



2021 END OF YEAR SECTOR DASHBOARD

Livelihoods

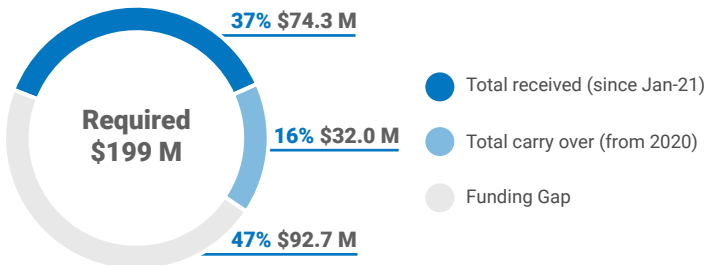


Inter-Agency
Coordination
Lebanon

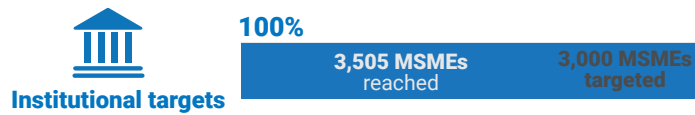
The end of year dashboard summarizes the progress made by partners involved in the Lebanon Crisis Response Plan and highlights trends affecting people in need. The Livelihoods Sector in Lebanon is working to: OUTCOME 1) Stimulate local economic growth and market systems to foster income-generating opportunities and decent and safe employment; OUTCOME 2) Improve workforce employability; OUTCOME 3) Strengthen policy development and enabling environment for job creation.

2021 Sector funding status

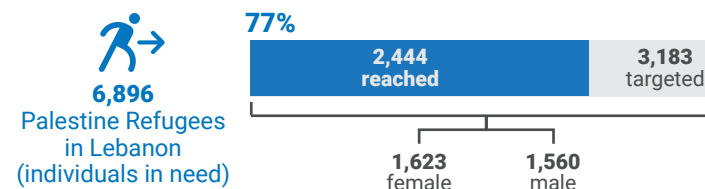
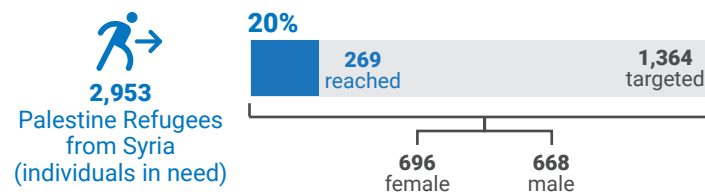
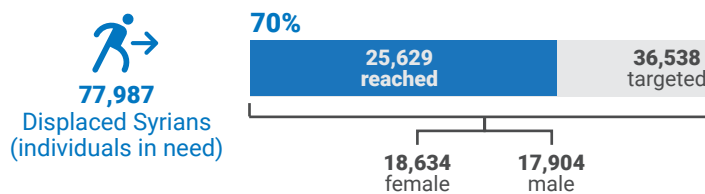
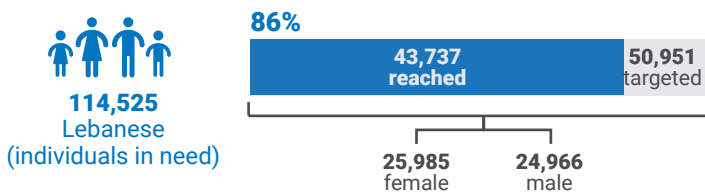
As of 31 December



2021 Population reached



2021 Population figures by cohort



Progress against targets

Key achievements



Outcomes

Outcomes	LCRP 2016 Baseline	Jan - Dec 2021 Reached	2021 Target			
			SYR	LEB	PRS	PRL
OUTCOME 1: Total number of jobs created/maintained	494	13,109	2,235			
OUTCOME 2: # of job seekers placed into jobs	N/A	1,223	500	1400	30	70
# of targeted vulnerable persons engaged in home-based income generation	N/A	1,721	500	1400	30	70
OUTCOME 3: Ranking of doing business**	Rank 126	N/A	N/A			

*Out of 81,700 individuals reached, 9,621 individuals were not disaggregated by cohort. This relates to Outcome indicator 2 and Output indicator 2 (individuals supported to start their own businesses and individuals accessing jobs after completion of employability programmes). By Q4 the Sector was able to disaggregate the numbers provided by partners. As such, the number differs from Q3 (from 6,774 in Q3 to 9,621 in Q4).

