

Lebanon Legal Framework Analysis: Key Highlights

This one-pager aims to provide a brief overview of the most notable features of Lebanon national cooperative legal framework, based on the work of national legal expert and ICA member input. Cooperatives in Lebanon are regulated by three separate acts: The law of the cooperative associations decree number 17199/1964 which was last amended in 1983. The executive decree for cooperative associations number 2989 enacted on 17/3/1972 was last amended on 21/6/1977. In addition, other complementary decrees were issued related to the regulation to the support and help given by the state to the cooperative associations. While the Lebanese Constitution does not explicitly mention the cooperatives, the target of cooperatives is mentioned specifically: “social justice as a right and social and economic development as a pillar of unity and stability of the state”.

Regulation	Particular Sector	Particular Elements
Decree 17199 - 18/8/1964	All types	
Executive decree 2989 - 17/3/1972	All types	
Decree 9569 - 19/12/2012	All types	Procedures for financial aid
Decree 8355 10/07/1974	All types	Organization of training
Budget Law	All types	For promotion of fairs for marketing

Cooperative Friendliness: Theoretically, the legislation is ‘*very much cooperative friendly*’ since the provisions of the law have incorporated the principles of cooperation. There are, however, exceptions to these principles, and the real challenge seen is the lack of awareness among people in charge of applying the law about cooperative principles. In addition to this, there is support of state through tax exemptions and financial aid both in cash and in kind, training, and supporting fairs to open access to markets. Practically, the law is not totally enforced, but is in the process of being enforced, and the support of the state is not properly channeled.

Key recommendations for improvement: Monitoring the enforcement of the rules is necessary in order to see if any changes are needed to the Lebanese legislation on cooperatives. However, the following amendments are necessary:

- Means of notification to attend the general assembly.
- Incorporating gender equality.
- Reducing bureaucratic procedures that are time consuming need revision.
- Issuing specific laws to each kind of cooperative, rather than changing the current law

Conclusions: Apart from the challenge in enforcing the cooperative law, eliminating the idea of continuous financial support is essential and this should be substituted by self-dependency to ensure sustainability of the cooperative enterprise. The cooperative sector should be broader than the Ministry of Agriculture and they should have an entity by itself to focus on all types of cooperation and issue specific laws to enhance and improve the cooperative activities and make it more friendly.

