

Economic relations between Lebanon and Spain

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The economic relations between Lebanon and Spain are governed by the European Association Agreement between Lebanon and the European Union. The Euro-Mediterranean Partnership project, which constitutes an essential part of the European Union's political project aimed at ensuring political and social stability for Europe, has replaced the agreements concluded between Lebanon and the European Union countries in 1977, which were unilateral in terms of guaranteeing customs exemptions from the Union only. Given that these agreements have become prohibited by the entry into the World Trade Organization and based on the European Union's interest in preserving its relations with the Mediterranean countries, The Union launched its partnership initiative during the Barcelona Conference in 1995, which included the 27 Mediterranean countries, all of which adopted the Barcelona Declaration to achieve political, security, economic, financial, social, cultural, and humanitarian partnership.

Since the benefit from the exemptions offered by joining the World Trade Organization necessitates the establishment of free trade areas, the options for Lebanon were limited to two things: As for entering the free zone or losing the ability to enter European markets through customs exemptions. The interest of the Lebanese negotiator since 1995 to secure the economy's ability to continue and face the openness resulting from the customs reduction.

The Association Agreement between Lebanon and the European Union constituted the cornerstone of Lebanon's economic liberalization process. Through it, Lebanon is bound to join a number of international agreements related to intellectual property rights that comply with the requirements of accession to the World Trade Organization.

The volume of trade exchange between Lebanon and Spain improved after the signing of the European Partnership Agreement, but it remains below the good relations between the two countries. Therefore, it is beneficial for both of them to activate this exchange through holding exhibitions, visits by delegations, and encouraging businessmen to see investment opportunities in both countries. Especially since Lebanon and Spain had signed an agreement on the promotion and protection of mutual investments in 1997, without signing an agreement to avoid double taxation.

Within this framework, the SIL Barcelona Exhibition, the leading exhibition of logistics, internal logistics and supply chain, is being held in southern Europe ‘which will be held from 31 May to 2 June in Hall Nr No. 8 at the Montjuïc - Plaza España in Vera de Barcelona - Spain.

The Chamber of Commerce, Industry and Agriculture in Beirut, Mount Lebanon, invited the associates and the business sector in Lebanon to visit the exhibition and find valuable national and international contacts, as well as to learn about trends, innovation and future techniques ‘and benefit from attending the most complete conference program. SIL has established itself as the leading trade fair, an event that is not missed for all logistics professionals.

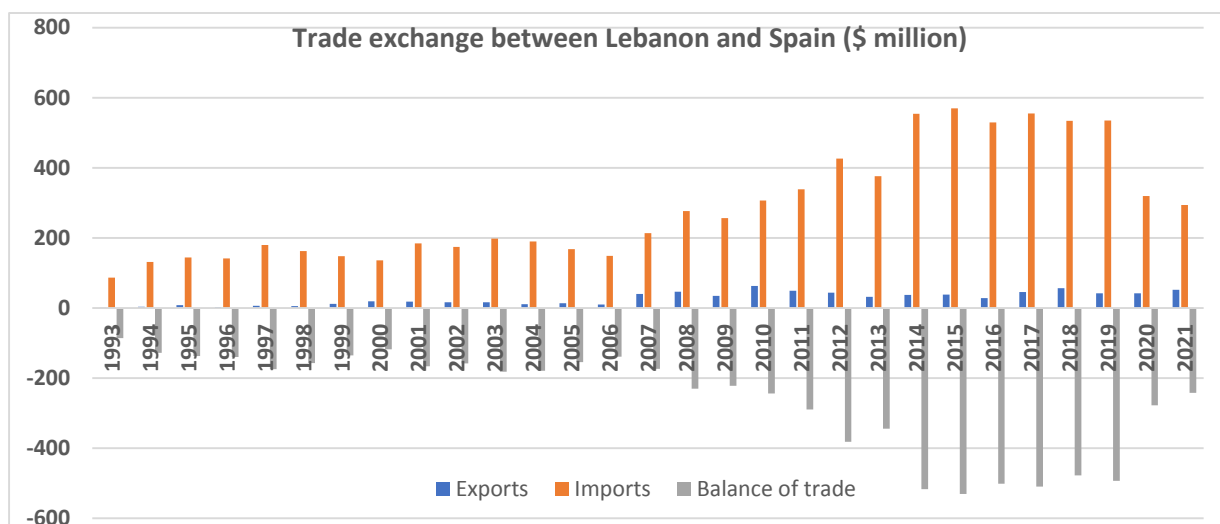
Trade exchange between Lebanon and Spain

The value of Lebanese exports to Spain in 2021 was about \$ 52.5 million, compared to \$ 12.2 million in 2019, before the liberalization of trade between Lebanon and the European Union, by an increase of 4.3 times ‘While the value of Lebanese imports from Ukraine amounted to 294.3 million dollars in 2021, compared to 147.7 million dollars in 1999, with a double volume increase.

