

## **The Economic relations between Lebanon and the countries of Mercosur**

### **Center for Economic Research**

On December 16, 2014, in Parana-Argentina, Lebanon signed a Memorandum of Understanding for its accession to Mercosur. The aforementioned international organization is a framework for a free market in South America, established in 1991, and includes five countries: Brazil, Argentina, Uruguay, Paraguay and Venezuela, noting that Venezuela's membership in the organization was suspended. Also, Bolivia, Chile, Ecuador, Peru and Colombia are currently involved in negotiations to join Mercosur.

This organization includes countries that span more than 12 million square kilometers and includes more than 450 million people. The national product of its countries is estimated to be 5700 billion USD.

These numbers reveal a big gap in capabilities, sizes and potential between Lebanon and these countries, not to mention the vast distance that separates them. Lebanese imports from Mercosur countries amounted to 549.9 million dollars in 2014, which accounted for 2.9 percent of the total Lebanese imports, and decreased to 446 million dollars in 2019 and its percentage decreased to 2.6 percent. In addition, Lebanese exports to South American countries, which amounted to 25 million dollars (0.8 percent of the total Lebanese exports) in 2014, declined to 13.1 million dollars in 2019(0.4 percent of the total Lebanese exports).

The Memorandum of Understanding between Lebanon and the Mercosur states has national and political reasons that go beyond the volume of trade exchange and economic purposes. South America includes about 14 million of Lebanese descent, equivalent to 3.5 times the number of Lebanese residing in Lebanon. Therefore, joining this organization is considered a step for communicating with the Lebanese immigrants, especially that a lot of them are important actors in their countries. It is hoped that this step will provide serious incentives to Lebanese businessmen to increase their exchange with Mercosur countries and enter new markets.

Negotiations are still in progress between Lebanon and the Mercosur countries (except for Venezuela) to conclude a free trade agreement between them. These negotiations include certificates of origin and list of goods

exempt from customs duties, as well as addressing technical barriers. Noting that the Lebanese side tends to freeze and review trade liberalization agreements due to their negative impact on the production sectors.

The Memorandum of Understanding is not limited to trade exchange only, as the countries of the organization look with great interest to our Arab region, and they are establishing diversified relations with the countries of the Middle East through the Cooperation Forum between South American and Arab countries, what is known as ASPA. Within this framework, Lebanon aspires to be an initiator in achieving this.

With the exception of this agreement, there are agreements concluded between Lebanon and the Mercosur countries, with the exception of Paraguay. However, these do not include any agreement to liberalize trade or encourage investment and do not even include any agreement concerned with facilitating transport movement.

From this standpoint, the strategic importance of investigating the development of maritime transport between the Arab countries and the Mercosur countries emerges. However, investment in maritime transport needs huge capital, and therefore Arab efforts is crucial to form joint shipping companies.

The difference in natural resources between Arab countries (oil and petrochemical industries) and Mercosur countries (agricultural products and mines) achieves complementarity at the level of trade exchange, and reduces shipping prices due to the type of exchanged products that are predominantly raw materials.

## **Bilateral agreements**

### **Argentina**

<b>Type of agreement</b>	<b>Official Gazette</b>	<b>Date</b>
The conclusion of an agreement for cultural and educational cooperation	30	2002
The conclusion of a memorandum of understanding between the ministries of foreign affairs and expatriates in the two countries	49	2003

The conclusion of an agreement on cooperation in the field of tourism	16	2012
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## Uruguay

Type of agreement	Official Gazette	Date
Permission for the ministry to conclude a cultural cooperation agreement	1	2001
The conclusion of an agreement on conducting political consultations and interaction between diplomatic circles	30	2010

