



مصرف لبنان
BANQUE DU LIBAN

BDL Financing Incentives

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BDL Financing Incentives

- **Interest Subsidy**
- Incentives 2009
- Micro Credit
- Educational Loans
- Energy / Environmental Loans
- Stimulus Package 2013-2017
- Startups – BDL 331
- Housing Loans

Interest Subsidy

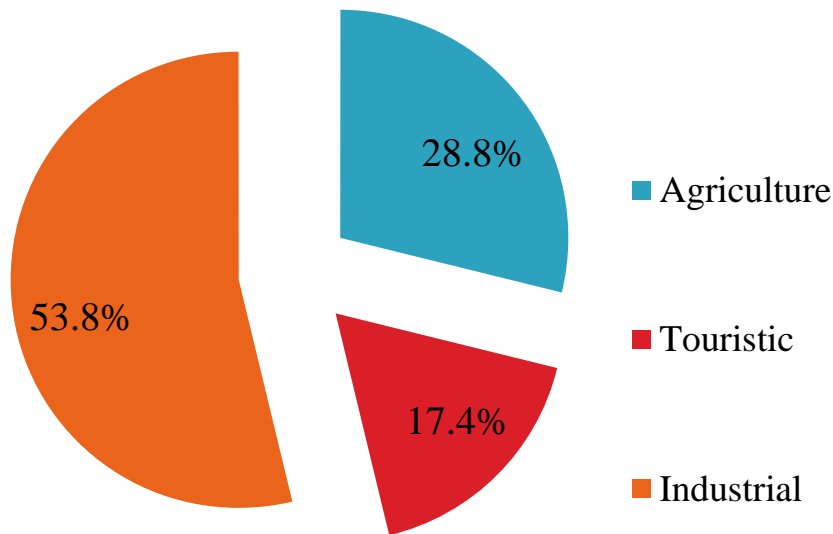
- ▶ Loans extended to local private sector projects in the industrial, touristic, agricultural, IT development and handicrafts sectors benefit from a **4.5%** Lebanese Government interest subsidy rate to finance a new project or the expansion of an existing one, with a value of LBP 50Mn – LBP 15Bn.

Interest Subsidy (in LBP)

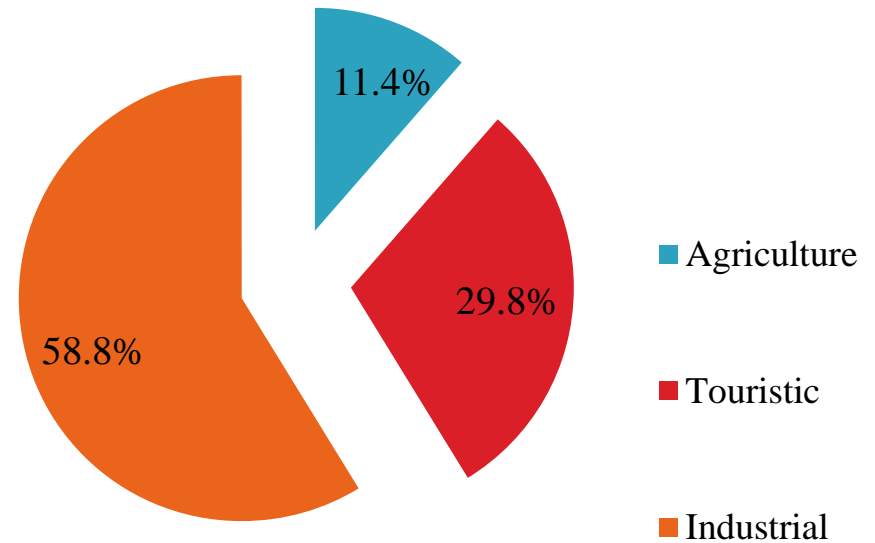
Loan Type		Sector			
		Agricultural	Touristic	Industrial	Total
AFD	Number	9			9
	Amount	7,357,535,585			7,357,535,585
EIB	Number	1	34	78	113
	Amount	3,173,680,000	63,759,032,351	137,482,157,377	204,414,869,728
IFC	Number	12	12	114	138
	Amount	4,119,980,000	8,081,087,500	67,460,257,777	79,661,325,277
Medium & Long term	Number	536	1,479	3,559	5,574
	Amount	569,881,569,596	2,734,394,267,621	4,739,672,607,300	8,043,948,444,517
Kafalat	Number	4,949	1,780	5,992	12,721
	Amount	645,753,476,003	392,466,402,593	1,126,760,679,530	2,164,980,558,126
Leasing	Number	2	7	503	512
	Amount	2,134,720,354	3,472,309,004	231,020,367,805	236,627,397,163
Total Number of Loans		5,500 (28.8%)	3,312 (17.4%)	10,255 (53.8%)	19,067 (100%)
Total Amount of Loans		LBP 1,225 Bn (11.4%)	LBP 3,202 Bn (29.8%)	LBP 6,310 Bn (58.8%)	LBP 10,734 Bn (100%)