Lebanese exports to Spain recorded a record value in the year 2010 when they amounted to 63.1 million dollars, while Lebanese imports recorded a record value of 569.3 million dollars in 2015.

So, the trade balance between Lebanon and Spain is in a state of continuous deficit in favor of Spain from 1993 to 2021. The value of this deficit ranged from a minimum of \$ 86 million, as in 1993, to a maximum of \$ 530.8 million, as happened in 2015.

Trade exchange between Lebanon and Spain (\$ million)					
Year	Exports	percentage %	Imports	percentage %	trade Balance of
1993	0.6	0.10%	86.6	1.80%	-86
1994	3.6	0.60%	131.1	2.20%	-127.5
1995	7.9	1.00%	144.6	2.00%	-136.7
1996	2.4	0.20%	141.9	1.90%	-139.5
1997	6.2	1.00%	180.3	2.40%	-174.1
1998	5.5	0.80%	162.8	2.30%	-157.3
1999	12.2	1.80%	147.7	2.40%	-135.5
2000	18.9	2.60%	136.3	2.20%	-117.4
2001	18.2	2.00%	184.3	2.50%	-166.1
2002	16.7	1.60%	174.6	2.70%	-157.9
2003	16.4	1.10%	198.3	2.80%	-181.9
2004	11.1	0.60%	189.7	2.00%	-178.6
2005	13.7	0.70%	167.7	1.80%	-154
2006	10.3	0.50%	148.9	1.60%	-138.6
2007	40.6	1.40%	213.9	1.80%	-173.3
2008	46.7	1.30%	276.9	1.70%	-230.2
2009	٣٤,٩	1.00%	٢٥٦,٧	1.60%	-221.8
2010	٦٣,١	1.50%	٣٠٦,٩	1.70%	-243.8
2011	٤٨,٩	1.10%	٣٣٨,٣	1.70%	-289.4
2012	٤٤	1.00%	٤٢٦	1.90%	-382
2013	32	0.80%	376.3	1.70%	-344.3
2014	37.2	1.10%	553.9	2.60%	-516.7
2015	38.5	1.30%	569.3	3.10%	-530.8
2016	28.5	1.00%	529.6	2.80%	-501.1
2017	46	1.60%	555.2	2.80%	-509.2
2018	56.6	1.90%	533.7	2.70%	-477.1
2019	42.4	1.10%	535	2.80%	-492.6
2020	41.6	1.20%	319.2	2.80%	-277.6
2021	52.5	1.40%	294.3	2.20%	-241.8



Commodity exchange between the two countries

Customs chapter	The most important Lebanese exports to Spain in 2021	Value (thousand \$)	weight (tons)	Percentage (%)
78	Lead and its products	3,6212	13,019	58%
28	Inorganic chemical products	11,271	2,986	21%
39	Plastics and its products	4,008	3,417	9%
32	Tanning and dyeing extracts and their derivatives	1,483	133	3%
85	appliances, Electrical machines,	1,60	3,6	2%
84	tools Machines, devices, and machine	709	87	1%
83	Various types of plain metal	690	77	1%
21	Various food preparations	386	119	1%
12	Cereals, oilseeds, and seeds	363	00	1%
87	bicycles ,Automobiles, tractors	277	10	1%
15	Greases, fats, oils	249	207	0%
62	non-woven clothes	226	2	0%
61	knitted ;Clothes and accessories	136	3	0%
	Other	860	196	2%
	Total	52030	39117	100%

Customs chapter	The most important Lebanese imports to Spain in 2021	Value (thousand \$)	Weight (tons)	Percentage (%)
27	Mineral fuel, mineral oil	68,677	116,283	22%
1	live animals	٥٤,٥٩٧	١٦,٥٣٦	17%
69	earthenware products	٣٨,٤٨٤	١٣,٤٢٣	12%
30	pharmacy products	٣٣,٢٢٦	٣٤٦	10%
84	tools Machines, devices, and machine	٧,٤٧٣	٥٤١	2%
85	Electrical machines and appliances	٦,٩٠٣	٨٣٨	2%
16	Meat and fish preparations	٦,٦٧١	١٦١٠	2%
39	Plastics and its products	٥,٨٣٨	٢,٤٧٦	2%
33	Oils, perfumes, and cosmetics	٥,٤٠٧	٦٦٩	2%
38	Various chemical products	٤,٨٥٠	٣,١٨٦	2%
48	Paper and cardboard and its products	٤,٨٠٢	٤,٣٤٧	2%
90	Optical or imaging tools equipment	٣,٨٤٠	٣٩	1%
94	Furniture	٣,٦٧٥	٤١٢	1%
	Other	٧٤,٧٥٦	٧٦,٨٩٦	23%
	Total	319,199	358,413	100%