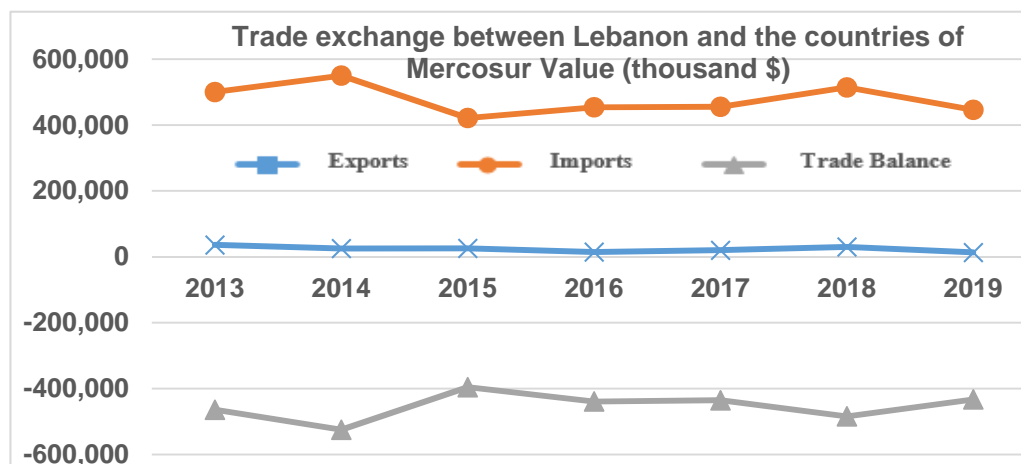
## Brazil

Type of agreement	Official Gazette	Date
Air services agreement	37	1997
A cultural and educational cooperation agreement	51	1998
The conclusion of a memorandum of understanding on the formation of a bilateral cooperation committee at a high level	8	2004
The conclusion of a cooperation agreement in the tourism field	15	2004
Agreement on technical cooperation and procedures for health and phytosanitary matters	16	2004
The conclusion of a memorandum of understanding on the expansion and diversification of bilateral relations	35	2004
Conclusion of a protocol of intent on technical cooperation in the field of electric energy	44	2004
Permission for the ministry to conclude a technical cooperation agreement	64	2004
Permission for the ministry to conclude a cooperation agreement on combating drugs and money laundering	64	2004
The conclusion of the executive program for educational cooperation for the years 2006-2009	24	2006
The conclusion of a memorandum of understanding to establish a joint committee concerned with promoting and developing trade and investment	38	2010
The conclusion of a memorandum of understanding between the Lebanese Standards Institution (LIBNOR) and the National Institute of Metrology, Standardization and Industrial Quality in the Brazilian Federal Republic (Immetro)	44	2010
Permission for the government to conclude a mutual judicial assistance agreement in civil affairs	39	2011
The conclusion of a memorandum of understanding on cooperation in the field of sports	4	2012
The conclusion of an agreement between Lebanon and Brazil for cooperation in consular affairs	32	2014
The conclusion of an agreement to exchange letters between Lebanon and Brazil to grant visas to the nationals of the two countries	41	2014

## Trade exchange between Lebanon and the countries of Mercosur

The value of trade exchange between Lebanon and the Mercosur countries in 2019 amounted to about \$ 359 million, compared to \$ 536 million in 2013, a decrease of 33 percent. The trade balance recorded a deficit in favor of the latter, which amounted to \$ 432.9 million in 2019 compared to \$ 464.3 million in 2013, a decrease of 6.8 percent.

Trade exchange between Lebanon and the countries of Mercosur			
	Value (thousand \$)		
	Exports	Imports	Trade Balance
2013	35,849	500,140	-464,291
2014	25,020	549,946	-524,926
2015	25,548	421,413	-395,865
2016	14,449	453,787	-439,338
2017	19,811	455,373	-435,562
2018	29,911	514,275	-484,364
2019	13,111	446,025	-432,914



Trade exchange between Lebanon and the countries of Mercosur							
2019	Exports			Imports			Trade Balance
Country	Value (thousand \$)	Weight (tons)	Percentage (%)	Value (thousand \$)	Weight (tons)	Percentage (%)	Value (thousand \$)
Argentina	200	40	0.00%	105,291	199,664	0.50%	-105,091
Uruguay	91	29	0.00%	331	188	0.00%	-240
Paraguay	744	162	0.00%	18,911	23,528	0.10%	-18,167
Brazil	8,876	32,732	0.20%	309,957	272,850	1.60%	-301,081
Venezuela	3,200	1481	0.10%	11535	1269	0.10%	-8,335
Total	13,111	34,444	%0.40	446,025	497,499	%2.30	-432,914

