

5 Steps to Start your dream business in Lebanon



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This section identifies the bureaucratic and legal hurdles an entrepreneur must overcome to incorporate and register a new firm in Lebanon.

The country data appearing on this page was collected as part of the Doing Business project, which measures and compares regulations relevant to the life cycle of a small- to medium-sized domestic business in 183 economies. The most recent round of data collection for the project was completed in June 2009.

The table below provides a summary of the procedures and the associated completion time and cost for setting up a standardized company. The table is followed by additional country-specific information on business registration requirements.

Standardized company

Legal Form: Société à Responsabilité Limitée (SARL)

City: Beirut

Registration Requirements Summary

	Procedure	Time to complete	Cost to complete
1	Designate a Lebanese lawyer	1 day	LBP 6,000,000 (annual retainer) + LBP 100,000 (legalization of the Power of Attorney before the Bar Association)
2	Deposit capital in a bank and obtain the certificate of deposit	2 days	no charge

3	Register the company with the company registry	3 days	LBP 1,673,850
4	Notify Ministry of Finance of commencement of operations	2 days	no charge
5	Register at the National Social Security fund	1 day	no charge

Registration Requirements Details

- > **Procedure 1.** Designate a Lebanese lawyer
- Time to complete: 1 day
- Cost to complete: LBP 6,000,000 (annual retainer) + LBP 100,000 (legalization of the Power of Attorney before the Bar Association)
- Name of Agency:
- Comment: Each newly formed company must retain and pay an attorney on an annual basis. The Beirut Bar Association sets the minimum annual retainer at LBP 6 million.
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- > **Procedure 2.** Deposit capital in a bank and obtain the certificate of deposit
- Time to complete: 2 days
- Cost to complete: no charge
- Name of Agency:
- Comment: This procedure can be carried out on the basis of a signed (or notarized) copy of the articles of association.

> **Procedure 3.**

Register the company with the company registry

Time to complete:

3 days

Cost to complete:

LBP 1,673,850

Name of Agency:

Comment:

The applicant submits to the company registrar at the Ministry of Justice a set of standardized documents, properly prepared and signed by the founders of the new business entity, along with the total amount of required fees. These documents are:

- Articles of association.
- Commercial circulars.
- Minutes of the first general meeting of the partners.
- Registration application and a draft of the registration certificate to be issued.
- Document attesting the capital deposit.
- Partners' identity cards or passports (copy).
- Documents evidencing that the company is entitled to occupy the premises where it exercises its activities.

Fee schedule for company registration:

- Tax for the magistrates' mutual fund: LBP 375,000 lump tax + 0.15% of the capital+ 1,000 flat registration fee +500 application fee+1,000 certified copy + 500 commercial publication fee.
- Stamp duty: equal to 0.3% of capital + LBP 750,000 lump sum tax+ 2,000 flat registration fee +1,000 application

fee+2,000 certified copy + enrollment fee (Qaydeyia) 250+
1,000 commercial publication fee.

- > **Procedure 4.** Notify Ministry of Finance of commencement of operations
- Time to complete: 2 days
- Cost to complete: no charge
- Name of Agency:
- Comment:

- > **Procedure 5.** Register at the National Social Security fund
- Time to complete: 1 day
- Cost to complete: no charge
- Name of Agency:
- Comment: This procedure has two functions: “Registration” of a new employee and “Confirmation” by the system.

The “Registration” function entails submitting a file for each new employee at the NSSF regional office near the business location and obtaining a file reference number (or a receipt acknowledging the registration) immediately upon submission of the file. Once this “Registration” function is completed, the business is considered to have fulfilled its legal obligations with the NSSF. The benefits to the newly registered employees, under NSSF rules, will also become immediately available. The Time to complete this procedure is 1 day at no cost to the employer or the employee.

The “Confirmation” function consists of issuing a hard copy document (printed on a special size sheet) in the name of the registered employee along with his/her unique ID. Due to the lack of printing equipment at NSSF, the confirmation documents are printed in batches every few days or so. Therefore, it could take up to 30 days for a confirmation sheet to be received by the newly registered employee.

Resources:

This information is provided by “Doing Business”: www.doingbusiness.org