Customs chapter	The most important Lebanese exports to Spain in 2020	Value (thousand \$)	Weight (tons)	Percentage %
78	Lead and its products	٢٤,٧٦٢	١٢,٨٣٥	60%
28	Inorganic chemical products	٩,٦١٩	٢٥,٨٨٢	23%
39	Plastics and its products	٢,٠٩٤	٢,٠٩٩	5%
12	Cereals, oilseeds and seeds	١,٠١٠	١٧٧	2%
32	Tanning and dyeing and their derivatives	٩٥٥	١٠٧	2%
84	Mechanical Machines	٧٧٤	٨٩	2%
83	Varieties of plain metal	٥٢٠	٦٩	1%
15	And oils disintegrate it	٣٥٤	٣٩٥	1%
87	Tractors Electric Car, Bicycle	١٧٢	١٥	0%
64	Item Shoes, leggings and parts	١٤٣	٣	0%
90	or imaging Development tools for optics	١١٥	٠	0%
74	Copper and its products	١١٤	٦٠	0%
98	Used furniture and household appliances	١٠٣	٣٠	0%
35	Albuminoidal substances, modified starches	٩١	٣٨	0%
	Other	٧٩٠	١٦٧	2%
	Total	41,616	41,966	100%

Customs chapter	The most important Lebanese imports to Spain in 2020	Value (\$ thousand)	Weight (tons)	Percentage %
1	live animals	93,008	32,153	29%
27	Mineral fuel, mineral oil	٧٨,٦٠٠	١٩١,٧٨٢	25%

30	pharmacy products	٣٧,٨٢٣	٤٠١	12%
69	earthenware products	٢٤,٧٥٥	٩٣,٥٧١	8%
16	Meat and fish preparations	٧,٣٢٢	١,٨٢٠	2%
84	Mechanical Machines	٦,٧٣٥	٧٥٨	2%
33	Oils, Perfumes and cosmetics	٥,٥٢٣	٧٧٧	2%
90	Optical or imaging tools Equipment	٤,٥٩٩	٧٣	1%
39	Plastics and its products	٤,٥٥١	٢,٤٥٤	1%
38	Various chemical products	٣,٣٩٥	٢,١٣٤	1%
48	Paper and cardboard and its products	٣,١٥٩	٣,٥٧٦	1%
85	Electrical machines and appliances	٣,١١٣	٢٥٦	1%
19	Grain or flour preparations	٣,٠٤٤	١,٠٧٩	1%
29	Organic chemical products	٢,٩٦٧	٢,٥٦٤	1%
	Other	٤,٠٦٠	٢٥,٠١٥	13%
	Total	319,199	358,413	100%

Customs chapter	The most important Lebanese imports to Spain in 2019	Value (thousand \$)	Weight (tons)	Percentage %
27	Mineral fuel ,mineral oil	159,863	420,456	30%
1	live animals	٨٣,٠٠٤	٣,٠٢٣٨	16%
69	earthenware products	٦٥,١٦٦	٢٢٨٧٠٠	12%
30	pharmacy products	٤٣,٦٤٢	٤٢٦	8%
84	Machines ,devices and machine tools	١٥,٣٣٦	١,٧٧٨	3%
16	Meat and fish preparations	١٣,٢٧٢	٣٣٧٧	2%
33	Oils ,perfumes and cosmetics	١١,٣١٧	١١٩٤	2%
87	Automobiles ,tractors, bicycles	١١,٢٨٠	١٢٧٨	2%
19	Grain or flour preparations	٩,٩٥٣	٣,٣٤٣	2%
85	Electrical machines and appliances	٧,٧٧٨	٨١٩	1%
39	Plastics and its products	٧,٦٣٨	٣,٢٠٩	1%
94	Furniture	٧,٠٤٤	٨١٧	1%
72	Cast iron (cast iron) and iron and steel (steel)	٦,٢١٤	٩,٣٧٩	1%
48	Paper and its products cardboard,	٥,٧٨٤	٦,٧٨٤	1%
38	Various chemical products	٥,٤٧١	٥,٦٢٥	1%
44	wood and its products; wood charcoal	4,812	8,668	1%
29	Organic chemical products	4,589	3,859	1%
31	Fertilizers	4,472	6,236	1%
	Other	68,382	45,886	13%
	Total	535,017	782,072	100%

