and international 3PL partners to cover end to end logistics requirements including warehousing and distribution.



- Logistics Yard is managed by

Kamel Haddad CEO, a logistics veteran with 25 years of experience in shipping & Forwarding. His long career as Commercial Director for K-Line Lebanon, GM for Yang Ming Line Lebanon and Lebanon's CEO of many multinationals like TNT, Agility Forwarding, DHL Cargo and now Toll, empowers Logistics Yard with a strong local presence and expertise, in addition to the global exposure imperative to cargo moving businesses.

Fares Aboujaoude, a logistics veteran with 30 years of experience in General Management, Logistics and Finance with major regional and multinational Logistics, banking and NGO corporations.

Lebanon Opportunities



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☐ Lebanon Opportunities

➤ Local Sub-Franchises

- Lebanon is divided into 5 geographical & economic regions despite the country's small area
- Our new sub franchise is in Tripoli City, a city representing 22% of Lebanon's economy
- Tripoli Port is the gateway to Syria and Iraq



➤ Lebanon's Oil & Gas

- Recent Oil & Gas discoveries in 2009 in the Eastern Mediterranean have the potential of transforming the economies of Lebanon & other concerned neighboring countries.
- Direct positive impact on Logistics and Shipping
- Government approved necessary Decrees that define the country's maritime blocks, and specify conditions for Exploration & Production (E&P) tenders.
- Five of the ten maritime blocks (No. 1, 4, 8, 9, 10) will be tendered in the first E&P licensing round.
- The Lebanese Government also filed a request to join the international Extractive Industries Transparency Initiative (EITI) which promotes public awareness about how countries manage their oil, gas, and mineral resources

Timeframes:

- End 2017 finalization of bidding process
- Mid 2019 end of exploration and first drilling
- Beginning 2020 first Oil & Gas commercial extraction

Estimated Resources: 96 trillion cubic feet of natural gas

Estimated Value: between USD 125 billion and USD 480 billion



➤ Rebuilding Syria

- Estimated to reach 180 billion USD
- The reconstruction process will largely depend on imports since local production is now destructed to a large extent
- Lebanon is geographically and has historically been a gateway to Syria
- Lebanon is already preparing for this mega development
- Lebanese banks, media and forwarders already maintain presence in Syria
- “Logistics Yard” has already established necessary contacts for a fast startup in Syria

Multinational & Regional Carriers & Forwarding Companies still maintain presence in Syria, e.g.:

Maersk, MSC, CMA-CGM, Evergreen, DHL, DB Shencker, Aramex, Panalpina, Ceva, Hellman ...



➤ Transit to Iraq

- Lebanon was historically the transit hub for the Inter Arab trade long before Dubai and Aqaba
- Normally, when Iraq transit reopens through Syria, a large part of the Iraqi transit, now passing through the ports of Aqaba, Iskenderun and Mersin will flow through Lebanese ports
- Beirut Port is currently working as a transshipment hub:
 - Beirut Container Terminal Consortium has reached a volume plateau of around 1 million TEUs at the container terminal that was designed to handle 500,000 TEU.
 - The Transshipment volume is currently 400,000 TEU for MSC and CMA-CGM mainly from Northern Europe to Eastern Asia
 - The Port Authority has recently expanded the Terminal to allow up to 1.8 M TEU capacity with a quay length of 1,200 m and 12 STS cranes.



➤ Lebanon's New Logistics Projects

Medium Term Potential Logistics Investments

- New Airport Terminal and related logistics facilities
- Tripoli Port New Free Zone Warehouses
- E-Commerce Local and International Distribution (Local Distribution Trucks Fleet)
- Express Courier
- Inland and Overland Transport Fleet servicing the new oil & Gas sector, rebuilding Syria and Inter Arab trade



Thank You

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