



LIVELIHOODS SECTOR

PEOPLE IN NEED



266,490

PEOPLE TARGETED



242,755

NEEDS-BASED APPEAL



\$333M

PARTNERS



64

GENDER MARKER



4*

*Intends to contribute to gender equality, including across age groups AND/OR people with disabilities

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SECTOR OUTCOMES

OUTCOME 1:

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

INDICATORS

- Number of decent job created and/or maintained (30% created and 70% maintained)
- Number of target Lebanese MSMEs and cooperatives that report increased performance and expanded market access (new clients, contracts, market access) as a result of programme activities

OUTCOME 2:

Improve workforce employability

INDICATORS

- Number of job seekers placed into jobs (at least 50% women).
- Number of targeted vulnerable men and women engaged in home-based income generation (at least 50% women)

OUTCOME 3:

Strengthen policy development and enable environment for job creation

INDICATORS

- Number of policies, regulations and strategies amended and/or proposed approved by the Government
- Increase in ranking of Doing Business (World Bank)

POPULATION BREAKDOWN

POPULATION COHORT	PEOPLE IN NEED	PEOPLE TARGETED	FEMALE ♀	MALE ♂
 Vulnerable Lebanese	138,399	121,378	61,903	59,475
 Displaced Syrians	109,409	109,240	55,712	53,528
 Palestinian Refugees from Syria	5,740	3,641	1,857	1,784
 Palestine Refugees in Lebanon	12,943	8,496	4,333	4,163

1. SITUATION ANALYSIS

The compounded crises that Lebanon has faced are characterised by a deterioration of the socio-economic situation coupled with hyperinflation and increased devaluation of the Lebanese Pound (LBP). The latest World Bank Economic Monitor shows that macroeconomic conditions have seriously deteriorated, particularly after 2019, when Lebanon's Gross Domestic Product fell from 55 billion USD in 2018 to an estimated 33 billion USD in 2020. Unemployment is increasing, as the Economic Monitor shows that one in five workers has lost their jobs since October 2019 and 61 per cent of formal firms decreased the number of permanent workers by 43 per cent on average. In addition, MSMEs, cooperatives, entrepreneurs and small-scale farmers have been struggling to finance their minimum recovery and sustainability needs due to the limited liquidity of the financial sector, tight regulatory and monetary controls and limited capacity of local financial institutions to meet capital and reserve requirements. Employment in the informal sector has also been challenged by recent developments, as most owners of informal enterprises have no savings or other financial options and are therefore forced to close (temporarily or permanently) and/or to reduce staff, resulting in the loss of jobs and incomes. Women are the most affected by the crises, as they are the first ones to lose their jobs and have to balance domestic and childcare responsibilities. Female labour force participation in Lebanon was still very low (25% at the end of 2019, representing a third of the male labour force participation rate). It is even lower among refugee women, with only 10 per cent in the labour force. Women also have a much lower likelihood of having financial accounts, debit or credit cards than men, even after controlling for education and welfare status. Additionally, women are more likely to depend on another family member for access to financial services. Following the multiple crises affecting the country, the share of job losses among women was notably higher than that among men.

The lack of income affects overall community resilience, as households are unable to purchase the necessary food and basic items, subsequently impacting local

markets. The depreciation of the LBP, which lost 90 per cent of its value between 2019 and June 2021, surging inflation with an increase of 340 per cent on the price of the basic food basket and subsidies cuts on basic items such as food and fuel,¹ have severely declined people's purchasing power, especially those receiving their salaries in Lebanese pounds. The cost of the Survival Minimum Expenditure Basket (SMEB) for a household in Lebanon has increased considerably during the last few years. According to the preliminary findings of the Vulnerability Assessment of Syrian Refugees in Lebanon (VASyR) in 2021, the monthly SMEB for a household is LBP 2,450,000, four times more than the legal minimum monthly wage. With limited means for vulnerable households to preserve their purchasing power, they are further pushed to resort to negative coping strategies and informal employment, exposing themselves to increased exploitation risks,² not to mention increased dependency on international assistance.

Within the current context, supporting and protecting people's livelihoods and investing in decent employment while boosting economic recovery and market systems has become even more vital. The economic impacts of the multiple crises in Lebanon, i.e. the loss of income, closure of markets, shops and loss of daily work opportunities, are increasing the competition over jobs. This competition remains the main driver of intercommunal tensions, which stand at 53 per cent. It is therefore of particular importance that the Livelihoods sector meet its full targets in 2022 and avoid unequal geographical coverage and gaps in targeting.

¹ The increased cost of fuel also affects the cost of transport and electricity through generators. On 4 November 2021, the cost of 20 litres of 95-octane and 98-octane gasoline was set at 304,000 LBP and 313,400 LBP, respectively. The cost of gasoline was almost half of the legal minimum wage. <http://www.srpoverity.org/2021/10/22/lebanon/>

² The sector emphasises the need to coordinate, at the local, regional, and national levels, with authorities and between partners to better address new and existing vulnerabilities and needs.