<b>The grand total</b>	<b>3,731,350</b>	<b>1,677,057</b>		<b>19,239,394</b>	<b>19,351,042</b>		<b>-15,508,044</b>
<b>2018</b>	<b>Exports</b>			<b>Imports</b>			<b>Trade Balance</b>
<b>Country</b>	<b>Value (thousand \$)</b>	<b>Weight (tons)</b>	<b>Percentage (%)</b>	<b>Value (thousand \$)</b>	<b>Weight (tons)</b>	<b>Percentage (%)</b>	<b>Value (thousand \$)</b>
Argentina	309	67	0.00%	134,224	227,863	0.70%	-133,915
Uruguay	928	222	0.00%	1,318	642	0.00%	-390
Paraguay	924	267	0.00%	34,379	46,611	0.20%	-33,455
Brazil	26,239	77,479	0.90%	343,556	354,245	1.70%	-317,317
Venezuela	1,511	494	0.10%	798	702	0.00%	713
<b>Total</b>	<b>29,911</b>	<b>78,529</b>	<b>%1.00</b>	<b>514,275</b>	<b>630,063</b>	<b>%2.60</b>	<b>-484,364</b>
<b>The grand total</b>	<b>2,951,825</b>	<b>1,840,133</b>		<b>19,979,509</b>	<b>15,855,024</b>		<b>-17,027,684</b>
<b>2017</b>	<b>Exports</b>			<b>Imports</b>			<b>Trade Balance</b>
<b>Country</b>	<b>Value (thousand \$)</b>	<b>Weight (tons)</b>	<b>Percentage (%)</b>	<b>Value (thousand \$)</b>	<b>Weight (tons)</b>	<b>Percentage (%)</b>	<b>Value (thousand \$)</b>
Argentina	183	47	0.00%	113,588	113,588	0.60%	-113,405
Uruguay	0	0	0.00%	7,930	3546	0.00%	-7,930
Paraguay	1,223	310	0.00%	34,242	40,219	0.20%	-33,019
Brazil	17,429	61,647	0.60%	299,228	267,518	1.50%	-281,799
Venezuela	976	484	0.00%	385	565	0.00%	591
<b>Total</b>	<b>19,811</b>	<b>62,488</b>	<b>%0.70</b>	<b>455,373</b>	<b>425,436</b>	<b>%2.30</b>	<b>-435,562</b>
<b>The grand total</b>	<b>2,843,536</b>	<b>1,937,338</b>		<b>19,582,210</b>	<b>18,974,944</b>		<b>-16,738,674</b>
<b>2016</b>	<b>Exports</b>			<b>Imports</b>			<b>Trade Balance</b>
<b>Country</b>	<b>Value (thousand \$)</b>	<b>Weight (tons)</b>	<b>Percentage (%)</b>	<b>Value (thousand \$)</b>	<b>Weight (tons)</b>	<b>Percentage (%)</b>	<b>Value (thousand \$)</b>
Argentina	4,629	18,364	0.20%	117,644	195,504	0.60%	-113,015
Uruguay	631	260	0.00%	5,887	2284	0.00%	-5,256
Paraguay	817	198	0.00%	25,458	18,751	0.10%	-24,641
Brazil	6,075	12,934	0.20%	302,632	269,079	1.60%	-296,557
Venezuela	2,297	977	0.10%	2166	16433	0.00%	131
<b>Total</b>	<b>14,449</b>	<b>32,733</b>	<b>%0.50</b>	<b>453,787</b>	<b>502,051</b>	<b>%2.40</b>	<b>-439,338</b>
<b>The grand total</b>	<b>2,976,600</b>	<b>1,658,502</b>		<b>18,705,307</b>	<b>17,372,391</b>		<b>-15,728,707</b>
<b>2015</b>	<b>Exports</b>			<b>Imports</b>			<b>Trade Balance</b>
<b>Country</b>	<b>Value (thousand \$)</b>	<b>Weight (tons)</b>	<b>Percentage (%)</b>	<b>Value (thousand \$)</b>	<b>Weight (tons)</b>	<b>Percentage (%)</b>	<b>Value (thousand \$)</b>
Argentina	235	64	0.00%	107,409	168,030	0.60%	-107,174
Uruguay	573	207	0.00%	270	152	0.00%	303
Paraguay	566	161	0.00%	20,320	8,147	0.10%	-19,754
Brazil	23,348	61,960	0.80%	289,379	220,170	1.60%	-266,031
Venezuela	826	315	0.00%	4,035	45,029	0.00%	-3,209
<b>Total</b>	<b>25,548</b>	<b>62,707</b>	<b>%0.90</b>	<b>421,413</b>	<b>441,528</b>	<b>%2.30</b>	<b>-395,865</b>
<b>The grand total</b>	<b>2,952,419</b>	<b>1,940,576</b>		<b>18,068,787</b>	<b>15,699,126</b>		<b>-15,116,368</b>

## Lebanese exports to Mercosur countries

The value of Lebanese exports to Mercosur countries decreased from 35.8 million dollars in 2013 (0.8 percent of the total Lebanese exports) to 13.1 million dollars in 2019 (0.45 percent of the total Lebanese exports), a

decrease of 63.4 percent. While the value of total Lebanese exports during this period decreased by 5.2 percent.

According to the statistics of the Lebanese Customs Administration and the International Trade Center, the most important Lebanese exports to Mercosur countries in 2019 were: fertilizers valued at \$ 7.2 million (55 percent), vegetable and fruit preparations worth \$ 974 thousand (7 percent), and plastic valued at \$ 545 thousand (4 percent).

### **The intersection of the most important Lebanese exports with Mercosur imports from the world**

According to the statistics of the International Trade Center, the value of Mercosur imports from the world in 2019 amounted to about \$ 252.7 billion, while the value of Lebanese exports to the world reached \$ 3.7 billion. Lebanese exports to Mercosur did not exceed 0 percent of the total imports of Mercosur from the world, and Lebanese exports to Mercosur did not exceed 0.8 percent of the total Lebanese exports.

