

## Global Blue Restores the Tax Free Shopping Service in Lebanon

Signy, Switzerland, May 30, 2024

- Today, Global Blue announces the return of Tax-Free Shopping in Lebanon, marking a significant opportunity for the retail and tourism sectors.
- The announcement came during a press conference organised with the Beirut Traders Association (BTA) and attended by top senior officials and industry leaders.
- This success is the result of months of collaboration between the Ministry of Finance, the BTA, and Global Blue's local and regional teams.

### Lebanon Welcomes Back Tax-Free Shopping

During a press conference under the patronage of the Minister of Finance of Lebanon, H.E. Dr. Youssef Khalil, Global Blue announced the relaunch of its Tax-Free Shopping service in Lebanon. This highly anticipated revival of Global Blue's Tax-Free Shopping service to the country represents a major boost for the local retail and tourism sectors, attracting more international shoppers and increasing the country's economic activity.

The event, held at the BTA headquarters in Sanayeh, Lebanon, saw the presence of notable figures including Mrs. Maria Nalbandian, representative of the sponsor of the conference, the Minister of Finance, and director of the Legislation and Tax Policies Department at the VAT Directorate within the Ministry of Finance, Mr. Nicolas Chammas, President of the BTA, His Excellency Mr. Mohammad Choucair, President of the Chamber of Commerce Industry and Agriculture in Beirut and Mount Lebanon (CCIABML), Mr. Laurent Delmas, Global Blue COO for Southern Europe and Mediterranean regions, Mr. Joe Yacoub, Global Blue Lebanon CEO, and local partner Mr. Walid Hanna.

Additionally, senior officials from the Ministry of Finance, key Lebanese retailers and business leaders, board members of both the BTA and CCIABML, along with Lebanese and regional media representatives, attended the conference.

### Behind the Success: Collaborative Efforts Leading to the Return of Tax-Free Shopping

This success was made possible following months of tireless efforts and close collaboration between the Ministry of Finance, the BTA, the Chamber of Commerce Industry and Agriculture in Beirut and Mount Lebanon, and Global Blue's local and regional management. Together, they spearheaded major legal and administrative changes aimed at streamlining and facilitating the entire Tax-Free Shopping process in Lebanon, from implementation to customer experience and have been instrumental in reinstating the Tax-Free Shopping service after a forced cessation.

Moreover, success is also owed to the proactive involvement of the Lebanese government, which demonstrated a deep understanding of the importance of reinstating Tax-Free Shopping and provided crucial support throughout the process. Their commitment and organizational support played a pivotal role in achieving this significant milestone, underscoring the collective dedication to enhancing Lebanon's retail and tourism sectors.

### The Impact on the Lebanese Economy

The reinstatement of Tax-Free Shopping offers significant benefits for local retailers, with approximately 318 retailers and 1,196 points of sale poised to see immediate benefits. These figures are expected to rise steadily over time.

'We anticipate a potential total of approximately 200 million Euros in claims, which was spent abroad by Lebanese expats, Jordanians, Egyptians, Syrians, and Iraqis after the service was stopped in 2023. We also foresee the potential of 1.3 billion Euros spent abroad by Gulf countries during 2023, which could occur once the situation in the country stabilizes,' Mr. Nicolas Chammas, President of the Beirut Traders Association.

The return of the Tax-Free Shopping marks a pivotal step towards revitalizing Lebanon's retail sector and boosting tourism. A 2017 study by the leading London-based Center for Economics and Business Research (CEBR), found that for every single USD that the Lebanese tax authority lost in VAT revenue to a non-resident, the economy receives a boost varying between 13.80 USD and 14.50 USD. This underscores the significant multiplier effect of Tax-Free Shopping on the Lebanese economy as it stimulates growth and supports local businesses.

Mrs. Maria Nalbandian, representing the Minister of Finance, H.E. Dr. Youssef Khalil, declared: 'This initiative will boost the economy while reaffirming Lebanon's position as a top shopping destination in the region.'

'The reimplementing of the Tax-Free Shopping service is a testament to our resolute dedication to creating economic growth and enhancing the business ecosystem in Lebanon, and to regain a place as a platform for regional shopping' Mr. Mohammad Choucair, President of the Chamber of Commerce Industry and Agriculture in Beirut and Mount Lebanon (CCIABML) and president of the Lebanese Economic Organizations.

Global Blue is firmly committed to Lebanon and supporting the country's retail and tourism sectors. The relaunch of the Tax-Free Shopping service is a testament to the company's collective efforts with various local stakeholders to rejuvenate the country's economy and reestablish its status as a premier shopping destination.

'The imminent launch of a major international marketing campaign is aimed at reigniting interest in Lebanon as a shopping destination. It will target around 250,000 international shoppers who previously frequented Lebanon for the last 14 years and before the suspension of the Tax-Free Shopping service. I believe this initiative will drive significant tourist traffic and boost retail sales, fostering a thriving economic environment,' Mr. Laurent Delmas, Global Blue COO for Southern Europe and Mediterranean regions.

'Global Blue is delighted to partner with Lebanon in reestablishing the Tax-Free shopping service. We believe this will significantly enhance the shopping experience for tourists and drive substantial economic benefits for the country,' Mr. Joe Yacoub, Global Blue Lebanon Manager.