Interest Subsidy

Distribution of Loans by Economic Sector



Distribution of Amount of Loans by Economic Sector



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Incentives 2009

- ▶ This scheme, based on legal reserves, started for loans granted since January 1, 2009 to finance new projects or expand existing ones in the all economic sectors (except real estate development), and will continue till December 31, 2017 and further.

Non-Housing Loans	
Amount	Number of Beneficiaries
USD 1.7 Billion	3,094

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Micro Credit

- ▶ Loans granted through micro credit institutions to *individuals* and *small enterprises* employing four people or less, in order to help them start or develop their business in industrial, service, touristic or commercial sectors, provided the following:
 1. The loan amount does not exceed LBP 20 million.
 2. Its repayment period does not exceed 5 years.
 3. The amount of Micro Credit approved to date is around LBP90bn, covering 4,134 beneficiaries.

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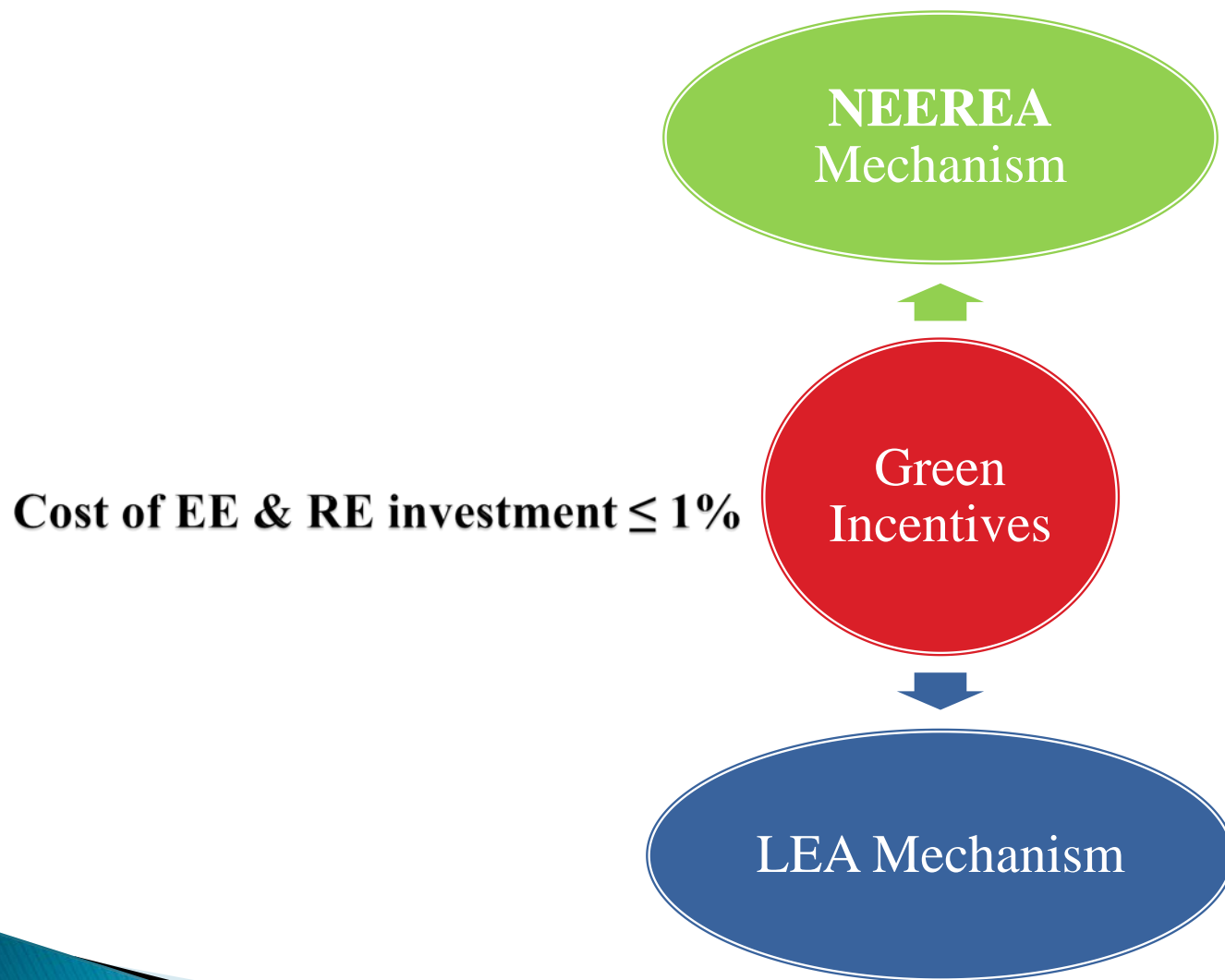
Educational Loans