* Target overachieved. Target value to be revised for the 2022 strategy.

**Source: World Bank

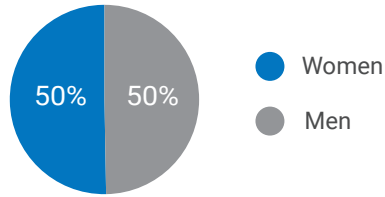


Analysis

Breakdown by age and gender

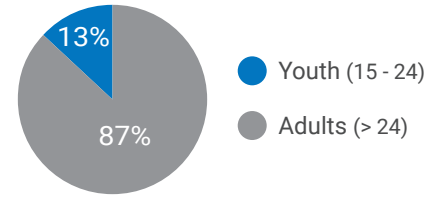
81,700

Number of individuals reached by Sector partners by gender (Jan - Dec 2021)



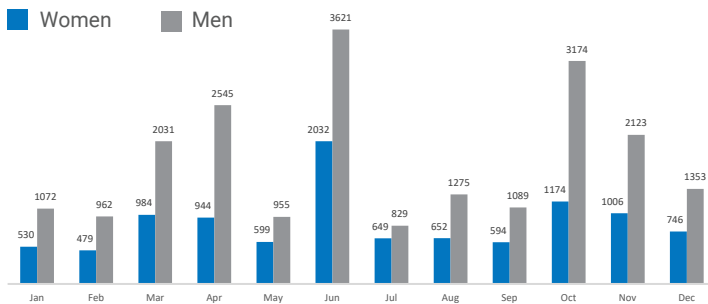
4,634

Entrepreneurs benefitted from business management training by age (Jan - Dec 2021)



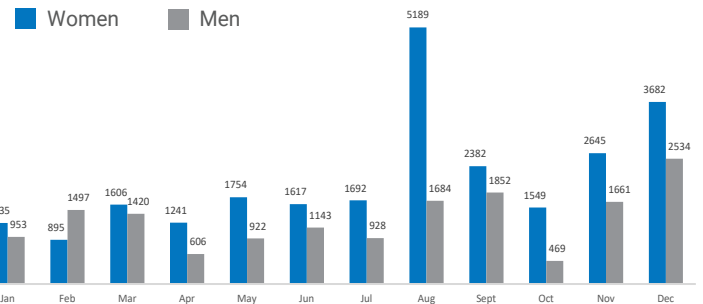
31,418

Individuals employed through public infrastructure, environmental assets and productive assets by gender per month (2021)



41,156

Number of beneficiaries receiving technical and soft skills training (market-based skills trainings, career guidance, awareness sessions and work-based learning opportunities)



1. Analysis and achievements of the sector at the output level

In 2021, amid a persistent economic crisis, a continuous unpredictable health crisis, and hyper-inflation, Livihoods Sector partners were challenged to meet increasing needs. Businesses continued to face financial constraints and limited access to resources, the burden of which was falling hardest on Micro, Small and Medium Size Enterprises (MSMEs) and cooperatives. Unemployment continued to soar as businesses were forced to cut operational costs, including number of employees, to reduce losses. Although COVID-19 lockdown measures were less prominent than in 2020, partners continued to use hybrid implementation methods where possible, despite the challenges of the deteriorating infrastructure. In addition to COVID-19, this was also due to the increasing transportation costs for beneficiaries.

