

2006 Minerals Yearbook

LEBANON

THE MINERAL INDUSTRY OF LEBANON

By Thomas R. Yager

Lebanon did not play a significant role in the world's production or consumption of minerals in 2006. Cement production and rock and sand quarrying were the mineral production and processing activities that were of the greatest significance to the Lebanese economy.

Production

Lebanon's cement production increased considerably from 2002 to 2006; domestic cement consumption totaled more than 3.3 million metric tons (Mt) in 2006 compared with 2.5 Mt in 2002. Exports to Iraq and Syria also increased. The increase in cement production led to higher output of limestone for use in cement (Cimenterie Nationale S.A.L., 2007).

Structure of the Mineral Industry

Lebanon's four cement plants and its phosphatic fertilizers, phosphoric acid, and sulfuric acid plants were privately owned. The country was also estimated to have between 300 and 400 rock and sand quarries, many of which were unlicensed (Bathish and Zeineddine, 2007).

Commodity Review

Industrial Minerals

Cement.—Ciment de Sibline S.A.L., Cimenterie Nationale S.A.L., Holcim (Liban) S.A.L., and Seament S.A.L. produced cement at a rate of 5 million metric tons per year (Mt/yr) in 2006; the combined capacity of their plants was about 6 Mt/yr. Holcim (Liban) produced about 2 Mt/yr of cement, and Cimenterie Nationale, about 1.7 Mt/yr. Cement demand declined in the fourth quarter of 2006 because of fighting in Lebanon between Israel and the Hezbollah organization; demand for the entire year, however, still increased. Post-combat reconstruction was expected to consume 700,000 metric tons to 1 Mt during the next 2 to 3 years. In August, Lebanon's cement producers agreed to a 1-year price ceiling of \$65 per metric ton to aid reconstruction efforts; the price differential between Lebanon and Syria led to the smuggling of cement to Syria (Bluhm, 2006; Cimenterie Nationale S.A.L., 2007).

Mineral Fuels

Natural Gas.—In March 2005, a natural gas pipeline that linked Lebanon with Syria was completed. Delivery of natural gas to Lebanon was planned to begin in early May 2005, but was delayed until 2007 because of political conflicts and insufficient Syrian production. The development of the Palmyra Middle Gas Energy Project in Syria was expected to provide enough natural gas to supply Lebanese markets. Lebanon was expected to import about 550 million cubic meters of natural gas from Syria initially; imports could increase eventually to nearly 2.2 billion cubic meters per year (Rasmussen, 2005; United Press International, 2006).

Petroleum.—Lebanon has no petroleum reserves, and the Zahrani and the Tripoli refineries were shut down in 1989 and 1992, respectively. In January and April 2006, the Government signed memorandums of understanding with Qatar Petroleum International (QPI) to develop a new petroleum refinery with a capacity of between 150,000 and 200,000 barrels per day. In October, QPI completed a feasibility study of the refinery, which was expected to be completed in 2011 at a cost of about \$1 billion (Middle East Economic Digest, 2006; Quinlan, 2006).

References Cited

Bathish, H.M., and Zeineddine, Maher, 2007, Lebanon—Lack of quarry licensing, regulation 'costs Treasury \$500,000 a day': Daily Star [Beirut, Lebanon], January 19, 2 p.

Bluhm, Michael, 2006, Cement producers threaten to abandon postwar price ceiling: Daily Star [Beirut, Lebanon], November 13, 1 p.

Cimenterie Nationale S.A.L., 2007, Local deliveries: Cimenterie Nationale S.A.L. (Accessed June 29, 2007, at http://www.cimnat.com/lb/Local/ Local.asp.)

Middle East Economic Digest, 2006, Lebanon—Beirut to replace refineries: Middle East Economic Digest, v. 50, no. 44, November 3-9, p. 16.

Quinlan, Martin, 2006, Profits boom on strong demand: Petroleum Economist, v. 73, no. 9, September, p. 8-12.

Rasmussen, Will, 2005, Lebanon still waiting for Syrian natural gas supply: Daily Star [Beirut, Lebanon], June 9, 1 p.

United Press International, 2006, Syria to supply Lebanon with gas: United Press International, February 21, 1 p.

LEBANON—2006 50.1

 $\label{table 1} \textbf{TABLE 1} \\ \textbf{LEBANON: PRODUCTION OF MINERAL COMMODITIES}^{1}$

(Metric tons unless otherwise specified)

Commodity ²		2002	2003	2004	2005 ^e	2006 ^e
Cement, hydraulic t	housand metric tons	2,852	3,500 e	4,500 r, e	4,500	5,000
Gypsum ^e		30,000 ^r	30,000 ^r	30,000 ^r	30,000 ^r	30,000
Lime ^e		14,000	14,000	14,000	14,000	14,000
Limestone, for cement ^e t	housand metric tons	3,700	4,600	5,900	5,900	6,500
Phosphate: ³						
Phosphatic fertilizers		30,000	53,000	85,000	85,000	85,000
Phosphoric acid	<u> </u>	150,000	166,000	175,000	180,000	180,000
Salt ^e		3,500	3,500	3,500	3,500	3,500
Steel, semimanufactured		40,000 ^e				
Sulfuric acid:						
Gross weight		480,000	485,000	495,000	500,000	500,000
S content	<u></u>	157,000	159,000	162,000	164,000	164,000

^eEstimated; estimated data are rounded to no more than three significant digits. ^rRevised. -- Zero.

 ${\it TABLE~2} \\ {\it LEBANON: STRUCTURE~OF~THE~MINERAL~INDUSTRY~IN~2006} \\$

(Thousand metric tons unless otherwise specified)

Commodity		Major operating companies	Location of main facilities	Annual capacity
Aggregates		Holcim (Liban) S.A.L. (Holcim Ltd., 52%)	Beirut	NA
Cement		do.	Chekka	2,200
Do.		Cimenterie Nationale S.A.L.	do.	1,650
Do.		Ciment de Sibline S.A.L.	Sibline	1,200
Do.		Seament S.A.L.	Chekka	500
Gypsum		NA	Hosrayel	30
Lime		Seament S.A.L.	Chekka	NA
Petroleum, refined	thousand	Ministry of Industry and Petroleum ¹	Tripoli	12,800
	42-gallon barrels	(Government, 100%)		
Do.		do. ²	Zahrani	6,400
Phosphate fertilizers		Lebanon Chemicals Company S.A.L.	Selaata	NA
Phosphoric acid		do.	do.	NA
Steel		Consolidated Steel Lebanon S.A.L. ³	Amchit	300
Sulfuric acid	·	Lebanon Chemicals Company S.A.L.	Selaata	NA

NA Not available.

¹Table includes data available through June 29, 2007.

²In addition to the commodities listed, sand and gravel and other construction materials are also produced, but quantities are not reported, and available information is inadequate to make reliable estimates of output.

 $^{^{3}}P_{2}O_{5}$ equivalent.

¹Shut down in 1992.

²Shut down in 1989.

³Shut down in 2002.