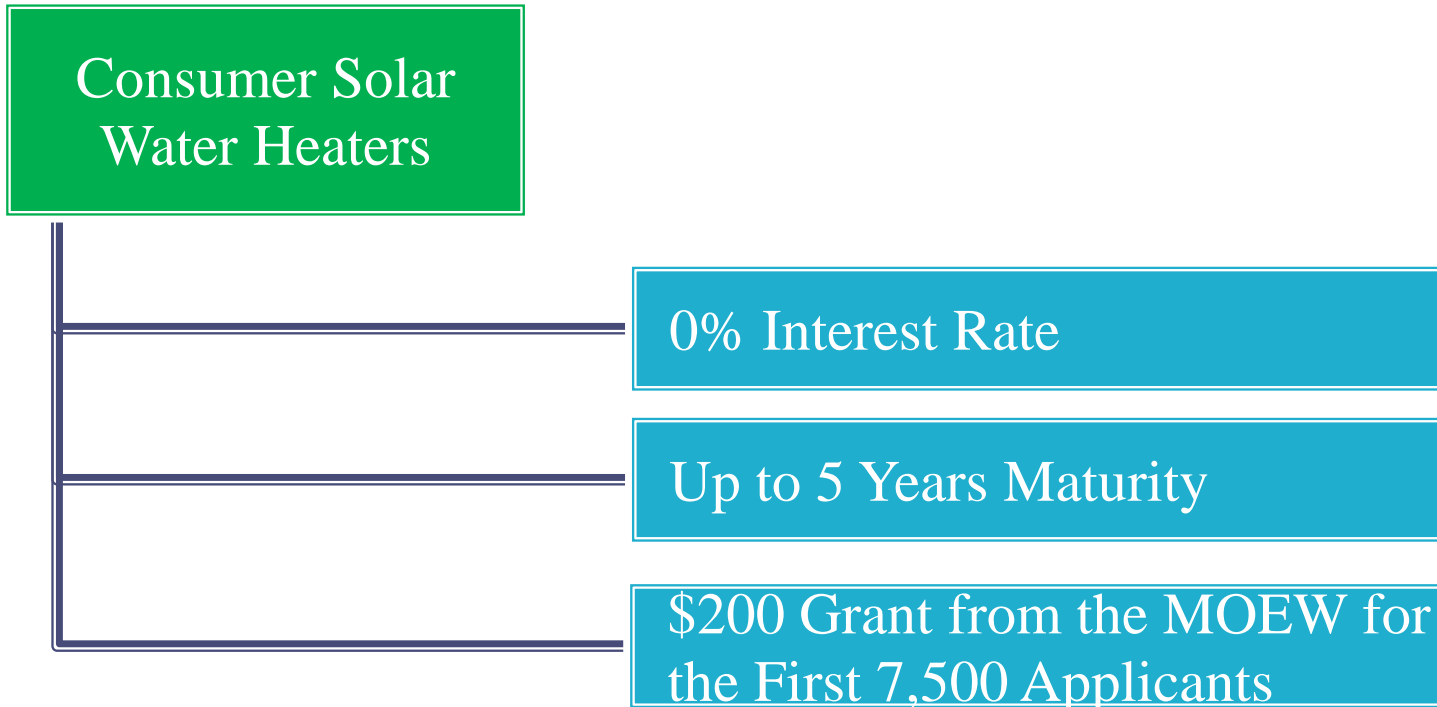
- ▶ **Loans granted in LBP to support tuition fees in higher education institutions (academic, vocational or technical):**
- ▶ They are reimbursed within a period of ten years starting one year after the graduation date.
- ▶ All interest and commissions should not exceed 3%.
- ▶ The amount of Educational Loans approved to date is around **LBP71bn**, covering **1,892 beneficiaries**.

