

## **TOOLS OF ATTRACTING FOREIGN INVESTMENT IN LEBANON: GOVERNMENT WAY AND ALTERNATIVE PLAN**

Now Lebanon is in urgent need of infrastructure development and the legal framework to clarify and to support the development of investment projects.

Lebanese business condition is very friendly to foreign investors too especially after accepting the Public-private partnership (PPP) law in 2017. PPP law regulates the procedure of the starting business project in Lebanon, the terms of the contract between the public and private sectors and the managing role of government in the execution of the project. This partnership has an important and positive impact on the Governments, on the private sector and encourages foreign investment, growth and the level of per capita income, welfare and stability and provides multiple services that are the subject to competition, quality.

The Lebanese government is continuing economic reforms. This program pays much attention to attracting foreign investment in Lebanese economy. On the basis of these objectives by the Government for economic reform and in cooperation with the World Bank in this area, the capital investment plan (CIP) starts to work as a new way of attracting investment. CIP includes a list of more than 280 large and small projects, most of which are aimed at helping to strengthen the delivery infrastructure in Lebanon and promoting economic growth. The long-term involvement of the World Bank as a controller according CIP provides its staff with a country context and sector perspective, as well as an expertise, an assessment of the project list.

We can join in one scenario these two ways (PPP and CIP) – the government way of attracting FDI.

The alternative plan has one difference – the role of controller in organizational structure of the organization plays the national company (public sector and investors from Lebanon) but it is not the World Bank entity. That can give one additional benefit – a reduction the corruption and inclusion the national traditions and culture in doing business.

PPP alone will be unable to satisfy Lebanese investment needs. PPP agreements will have to be combined with other financing mechanisms (CIP or better alternative way) to guarantee the involvement of the private sector and expand the availability of investment. It has laid the ground for an increasing participation of the private sector in infrastructure projects.