Support to MSMEs and cooperatives remained a priority for partners despite the financial and economic volatility. Under Output 1.1, the aim was to strengthen the MSMEs/Cooperatives, increase their resilience to economic shocks and allow the retention and creation of jobs. In 2021, partners supported 3,505 businesses through business management trainings, financial/non-financial services and/or technology transfer (exceeding the target of 3,000). Of these, 53% were nano enterprises, 23% micro businesses, 16% SMEs, 4% social enterprises, 1% start-ups and 3% cooperatives. To sustain these results, some partners were introducing and promoting new savings mechanisms that reduce the financial dependency on external assistance such as group-savings and self-help groups. Additionally, 108 new MSMEs were established and functional after six months (out of a target 1,050). Establishing new businesses was particularly

challenging amidst an economic crisis that limited access to capital and declined the purchasing power of consumers. Despite being an underachievement, this is approximately four times higher than what was achieved in 2020, which can be attributed to the approaches used by partners to identify businesses such as indicators of growth potential. Some 4,634 individuals received training on business management and development including, but not limited to marketing, bookkeeping, decent working conditions, legal support, and procurement support. Out of these, 55% were females (86% adults and 14% youth) and 45% were males (89% adults and 11% youth).

Under Output 1.2, value chain interventions were also a priority to limit the effects of the decreased abilities to import products and goods. In this context, partners implemented 131 interventions (exceeding the target of 20) using different approaches such as supporting business clusters within the same value chain or between different entities across the country (geographical clusters). Given the scarcity of reliable national market studies, it is important to mention that this overachievement is attributed to supporting smaller components of value chains at local levels. Furthermore, 1,513 jobs were created or maintained within these value chains (exceeding the target of 1,300). 75% and 25% of these jobs were for Lebanese and displaced Syrians respectively.

As a response to the multiple crises and its impact on the livelihoods of the target groups, partners increased the number of labour-intensive programs under output 1.3. In 2021, 31,418 direct (67% males and 33% females) and 141,381 indirect beneficiaries



(exceeding the target of 67,501) benefitted from these interventions that contributed to alleviating the economic pressure on their families. In addition to upgrading infrastructure and environmental assets, partners also targeted productive assets, such as agricultural lands and provision of labour force and/or subsidizing wages for cooperatives and MSMEs. However, women participation remained low due to several factors such as cultural norms, the nature of the work at hand and the balance they must apply between domestic and childcare responsibilities. Some best practices applied by partners to ensure women participation included having onsite female managers/supervisors to better engage women in non-traditional sectors.

Under output 2.1, it was important to ensure that vulnerable men and women have strengthened and appropriate technical skills to match the demand for labour in the context of changing market and consumption dynamics. With continued application of hybrid implementation modalities (online and in person), partners were able to provide vocational and soft skills training to 21,889 beneficiaries (exceeding the target of 10,000; 62% females and 38% males). Along with the traditional topics such as personal care, sewing, mobile maintenance, etc., partners started introducing new topics that are consumer-driven such as candles, facemasks, and soap production, digital skills, as well as trainings on agricultural topics. These newly introduced topics attracted beneficiaries due to the potential they held for self-employment and access to emerging markets. Additionally, in 2021 partners continued to address the barriers for participation, such as providing transportation fees and/or services to ensure that beneficiaries can reach the training locations.

Under Output 2.2, another approach to build capacities of individuals through work-based learning activities (where beneficiaries are taught directly on the job by mentors/employers) was introduced. In 2021, a total of 10,922 beneficiaries (exceeding the target of

2,000; 36% males and 64% females) participated in work-based learning activities. Partners noted the lack of motivation and commitment of beneficiaries because of 1) the current economic situation and the inflation rate which made them more interested in cash support, and 2) the weak linkages with the private sector that affects the sustainability of vocational training and work-based learning. To counter these, partners: 1) provided incentives to the beneficiaries of both vocational training and work-based learning activities ranging from transportation fees to a monthly incentive, and 2) linked vocational training to job opportunities through the provision of cash grants to MSMEs and/or cooperatives. These measures applied by the partners directly contributed to the overachievement under this output.