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Green Incentives





Number of granted SWH loans \approx **20,000**

Number of SWH loans that benefited from MOEW = **6,200**

EU Grant of €12.2Mn (November 11,2010)

- BDL would pay a 15% grant to subsidize loans extended to SMEs to finance energy projects (except residential projects), with a maximum grant of \$750,000 per project.
- To date, the grant is fully allocated and **USD 3.11 Mn** have been advanced to projects that are completed according to set criteria.



€80m. EE Loan

Productive Sectors

12 to 14 Yrs. maturity

≈ 1% interest rate

Projects

- More than **656** loans approved with a total of **USD 391 Million** and a total project cost of **USD 1.35 Billion**
- Around **42** projects in the pipeline with a total of **USD 42 Million**
- **447** PV projects of a total installed capacity of **21.3 MWp**
- Green building loans took the biggest part with a total budget of **USD 236 Million** (LEED-BREEAM)



Market

- NEEREA helped create more than **10,000** direct and indirect jobs in the sustainable energy sector in Lebanon
- The number of companies working in the field of solar water heaters rose from **25** in 2010 to more than **175** companies today.
- The number of companies working in the green energy and energy audits business rose from **4** in 2010 to more than **35** companies now.
- The number of companies working in solar photovoltaic sector increased from **5** in 2010 to more than **75** companies today.

The Lebanese

Environmental

Action (LEA)

For Water, Air, and the
Environment:

Recycling, Landscaping, Organic
Farming, Green Roofs, Ecotourism,
Green Walls, Stones Cladding, roof
Tiling, Wastewater Treatment,
Rainwater Collection.

*A National Financing Mechanism by
Banque du Liban and assistance of
LCEC*



BDL Green Incentives: LEA



LEPAP

\$15m. WB Loan or BDL
Direct

Industrial Sector

≈ 0% interest rate
7 to 10 Years Maturity

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Incentives 2013-2017

- ▶ A new stimulus package has been introduced in 2013 by the BDL, in the form of soft loans extended to Lebanese banks in order to boost lending activity and fuel economic growth. To date, more than **USD 5.8Bn** have been tendered at an interest rate of 1%.

Stimulus Package 2013-2017		
Category of Loans	Amount of Loans	Number of Beneficiaries
Subsidized	\$ 764,357,546	828
Kafalat Guarantee	\$ 99,300,166	769
Non-Housing	\$ 2,191,244,444	1,406
Environmental	\$ 531,875,290	603
Total	\$ 3,586,777,446	3,606

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Startups – BDL 331



Banks may benefit from interest-free facilities granted for a maximum period of 7 years for their participation, at their full responsibility, in the capital of startup companies, incubators and accelerators, venture capital companies (Knowledge Economy اقتصاد المعرفة / Intellectual Capital المهارات الفكرية الابداعية). These facilities will be invested in treasury bills, accounts, operations or securities.

Amounts Injected Into the Start-up Ecosystem Through Int. Circular 331

	<i>Amounts in USD</i>	
	Gross Called Amounts	BDL Coverage
Banks Direct Investments in Start-ups	25,977,555	23,928,334
Funds Investments (includes fees and Expenses)	172,162,334	129,121,751
TOTALS	\$ 198,139,889	\$ 153,050,085

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- **Housing Loans**

BDL Housing Loans

To date, the total number of **beneficiaries** from BDL housing schemes is **more than 125,655**, with **loans amount exceeding USD 12.5 Billion.**



Thank You