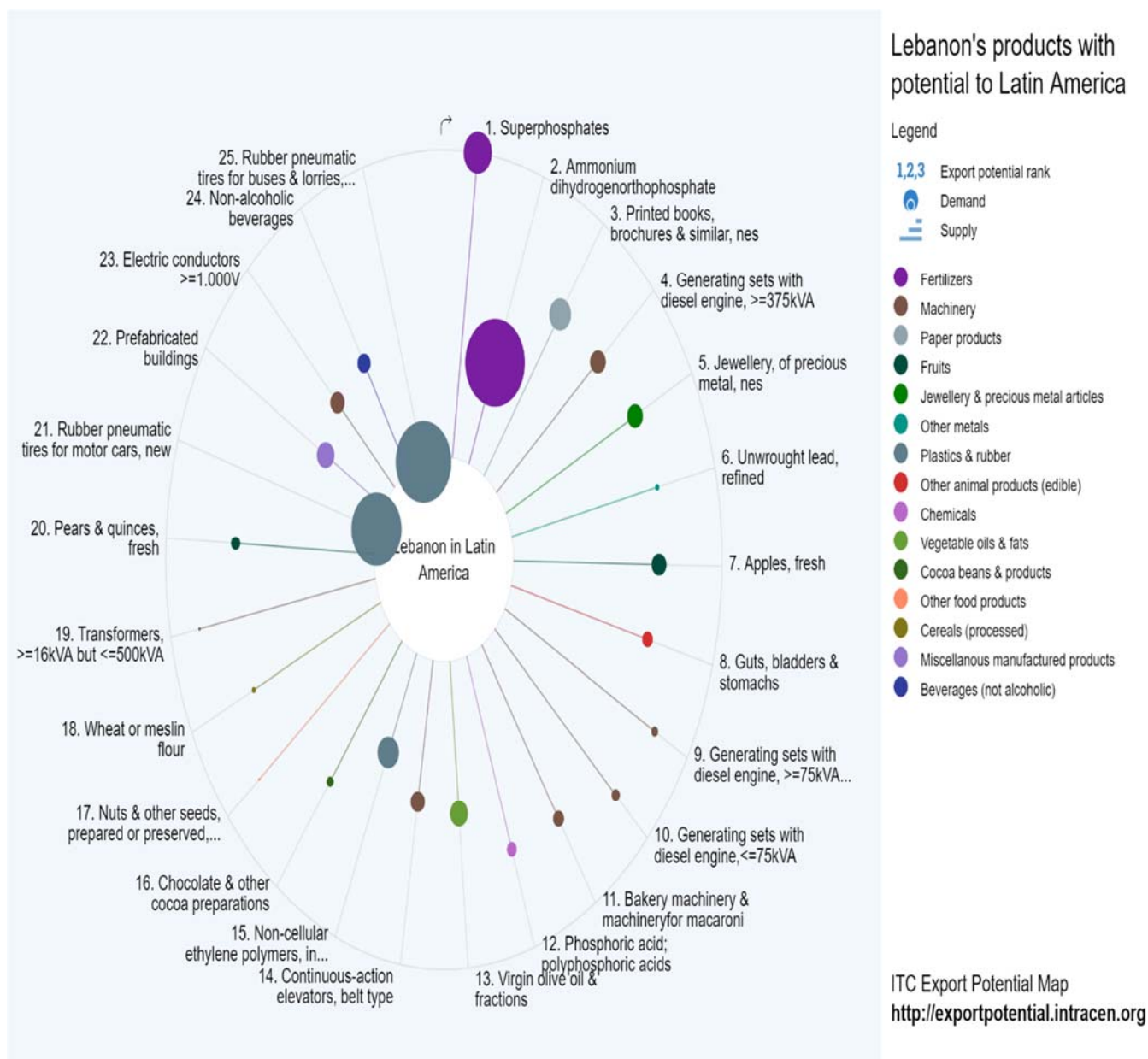
### **Products with the greatest export potential**

Lebanese products with the greatest export potential to South and Central America are: superphosphate, unoccupied and refined lead, animal intestines, bladder and stomach. Lebanon also has the highest supply capacity in superphosphate and pharmaceuticals consisting of mixed or unmixed products for retail sale. These products are matched by the strongest potential demand in South and Central America.

Trade between Lebanon and MERCOSUR in 2019 (US Dollar thousand)					
Product code	Product label	Lebanon's exports to MERCOSUR	MERCOSUR's imports from world	Lebanon's exports to world	1/3 %
Total	All products	13,111	252,656,710	3,731,350	0%
'71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad ...	0	920,636	1,454,914	0%
'84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	332	31,479,013	216,797	0%
'85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ...	108	32,255,886	164,750	0%
'39	Plastics and articles thereof	545	10,513,533	149,731	0%
'33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	134	1,459,828	126,574	0%
'20	Preparations of vegetables, fruit, nuts or other parts of plants	974	797,049	118,492	1%

'49	Printed books, newspapers, pictures and other products of the printing industry; manuscripts, ...	0	353,121	74,736	0%
'72	Iron and steel	0	3,267,529	72,277	0%
'08	Edible fruit and nuts; peel of citrus fruit or melons	76	974,199	71,821	0%
'48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	124	2,010,191	69,282	0%
'74	Copper and articles thereof	0	1,721,029	66,908	0%
'22	Beverages, spirits and vinegar	306	1,683,836	59,342	1%
'94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; ...	20	1,733,542	59,172	0%
'76	Aluminium and articles thereof	1	2,429,060	58,956	0%
'15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal ...	488	1,245,495	58,499	1%
'30	Pharmaceutical products	0	10,111,254	57,878	0%
'31	Fertilizers	7,192	10,896,979	54,818	13%
'27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ...	11	31,853,270	54,258	0%
'78	Lead and articles thereof	0	120,202	52,290	0%
'28	Inorganic chemicals; organic or inorganic compounds of precious metals, of rare-earth metals, ...	0	2,905,892	47,353	0%
'21	Miscellaneous edible preparations	205	819,137	45,780	0%
'32	Tanning or dyeing extracts; tannins and their derivatives; dyes, pigments and other colouring	24	1,718,538	44,236	0%
'19	Preparations of cereals, flour, starch or milk; pastrycooks' products	363	579,027	41,246	1%
'07	Edible vegetables and certain roots and tubers	98	625,642	40,982	0%
'09	Coffee, tea, maté and spices	365	314,010	36,713	1%
'18	Cocoa and cocoa preparations	38	533,505	36,565	0%
'73	Articles of iron or steel	5	3,730,368	35,503	0%
'24	Tobacco and manufactured tobacco substitutes	0	299,660	29,875	0%
'96	Miscellaneous manufactured articles	250	618,318	27,361	1%
'34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial ..	100	1,113,313	24,205	0%
'17	Sugars and sugar confectionery	219	281,497	22,241	1%
'62	Articles of apparel and clothing accessories, not knitted or crocheted	0	1,213,963	20,780	0%
	Others	1,133	92,078,188	237,015	0%





## Lebanese imports from Mercosur countries

The value of Lebanese imports from Mercosur countries decreased from 500.1 million dollars in 2013 (2.4 percent of the total Lebanese imports), to 446 million dollars in 2019 (2.3 percent of the total Lebanese imports), thus a decrease of 10.8%. While the value of the total Lebanese imports during this period decreased by 12.6 percent.