Furthermore, within the efforts to improve workforce employability, partners supported 8,345 job seekers (out of a target 7,000; 45% males and 55% females) to access employment through career guidance, coaching and individual follow-up services. These activities included sessions on résumé preparation, job searching and interview skills. Above that, 2,680 job seekers (exceeding the target of 2,000, with 35% males and 65% females) were supported to start their own businesses. The support included provision of entrepreneurship services as well as financial and/or technical support. Like the support to MSMEs and start-ups, this was challenged by the economic crisis, currency devaluation and the fluctuation of the exchange rate, as partners were not always able to support with raw material and necessary equipment for operations.

The political situation in Lebanon prevented the partners from providing the support needed to the GoL towards amending and/or proposing decrees and regulations related to decent work conditions. However, partners were able to develop 58 (exceeding the target of 4) awareness raising and advocacy material on labour regulations and decent work.

2. Key contributions of the sector to LCRP outcome and impacts 2021

2021 was a year of challenges that affected the employment and livelihoods of many people across the different cohorts, and this contributed directly to increasing their vulnerabilities and decreasing their safety and protection as they resorted to negative coping mechanisms. As such, it was challenging for the sector to make progress towards LCRP outcomes and impacts. Nevertheless, by improving workforce employability through market-based skills training and work-based learning interventions, the sector was able to support the vulnerable population in living in a safer and more protective environment and to access decent employment opportunities (Strategic Objective 1: Ensure protection of vulnerable populations and Strategic Objective 4: Reinforce Lebanon's economic, social, and environmental stability respectively).

The sector's activities to stimulate local economic growth and market systems to foster income-generating opportunities and decent and safe employment (such as support to MSMEs) assisted in maintaining populations' access to quality private services, as well as access to decent employment opportunities (Strategic Objective 3: Support service provision through national system and Strategic Objective 4: Reinforce Lebanon's economic, social, and environmental stability respectively).

Less was the success in strengthening policy development and enabling the environment for job creation and in mitigating deterioration of the economic condition of vulnerable populations (Strate-

gic Objective 1: Ensure protection of vulnerable populations and Strategic Objective 4: Reinforce Lebanon's economic, social, and environmental stability, respectively), due to the limited abilities of the government to engage in relevant discussions and interventions.

In 2021, the sector was able to contribute successfully to all three sector outcomes as follows:

Outcome 1: Stimulate local economic growth and market systems to foster income-generating opportunities and decent and safe employment

The multiple crises have left small businesses and necessity-driven entrepreneurs (NDEs) struggling for survival, with little or no government assistance¹. Hundreds of small and medium businesses were forced to close, further fuelling unemployment². Furthermore, the political and financial instability hindered the businesses that remained operational from creating new jobs and forced them to cut the number of the already existing jobs.

Within this context, partners still managed to create and/or maintain a total of 13,109 decent jobs (exceeding the target of 5,777; 30% created and 70% maintained). This is attributed to the new approaches adopted by the partners which includes, but is not limited to, subsidizing wages. Additionally, 714 Lebanese MSMEs and cooperatives (almost four times compared to what was

¹ <https://www.lcps-lebanon.org/articles/details/3650/report-%7C-the-impact-of-multiple-crises-on-necessity-driven-entrepreneurs-in-lebanon%E2%80%99s-rural-areas-hidab>

² <https://www.expertisefrance.fr/documents/20182/795307/WOM-EN+ENTREPRENEURS+IN+LEBANON+SUMMARY/847746b0-37b9-448a-af7d-e6d549ccaade>



achieved in 2020, with the target of 2,370) reported increased performance and expanded market access thanks to programme activities (new clients, contracts, and market access). To achieve this, several partners supported MSMEs through digital marketing and sales which broke the access barriers and distances and paved the way to entering new markets.

Outcome 2: Improve workforce employability

According to an ILO report³ the unemployment rate is high, reaching 33% overall, with a slightly higher rate among women (37.2%) than men (32%). The employment-to-population ratio (26.6%) is very low – significantly lower for women (9.7%) than men (42.2%). To subsist the loss of income, people resorted to negative coping mechanisms such as engaging in high-risk jobs or sending children to work. Although such coping mechanisms were mentioned across all population cohorts, they were more prevalent among displaced people⁴. According to VaSyR 2021, the unemployment rate decreased from 39% in 2020 to 30% in 2021, yet the income that households were able to gain from employment in 2021 was still one-fifth of the Survival Minimum Expenditure Basket (SMEB)⁵. Similar to previous years, the unemployment rate among women was 1.6 times higher than for men (42% vs. 27% respectively)⁶.