Customs chapter	The most important Lebanese exports to Spain in 2019	Value (thousand \$)	Weight (tons)	Percentage %
78	Lead and its products	29,062	13,986	69%
28	Inorganic chemical products	٣,٣٣٤	٨,٠٠٧	8%
39	Plastics and its products	٢,١٨٧	١,٤٨٩	5%
32	Tanning and their derivatives	١,٦٨٤	٢٣٦	4%
15	Greases ,fats, oils, and their products	١,٢٩١	١,٨٦٤	3%
62	Non-woven clothes	٧٠٩	٧	2%
84	Machines ,devices, and machine tools	٦٦٣	١٣٣	2%
12	Cereals ,oilseeds, and seeds	٥٨٧	١٢٤	1%
83	Various types of plain metal	٥١٣	٧٩	1%
61	Clothes and accessories; knitted	٢٩٠	١٨	1%
85	Machines electrical appliances	١٧٢	٨٥	0%
33	Oils ,perfumes, and cosmetics	١٦٩	٢١	0%
64	Shoes ,leggings, Items	١٥٧	٣	0%
42	leather goods; travel accessories	١٥٤	٢	0%
20	Preparations of vegetables, fruits, and fruits	١٥٠	١٩	0%
90	Photographic or optical instruments	129	1	0%
49	Publishing and press products	126	35	0%
21	Various food preparations	116	39	0%
	Other	865	258	2%
	Total	42,358	26,406	100%

Notes on the trade exchange between Lebanon and Spain

Lebanese exports to Spain in 2021 were characterized by a lack of diversification, as exports of a customs separation of goods accounted for about 69 percent of the total exported goods, which are lead exports. As for the Lebanese imports from Spain, they are of limited diversity, and the imports of the most important 4 customs chapters of goods, which accounted for about 66 percent of the total goods imported from them.

The value of the Lebanese animal and agricultural exports and the Lebanese food industry to Spain in 2021 (from the customs chapter 1 to the customs chapter 24), about \$ 1.3 million, which is 2 percent of the total exports to Spain ‘While this share amounts to 25 percent of the total Lebanese exports to all countries.

As for the value of Lebanese animal and agricultural imports and the food industry from Spain in 2021, it was about 79 million dollars, which amounted to 27 percent of the total Lebanese imports from Spain ‘while this share also amounts to 25 percent of the total Lebanese imports from all countries.

Products with export potential

Products with the largest export potential from Lebanon to Spain are unwrought lead, jewelry of precious metals, and medicines consisting of mixed or non-mixed products, for retail sale. Lebanon also has the highest supply capacity in diesel generation groups with more than 75 kVA, and in medicines consisting of mixed or non-mixed products for retail sale – it is the product facing the strongest potential demand in Spain.



Agreements between Lebanon and Spain

Agreement type	Official Newspaper	Date
Meteorological information exchange agreement	-	١٩٤٨
cultural agreement	-	١٩٤٩
friendship treaty	-	١٩٥٠
Technical cooperation agreement in the field of tourism	-	١٩٧١
Agreement on the Promotion and Protection of Mutual Investment	٢١	١٩٩٧
The conclusion of a scientific, artistic, cultural and educational cooperation agreement for the year 1996	٥٢	١٩٩٩
Referral to the Chamber of Deputies of a bill aimed at authorizing the government to conclude a protocol to the Madrid Agreement Concerning the International Registration of Marks	٧٧	٢٠٠٧
Replacing the Arabic translation of the Investment Promotion and Protection Agreement between Lebanon and Spain concluded under Law No. 632 dated 4/23/1997	٣٨	٢٠٠٨
Conclusion of a memorandum of understanding between the two governments on the project of the Spanish Agency for International Cooperation and the Ministry of Environment to clean up the oil spill in Lebanon	١٤	٢٠٠٩
The conclusion of a memorandum of understanding between the two governments related to the project of the Spanish Agency for International Cooperation and the Ministry of Interior and Municipalities to monitor forest fires	١٤	٢٠١٠
Signing a memorandum of understanding in the field of tourism with the Spanish government	١٤	٢٠١٠
Signing a memorandum of understanding in the field of tourism with the Spanish government	٣٩	٢٠١١
Conclusion of the extension of a memorandum of understanding between the Lebanese and Spanish governments related to the project to support the mechanism of monitoring forest fires in Lebanon	٤٣	٢٠١١
Conclusion of a memorandum of understanding between the Government of the Lebanese Republic and the Spanish Government regarding the project of the Spanish International Agency for Cooperation and Development and the Ministry of Interior and Municipalities to control forest fires Phase III -	٣٢	٢٠١٢

Agreements between the Lebanese Chambers and the Spanish Chambers

A draft memorandum of understanding between the Federation of Lebanese Chambers and The Confederation of the Spanish Business Organizations

١٩٩٩/٧/٢١

Agreement between the Chamber of Beirut and Mount Lebanon and the Instituto de la Pequena Y Mediana Empresa Industrial, Madrid

July 1994

Cooperation Agreement between the Chamber of Beirut and Mount Lebanon and La Chambre Officielle de Commerce, Industrie et Navigation de Barcelone

٢٠٠٣/١٢/١٧