The most important Lebanese imports from Mercosur countries in 2019 according to the statistics of the Lebanese Customs and the International Trade Center were: meat with a value of 93.5 million dollars (25 percent), food waste and animal feed with a value of 59 million dollars (16 percent), and live animals with a value of 54 million dollars (15 percent). Coffee, tea and maté worth \$ 45 million (12 percent), grains worth \$ 30 million (8 percent), and fruits and oilseeds worth \$ 21 million (6 percent).

### **The intersection of the most important Lebanese imports with Mercosur exports to the world**

According to International Trade Center statistics, the value of Mercosur exports to the world in 2019 amounted to about \$ 321.5 billion, while the value of Lebanese imports from the world reached \$ 19.2 billion. The value of Lebanese imports from Mercosur amounted to 2 percent of the total Lebanese imports.

Trade between MERCOSUR and Lebanon in 2019 ( US Dollar thousand )					
Product code	Product label	MERCOSUR's exports to Lebanon	Lebanon's imports from world	MERCOSUR's exports to world	1/2 %
Total	All products	366,811	19,239,394	321,545,015	2%
'27	Mineral fuels, mineral oils and products of their distillation; bituminous substances; mineral ...	78	6,534,231	49,490,741	0%
'30	Pharmaceutical products	9,961	1,242,451	2,046,219	1%
'87	Vehicles other than railway or tramway rolling stock, and parts and accessories thereof	94	1,110,963	15,148,804	0%
'71	Natural or cultured pearls, precious or semi-precious stones, precious metals, metals clad ...	11,058	931,390	7,326,819	1%
'84	Machinery, mechanical appliances, nuclear reactors, boilers; parts thereof	770	922,770	13,641,678	0%
'85	Electrical machinery and equipment and parts thereof; sound recorders and reproducers, television ...	2,887	742,136	3,997,751	0%
'39	Plastics and articles thereof	1,060	530,464	4,161,487	0%
'72	Iron and steel	0	404,012	11,316,854	0%
'01	Live animals	53,547	317,096	590,799	17%
'10	Cereals	29,938	311,828	18,506,237	10%
'04	Dairy produce; birds' eggs; natural honey; edible products of animal origin, not elsewhere ...	3,693	299,074	1,792,735	1%
'90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ...	630	296,606	1,218,904	0%
'19	Preparations of cereals, flour, starch or milk; pastrycooks' products	156	265,902	469,185	0%
'62	Articles of apparel and clothing accessories, not knitted or crocheted	111	241,370	97,627	0%
'21	Miscellaneous edible preparations	3,670	222,509	1,321,240	2%
'33	Essential oils and resinoids; perfumery, cosmetic or toilet preparations	319	217,504	1,325,803	0%

'48	Paper and paperboard; articles of paper pulp, of paper or of paperboard	650	217,147	2,281,963	0%
'94	Furniture; bedding, mattresses, mattress supports, cushions and similar stuffed furnishings; ...	153	184,820	868,359	0%
'61	Articles of apparel and clothing accessories, knitted or crocheted	303	173,096	145,157	0%
'44	Wood and articles of wood; wood charcoal	1,672	171,573	4,078,251	1%
'12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit; industrial or medicinal ...	20,587	169,802	33,294,300	12%
'08	Edible fruit and nuts; peel of citrus fruit or melons	2,374	164,107	1,881,387	1%
'38	Miscellaneous chemical products	34	155,599	2,384,612	0%
'73	Articles of iron or steel	116	148,006	1,773,238	0%
'69	Ceramic products	144	145,589	482,891	0%
'02	Meat and edible meat offal	93,489	139,909	22,163,731	67%
'24	Tobacco and manufactured tobacco substitutes	8,779	139,856	2,453,750	6%
'76	Aluminium and articles thereof	49	138,470	1,230,376	0%
'15	Animal or vegetable fats and oils and their cleavage products; prepared edible fats; animal ...	264	124,781	6,282,358	0%
'22	Beverages, spirits and vinegar	62	123,020	2,197,295	0%
'09	Coffee, tea, maté and spices	45,452	116,831	5,050,389	39%
'34	Soap, organic surface-active agents, washing preparations, lubricating preparations, artificial ...	13	115,802	473,440	0%
'07	Edible vegetables and certain roots and tubers	2,645	114,257	784,365	2%
'40	Rubber and articles thereof	198	112,689	1,941,269	0%
'17	Sugars and sugar confectionery	2,002	107,790	5,618,979	2%
	Others	69,853	1,885,944	93,706,022	4%

## Transport movement between Lebanon and the countries of Mercosur

In terms of transportation, Lebanon exported 55 % of its products to Mercosur countries in 2019 through the port of Tripoli, 44% through the port of Beirut, and 1% through the airport.