Despite the scarcity of employment opportunities, the Livelihoods

Sector partners were able to place 1,223 individuals in jobs (out of the target 2,000) which is double the result achieved in 2020. Of these, 67% were females and 33% were males. Concurrently, 1,721 vulnerable men and women were supported to engage in home-based income generating activities (out of the target 2,000); 73% were females and 27% were males. Many of these home-based income generating activities were linked to vocational training courses that offered start-up kits, such as sewing machines for sewing courses or moulds for soap production courses to be used following the completion of the training. The importance of these activities is, as the numbers show, that they allow high participation of women, who, otherwise, would not be able to engage in economic activities.

Outcome 3: Strengthen policy development and enabling environment for job creation

Under this outcome, the partners faced several barriers: a caretaker government that acted and sustained political gridlock for 13 months; the new subsequent government which was taken by the storms of the economics, deteriorating infrastructure and basic services' delivery, and hyperinflation. In these circumstances, it was challenging for the partners to achieve progress in terms of policies, regulations and strategies amended and/or proposed to be approved by the Government.

3. Challenges and mitigation measures

In 2021, partners were challenged on several fronts. Access to supplies crucial to implement activities was limited. The limited supplies included, but were not limited to, tools for the beneficiaries in labour-intensive projects and equipment for MSMEs, financial resources to support businesses in cash grants activities, and fuel and electricity that hindered even the mobility of staff. To address these, some partners resorted to international suppliers despite having to endure the lengthy procedures and delivery dates, while others had bilateral agreements with banks for ease of access to accounts and funds. Alongside this, the economic situation and rising unemployment rates led to increased social instability which in many cases was fuelled by competition over jobs⁷. This had a direct impact on the partners implementing cash-for-work activities. In fact, several partners were denied access to areas unless they accepted the local authorities' conditions to have more Lebanese beneficiaries than displaced Syrians. Another layer to this challenge was the transfer value for decent wages that are fit to the purpose of preserving the purchasing power of the beneficiaries amidst the increasing prices of necessities. In March 2021, ILO developed a technical note on the appropriate wage levels for unskilled workers⁸ which recommend-

ed wages to paid in US Dollars. However, partners reported that payment of wages in US Dollars to Syrian workers was challenging due to bank restrictions which required them to use third-party financial providers. In the cases where these providers requested official documents, the displaced persons used proxies. To ensure sufficient income, partners topped-up the wages of the daily workers with transportation costs and some suggested to increase the number of days per worker (currently set at 40 days).

Lastly, partners highlighted challenges related to improving the employability skills of beneficiaries such as 1) the lack of market linkages, 2) limited employment opportunities, 3) saturated market with skills within specific sectors, and 4) lack of proper needs assessments which is difficult in a rapid-changing economic and financial situation. Moreover, partners reported that the weak collaboration with the private sector to identify key skills that are needed would affect the sustainability of vocational training. In such a context, partners started to link vocational training to job opportunities through the support to MSMEs and/or cooperatives, thus supporting two pillars of the Livelihoods Sector strategy.

4. Case Study

In Jeb Jannine, West Bekaa, people were facing severe poverty and shortage of food items, particularly bread which is the main element of their nutrition.

Within the framework of SHABAKE project, business development and technical trainings within the community was offered to 23 individuals (20 women and 3 men) on food safety, marketing, and business management. Following the trainings 12 individuals (10 women and 2 men) showed interest in breadmaking to respond to the needs of their community, but they didn't have the financial means to purchase the necessary material and equipment. Noting the potential of this project to stimulate local economic growth and foster income-generating opportunities, Fair Trade Lebanon (FTL)

supported them with raw material and equipment to start their own bakery. Another community member provided the location and the kitchen where they could store the raw material and produce the bread.

