

Growing the U.K.-Lebanon trade relationship

| [Simon Penney](#)

I am delighted to be in Lebanon for the first time in my new role as the HM trade commissioner ahead of the much anticipated Lebanon Investment Conference taking place in London next month. The conference is an important milestone in our bilateral relationship, promoting the market opportunities Lebanon has to offer and incentivizing economic reform and improving international confidence.

Our nations have much in common: an entrepreneurial spirit, a highly educated and highly skilled workforce, a global outlook that champions business large and small. It is also an important economic time for our countries as the U.K. paves the way to exit the EU and Lebanon is setting an ambitious reform program to incentivize the economy. My role aims to drive commercial ties between the U.K. and the Middle East, and Lebanon is a key partner in this endeavor.

Lebanon represents a new frontier for investors in search of yield.

Last April the government published its Capital Investment Plan which saw great support from the international community at CEDRE: A three-phase project with over 250 projects over the coming years totaling around \$22 billion with 40 percent of projects using the PPP model. Power generation, public transport, water supply, all offer hefty potential returns for investors. Export figures from U.K. to Lebanon in 2017 were at 385 million pounds (\$492 million), representing an increase of 10 percent over 2016.

Our Beirut-based Department of Trade colleagues took part in two educational forums this year in Beirut EDEX focusing on education technology with more than 13 U.K. companies.

Lebanon's private sector has always been a resilient engine for growth in Lebanon throughout thick and thin. This country has unique factors unlike any country in the region and ultimately the world. Lebanon benefits from a large and resilient remittance base, a large and profitable banking sector and a dynamic private sector excelling in tourism, architecture and construction, wholesale and retail trade and increasingly in pharmaceuticals and information and communications technology.

Meanwhile your art, design and fashion scene is making an evermore impressive impact on the world; putting Lebanon on the map for the right reasons.

The U.K. houses some 5.7 million businesses, 99.9 percent of which are small and medium enterprises. It is thus no exaggeration, as U.K. Secretary of State for International Trade Dr. Liam Fox said, that small businesses are the backbone of our domestic U.K. economy. For tech startups, the U.K. is No. 1 in Europe, and home to some of the fastest-growing tech businesses. This weekend, the U.K. will celebrate Small Business Saturday, an annual event which champions and actively supports the expansion of U.K. small businesses. Many of these small businesses have ties to Lebanon, which has taken the limelight for its rapidly growing tech scene, and has sparked much interest from global tech players.

We are also celebrating initiatives that have shortened the geographical gap between London and Beirut when it comes to tech, helping the active minds of a generation bring the innovations of tomorrow to global markets. By providing small tech businesses the right tools to expand outward, exporting U.K. and Lebanese tech ideas and services can be made possible.

Following the establishment of the U.K. Lebanon Tech Hub in 2015, an initiative between the Central Bank of Lebanon and the U.K. government, many startups have been accelerated and grown to set up operations in both terrains, with vast interest from investors. During the last three years of its operation, the U.K. Lebanon Tech hub created nearly 2,000 jobs in Lebanon, backed 86 Lebanese startups, contributed to more than \$8.5 million worth of deals into the U.K. and has given way to a \$26 million increase in company revenues in Lebanon.

A superb example of a U.K. Lebanon Tech Hub startup is Slidr, an algorithm-based website designed to display comparative tech gadget prices to customers. Originally created in Lebanon, Slidr has now expanded and is based in London. As an e-commerce website that channels the power of the crowd, startups like Slidr can penetrate a billion-dollar online shopping industry.

The Tech Hub's office in London positions Lebanon as a connecting bridge between Britain, the Middle East and emerging markets. It introduced to London global ventures that offer innovations such as tele-surgery, crowd discounted tech products, early detection of asthma attacks, guitar auto-tuners and smart lighters that help you quit smoking.

Lebanon's ICT sector is growing significantly thanks to a new generation of young talent who are taking forward startup opportunities to the international marketplace. And both the U.K. and Lebanon are benefiting from this collaboration. Through the U.K.-Lebanon Tech Hub, we are keen to help technology businesses grow internationally, but anchor value in their home countries.

As the U.K. finalizes its exit from the European Union, we are actively looking to boost more tech capabilities via these small businesses among the Middle East's young populations.

The U.K. has had a strong historical trading relationship with Lebanon. Championing small businesses which bring together U.K. and Lebanese entrepreneurial talent, technology and innovation will be instrumental in ensuring this trading relationship continues to flourish.

Simon Penney is her majesty's trade commissioner for the Middle East, Afghanistan and Pakistan at the Department for International Trade.