Lebanon imported 79 % of Mercosur products in 2019 through the port of Beirut, 11 % through the port of Tripoli, and 9 % through the airport.

Lebanese exports to Mercosur countries 2019 (thousand \$)							
The Crossing	Argentina	Uruguay	Paraguay	Brazil	Venezuela	Total	(%)
Beirut Port	198	91	740	1,633	3,181	5,843	45%
Airport	2	0	4	52	18	76	1%
Tripoli	0	0	0	7,192	0	7,192	55%
Total	200	91	744	8,877	3,199	13,111	100%
Lebanese imports from Mercosur countries in 2019 (thousand \$)							
The crossing	Argentina	Uruguay	Paraguay	Brazil	Venezuela	Total	(%)
Beirut Port	52,390	271	11,256	288,888	666	353,471	79%
Airport	23,670	61	403	3,352	10870	38,356	9%
Sidon	0	0	0	6,101	0	6,101	1%
Tripoli	29,231	0	7,251	11,529	0	48,011	11%
Factory	0	0	0	141	0	141	0%
Total	105,291	332	18,910	310,011	11,536	446,080	100%

## **Economic relations between Lebanon and Brazil**

Brazil ranked 18th on the list of the most important Lebanese import sources in 2019, accounting for 1.6 percent of the total Lebanese imports. It was ranked 56 on the list of the most important Lebanese export markets, accounting for 0.2 percent of these exports.

The value of Lebanese exports to Brazil in 2019 amounted to about \$ 8.9 million compared to \$ 61.8 million in 2008, a decrease of 86 percent. The percentage of Lebanese exports to Brazil decreased from 1.8 percent in 2008 to 0.2 percent in 2019.

The value of Lebanese imports from Brazil in 2019 amounted to about 310 million dollars, compared to 388 million dollars in 2014, a decrease of about 20 percent. The percentage of imports from Brazil of the total Lebanese imports also decreased from 1.9 percent in 2014 to 1.6 percent in 2019.

Brazil is considered Lebanon's first partner in Mercosur with regards to the value of Lebanese exports to Brazil in 2019, which amounted to \$ 8.9 million. Brazil is also the first partner in this group with regards to the value of Lebanese imports to it in 2019, which amounted to 310 million dollars, followed by Argentina, 105.3 million dollars, and Paraguay, 18.9 million dollars.

## **The trade balance between Lebanon and Brazil**

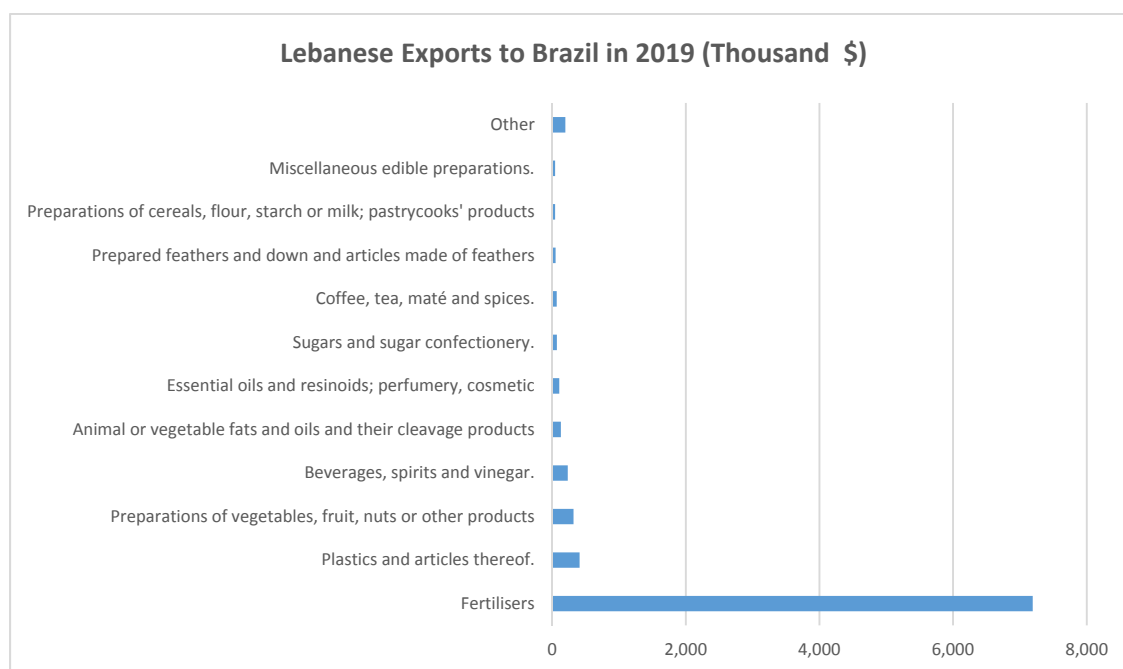
The trade balance between Lebanon and Brazil has been in a state of permanent deficit in favor of the latter since 1993 until 2019. The value of this deficit ranged between a minimum of \$ 47.6 million as in the year 2002, and a maximum of \$ 372.3 million as in the year 2014.