Several challenges were faced at the beginning of the project such as the electricity outage or the scarcity and increasing prices of gas and flour. FTL was able to support them again with a generator and enough quantities of raw material to ensure sustainability of production.

With time and continuous support from FTL, the beneficiaries were able to gain the knowledge to manage the production and the sales. In few months, the produced bread was being sold in eight

³ <https://bit.ly/3HhQuB9>, representative for the three populations in Lebanon: Lebanese, Palestinian refugees and Syrian displaced persons

⁴ <https://data2.unhcr.org/en/documents/details/90589>

⁵ Ibid, 10

⁶ Ibid, 102

⁷ Source: ARK & UNDP, Regular Perception Surveys of Social Tensions in Lebanon. <https://bit.ly/3hb6V7o>

⁸ EIIP: Employment Intensive Infrastructure Programme In Lebanon Technical Note on "Appropriate wage levels for unskilled workers", March 2021



Supporting the establishment of start-ups

shops and supermarkets with daily sales between 100 and 120 bags.

"We started by making 20 bread bags a day and we were surprised by the big demand on saj bread in our village; now we are working double shifts and producing 120 bread bags per day and our bread is available in eight local shops and supermarkets. It is a great support for us and our families since we are having a small backup income to support our families in this huge economic crisis we are facing in Lebanon. We are looking forward to having a bigger market and more selling points, also there are several vulnerable families who are receiving free bread bags daily as part of our contribution and support of our community in Jeb Jannine. On behalf of our team in bread making and our community in Jeb Jannine we would like to thank Fair Trade Lebanon and its staff and all the donors who made this project a success!" – Noura Saleh

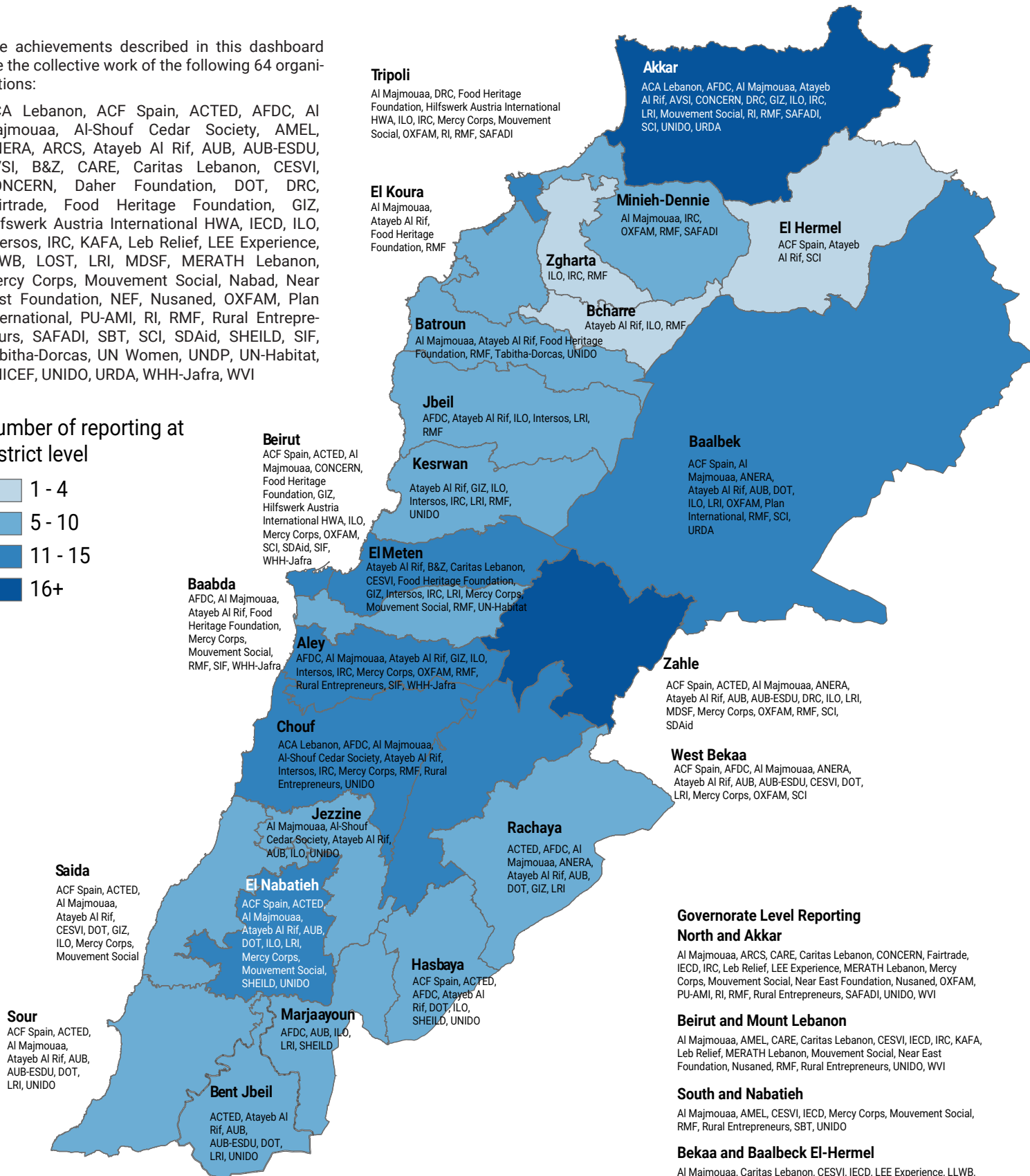
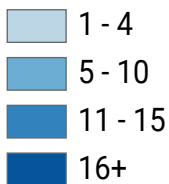


