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Joint Declaration

"Franchising: Promoting Entrepreneurship and Spreading Opportunities and Wealth"

Beirut - April 2013

We, the members of the World Franchise Council (WFC) and the Lebanese Franchise Association (LFA), met in Beirut, on 16-18 April 2013, for the bi-annual meeting of the said council.

We, the participants, acknowledge that:

Given the economic difficulties that many countries are encountering, franchising gains prime importance as a means for the development of SMEs and home-based businesses in various economic sectors and across nations.

- Franchising helps in reducing the rate of business failure as franchisees adopt a proven and tested model of an existing franchise. Thus, franchising entices new entrepreneurs to invest equity capital and banks to provide debt financing for the establishment of franchised entities.
- Franchising contributes in jobs creation and in the reduction of unemployment rates globally.
- Franchising encourages technology and know-how transfer from the franchisor to the franchisee across countries.
- Franchising encourages innovation and creativity as franchisors reap higher rewards through franchising their concepts and expanding beyond their country of origin.
- Franchising is a means for transporting cultural practices across borders

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and bringing the people of the world closer together.

- Franchising is one of the best means for women empowerment through the proliferation of female franchisees.
- Franchising provides the grounds for MSMEs development outside the boundaries of large cities and into neglected smaller towns or rural areas where help and assistance are much needed.

Therefore, we, the participants, urge:

- 1. Franchisors and franchisees all over the world to adopt the WFC's code of ethics with its principles of fairness, transparency and ethical conduct.
- 2. Franchise associations to coordinate together for developing and sharing the industry's best practices and for providing training courses and degrees in franchising to interested executives and entrepreneurs.
- 3. Governments to undertake special efforts for supporting franchising through providing tax breaks for newly established franchises, and coordinating with commercial banks for providing government supported commercial loans to new franchises.
- 4. Commercial banks to provide credit facilities to franchises with the support of the government and in coordination with local franchise associations.

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- 5. Universities and colleges to dedicate special courses and degrees to teaching franchising for spreading awareness and preparing a pool of young talent to work in the franchise industry.
- 6. Consulting and legal firms to establish franchise consulting services for assisting entrepreneurs to locate suitable franchises and acquire franchise rights.
- 7. International donors (USAID, EU, GIZ, or others) to fund special programs to support the franchising sectors of underdeveloped and developing countries. Such funding may cover SMEs capacity-building services, industry surveys, and training, among others.
- 8. Local private sector companies to donate funds for the enhancement of franchising services, research and education.

We, the participants, declare our full commitment to the above goals and to coordinating together and with local governments and other stakeholders for the advancement of the franchising industry, for furthering jobs creation and for increasing private sector investments in franchising services as a means for reducing the troubling effects of the global economic downturn.

WFC and LFA Delegates

April 16-18, 2013 Beirut, Lebanon



Lebanese Franchise Association



Signatories
Franchise Council of Australia
Brazilian Franchise Association Mulaub Mamp
Croatian Franchise Association finance Lukee
Franchise Denmark
Egyptian Franchise Dev. Association
European Franchise Federation (and Class)
Federation Française de la Franchise
German Franchise Association
Greek Franchise Association
Nederlandse Franchise Vereniging
Franchising Association of India
AIF Italy
Malaysian Franchise Association
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