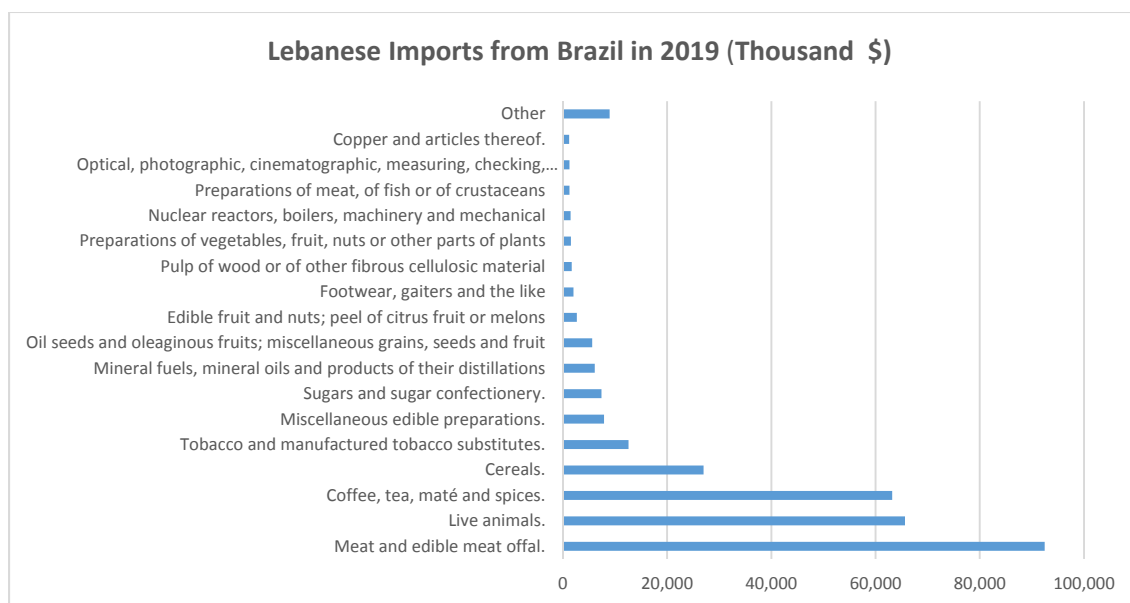
## **Goods' exchange between the two countries**

HS Code	Main Lebanese Exports to Brazil in 2019	Thousand \$	Tons Net	%
31	Fertilisers	7,192	32,290	81%
39	Plastics and articles thereof.	412	73	5%
20	Preparations of vegetables, fruit, nuts or other products	320	91	4%
22	Beverages, spirits and vinegar.	233	51	3%
15	Animal or vegetable fats and oils and their cleavage products	131	47	1%
33	Essential oils and resinoids; perfumery, cosmetic	106	27	1%
17	Sugars and sugar confectionery.	72	9	1%

9	Coffee, tea, maté and spices.	70	12	1%
67	Prepared feathers and down and articles made of feathers	52	2	1%
19	Preparations of cereals, flour, starch or milk; pastrycooks' products	46	46	1%
21	Miscellaneous edible preparations.	45	13	1%
	Other	197	71	2%
	<b>Total</b>	<b>8,876</b>	<b>32,732</b>	<b>100%</b>

HS Code	Main Lebanese Imports from Brazil in 2019	Thousand \$	Tons Net	%
2	Meat and edible meat offal.	92,461	22,695	30%
1	Live animals.	65,636	30,821	21%
9	Coffee, tea, maté and spices.	63,181	30,178	20%
10	Cereals.	26,975	134,697	9%
24	Tobacco and manufactured tobacco substitutes.	12,572	2,952	4%
21	Miscellaneous edible preparations.	7,899	558	3%
17	Sugars and sugar confectionery.	7,397	19,027	2%
27	Mineral fuels, mineral oils and products of their distillations	6,101	9,929	2%
12	Oil seeds and oleaginous fruits; miscellaneous grains, seeds and fruit	5,611	13,435	2%
8	Edible fruit and nuts; peel of citrus fruit or melons	2,677	437	1%
64	Footwear, gaiters and the like	2,038	103	1%
47	Pulp of wood or of other fibrous cellulosic material	1,694	2,314	1%
20	Preparations of vegetables, fruit, nuts or other parts of plants	1,542	680	0%
84	Nuclear reactors, boilers, machinery and mechanical	1,478	101	0%
16	Preparations of meat, of fish or of crustaceans	1,269	366	0%
90	Optical, photographic, cinematographic, measuring, checking, precision, medical or surgical ...	1,257	30	0%
74	Copper and articles thereof.	1,203	174	0%
	Other	8,966	4,353	3%
	<b>Total</b>	<b>309,957</b>	<b>272,850</b>	<b>100%</b>





## Notes on the trade exchange between Lebanon and Brazil

Lebanese exports to Brazil took an ascending line between the years 1993-2008, as these exports recorded a record value of \$ 61.8 million.

Lebanese imports from Brazil also took an ascending line between the years 1993-2014, recording a record value of \$ 387.7 million.

Lebanese exports to Brazil are characterized by a lack of diversification, as one customs chapter, which is fertilizers, accounted for about 81 percent of the total goods exported to Brazil in 2019.