Partners by district

The achievements described in this dashboard are the collective work of the following 64 organizations:

ACA Lebanon, ACF Spain, ACTED, AFDC, Al Majmouaa, Al-Shouf Cedar Society, AMEL, ANERA, ARCS, Atayeb Al Rif, AUB, AUB-ESDU, AVSI, B&Z, CARE, Caritas Lebanon, CESVI, CONCERN, Daher Foundation, DOT, DRC, Fairtrade, Food Heritage Foundation, GIZ, Hilfswerk Austria International HWA, IECED, ILO, Intersos, IRC, KAFA, Leb Relief, LEE Experience, LLWB, LOST, LRI, MDSF, MERATH Lebanon, Mercy Corps, Mouvement Social, Nabad, Near East Foundation, NEF, Nusaned, OXFAM, Plan International, PU-AMI, RI, RMF, Rural Entrepreneurs, SAFADI, SBT, SCI, SDAid, SHEILD, SIF, Tabitha-Dorcas, UN Women, UNDP, UN-Habitat, UNICEF, UNIDO, URDA, WHH-Jafra, WVI

Number of reporting at district level



Governorate Level Reporting North and Akkar

Al Majmouaa, ARCS, CARE, Caritas Lebanon, CONCERN, Fairtrade, IECED, IRC, Leb Relief, LEE Experience, MERATH Lebanon, Mercy Corps, Mouvement Social, Near East Foundation, Nusaned, OXFAM, PU-AMI, RI, RMF, Rural Entrepreneurs, SAFADI, UNIDO, WVI

Beirut and Mount Lebanon

Al Majmouaa, AMEL, CARE, Caritas Lebanon, CESVI, IECED, IRC, KAFA, Leb Relief, MERATH Lebanon, Mouvement Social, Near East Foundation, Nusaned, RMF, Rural Entrepreneurs, UNIDO, WVI

South and Nabatieh

Al Majmouaa, AMEL, CESVI, IECED, Mercy Corps, Mouvement Social, RMF, Rural Entrepreneurs, SBT, UNIDO

Bekaa and Baalbeck El-Hermel

Al Majmouaa, Caritas Lebanon, CESVI, IECED, LEE Experience, LLWB, MERATH Lebanon, Mercy Corps, Mouvement Social, Near East Foundation, OXFAM, RMF, Rural Entrepreneurs, SDAid, WVI

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