

LEBANON'S EMERGING OIL & GAS SECTOR: A SWOT ANALYSIS

Lebanon's nascent oil and gas sector is facing a number of challenges. The first licensing round was recently postponed for the fifth time in less than a year. Oil and gas issues are overshadowed by more pressing problems, including the deteriorating security situation and repeated power vacuums within the executive branch.

However, higher country risk does not eclipse Lebanon's energy potential, and strategic perspectives are not perceived on a short-term basis. Extensive and high quality 2D and 3D seismic surveys have been conducted, covering 100 and 70 percent of the Lebanese offshore respectively. Data interpretation revealed an interesting hydrocarbon potential in certain areas. In anticipation of any exploratory activity, an institutional structure and legislative framework have been established, allowing the launch of the first bid round in May 2013.

The development of Lebanon's oil and gas sector is still in its early stages. The dynamics that surrounded the process so far are a glimpse of things to come. Based on these, it is possible to propose a detailed analysis of the nascent sector, despite it being in its early stages, including its strengths, weaknesses, opportunities and threats.