As for the Lebanese imports from Brazil, they are somewhat diversified, and the imports of 3 customs chapters of goods, namely meat, live animals and coffee, constituted about 61 percent of the total goods imported from Brazil in 2019.

According to the trade exchange between the two countries in the year 2019, the value of importing animal, agricultural and food products from Brazil amounted to about \$ 288.4 million, which is 93 percent of the total Lebanese imports from Brazil, and 16 percent of the total Lebanese imports from all countries. The value of these products in regards to Lebanon's exports to Brazil amounted to about 956 thousand dollars, or 11 percent of Lebanon's

exports to Brazil and 17 percent of the total Lebanese exports to all countries.

### **Obstacles to exporting to Brazil**

The Beirut and Mount Lebanon Chamber prepared a survey on the obstacles that exporters face and their proposals to increase Lebanese exports to several Arab and foreign countries. It requested the exporters to provide them with the information and observations they have about technical and administrative obstacles and their remarks on the economic policy, especially the agreements signed between the two countries, as well as proposals on ways to boost exports.

It turns out that the most prominent obstacles facing the export movement to Mercosur countries, and specifically to Brazil, are:

- The increase in customs tariffs on goods imported from Lebanon.
- High shipping cost.
- The lengthy time for sea freight.

The most prominent proposals submitted by the exporters are:

- Reducing customs tariffs.
- Preference for the Lebanese product.
- Support in reducing the cost of freight and customs decree.

<b>Trade Exchange between Lebanon and Brazil ( in million U.S. \$ )</b>					
<b>Year</b>	<b>Exports</b>	<b>%</b>	<b>Imports</b>	<b>%</b>	<b>Trade Balance</b>
<b>1993</b>	<b>0.7</b>	0.2%	<b>63.4</b>	1.3%	<b>-62.7</b>
<b>1994</b>	<b>1.8</b>	0.3%	<b>84.1</b>	1.4%	<b>-82.3</b>
<b>1995</b>	<b>2.7</b>	0.3%	<b>96.4</b>	1.3%	<b>-93.7</b>
<b>1996</b>	<b>3.8</b>	0.4%	<b>76.6</b>	1.0%	<b>-72.8</b>
<b>1997</b>	<b>4.3</b>	0.7%	<b>75.7</b>	1.0%	<b>-71.4</b>
<b>1998</b>	<b>1.2</b>	0.2%	<b>71.7</b>	1.0%	<b>-70.5</b>
<b>1999</b>	<b>0.6</b>	0.1%	<b>59.8</b>	1.0%	<b>-59.2</b>
<b>2000</b>	<b>0.8</b>	0.1%	<b>56.5</b>	0.9%	<b>-55.7</b>
<b>2001</b>	<b>2.2</b>	0.2%	<b>58.4</b>	0.8%	<b>-56.2</b>
<b>2002</b>	<b>6.7</b>	0.6%	<b>54.3</b>	0.8%	<b>-47.6</b>
<b>2003</b>	<b>7.5</b>	0.5%	<b>62.7</b>	0.9%	<b>-55.2</b>
<b>2004</b>	<b>9.6</b>	0.5%	<b>95.9</b>	1.0%	<b>-86.3</b>
<b>2005</b>	<b>5.8</b>	0.3%	<b>159.9</b>	1.7%	<b>-154.1</b>
<b>2006</b>	<b>6.3</b>	0.3%	<b>227.1</b>	2.4%	<b>-220.8</b>
<b>2007</b>	<b>13.7</b>	0.5%	<b>287.6</b>	2.4%	<b>-273.9</b>
<b>2008</b>	<b>61.8</b>	1.8%	<b>318.5</b>	2.0%	<b>-256.7</b>
<b>2009</b>	<b>1.4</b>	0.0%	<b>362.1</b>	2.2%	<b>-360.7</b>
<b>2010</b>	<b>2.1</b>	0.0%	<b>267.1</b>	1.5%	<b>-265.0</b>
<b>2011</b>	<b>2.6</b>	0.1%	<b>304.6</b>	1.5%	<b>-302.0</b>
<b>2012</b>	<b>11.2</b>	0.2%	<b>302.0</b>	1.4%	<b>-290.8</b>
<b>2013</b>	<b>26.7</b>	0.7%	<b>367.0</b>	1.7%	<b>-340.3</b>
<b>2014</b>	<b>15.4</b>	0.5%	<b>387.7</b>	1.9%	<b>-372.3</b>
<b>2015</b>	<b>23.3</b>	0.8%	<b>289.4</b>	1.6%	<b>-266.1</b>
<b>2016</b>	<b>6.1</b>	0.2%	<b>302.6</b>	1.6%	<b>-296.5</b>
<b>2017</b>	<b>17.4</b>	0.6%	<b>299.2</b>	1.5%	<b>-281.8</b>
<b>2018</b>	<b>26.2</b>	0.9%	<b>343.6</b>	1.7%	<b>-317.4</b>
<b>2019</b>	<b>8.9</b>	0.2%	<b>310.0</b>	1.6%	<b>-301.1</b>
<b>2020(first 11 months)</b>	<b>1.6</b>	0.0%	<b>144.6</b>	1.4%	<b>-143.0</b>