2. OVERALL SECTOR STRATEGY

In a deteriorating context and with challenges on the rise, the three main overarching objectives of the Livelihoods sector remain relevant and valid. The Livelihoods sector will emphasise the need to invest in both immediate economic recovery needs and long-term livelihoods support and ensure better inter-sectoral coordination to target those severely affected by the crisis, increase engagement with private sector actors to ensure sustainability and strengthen mainstreaming efforts.

To this end, the sector's Theory of Change will be as follows:

Given the protracted and compounded nature of the crises facing host and refugee communities in Lebanon, the overall objective of the Livelihoods sector strategy is to alleviate the socio-economic shocks on the most vulnerable groups (especially youth, women and persons

with specific needs), and to move towards medium and longer-term recovery and stabilisation by improving their access to decent income and employment. The theory of change underpinning the Livelihoods sector strategy is built on the premise that:

1) Supporting businesses in key economic sectors stimulates local economic development and market linkages. This contributes to job retention and creation,³ supports short term income-generating opportunities, particularly for the most socio-economically vulnerable, and mitigates a source of tensions between Lebanese host communities and refugees.

³ Businesses and cooperatives who have hired new employees for a minimum duration of three months since the support was provided – this includes individuals who work part-time or full-time, formally or informally. It also includes businesses directly supported by value chain interventions as well as overall results of value chain programming.

2) Working with the private sector and governmental institutions to enable a conducive and inclusive policy environment for sustainable job creation,⁴ a business-friendly environment, reduction of the gender gap in the economy⁵ and enforcing decent working conditions will then contribute to improving the local economy as well as the livelihoods of vulnerable groups.

Recognizing that long-term employment opportunities can only be achieved by the private sector,⁶ the Livelihoods strategy is built on the premise that businesses need support to boost their development and their employment-generation capacity, especially in the most vulnerable areas. Moreover, several assessments (including the VASyR) have established that one of the key barriers to employment for women is the prevalence of societal norms such as 'women should stay at home'. Thus, to strengthen women's employability, the programme should include a community mobilisation/gender-transformative component.⁷

Interventions in the Livelihoods sector remain rooted in the 'Making Markets Work for the Poor' (M4P) approach⁸, which aims to change the way market systems work so they become more effective and sustainable for vulnerable Lebanese to improve their livelihoods, while also benefitting displaced Syrians, within the legal framework. It also embeds the do no harm principle, by limiting interventions that might distort markets⁹, and mitigates social tensions, thus promoting the overall stabilisation of social relations in most vulnerable communities and beyond. This is of particular concern as tensions monitoring reveals that the primary reasons for inter-communal tensions are unemployment and competition over jobs.

Monthly SMEB for a household is LBP 2,450,000, which is FOUR TIMES MORE THAN THE LEGAL MINIMUM MONTHLY WAGE

VASyR 2021

⁴ Address decent work deficits such as lack of sufficient regulations and enforcement of existing ones that safeguard labour rights in informal work, improve working conditions and reduce the worst forms of child labour through capacity support and policy development to MoL.

⁵ Lebanon ranks 132 out of 156 countries in the World Economic Forum Global Gender Gap 2021 Report, due to low rates of economic participation of women, political representation and patriarchal socio-cultural norms. <https://www.weforum.org/reports/ab6795a1-960c-42b2-b3d5-587eccda6023>

⁶ Therefore, the increasing need to create a policy-friendly environment for businesses development.

⁷ This can be done by using community champions, recognised testimonials and men-to-men mobilisation.

⁸ Improving the lives of the poor – stimulating growth and expanding access – means transforming the systems around them. Market systems development recognises this reality and provides a coherent, rigorous approach to understanding and intervening in market systems so that they function more efficiently and sustainably for poor women and men.

⁹ For more information on the M4P approach, see: <http://beamexchange.org/en/>.

NATIONAL PRIORITIES

The sector strategy will be aligned with the Government of Lebanon Stabilisation Roadmap,¹⁰ the strategy of the Ministry of Social Affairs,¹¹ the Ministry of Economy and Trade's Lebanon SME Strategy (Roadmap to 2020)¹², the Ministry of Agriculture National Agriculture Strategy 2020-2025 and the Ministry of Labour's Decent Work Country Programme 2017-2020.¹³ The strategy will also align with MoSA, MoL and ILO National Guidelines on Employment Intensive Projects, Lebanon's National Action Plan on Women's Economic Empowerment and the National Action Plan to Eliminate the Worst Forms of Child Labour In Lebanon by 2016.¹⁴ The sector will also support the Ministry of Industry's (MoI) Strategic Plan for the Development of the Industrial Sector 2020-2025. All interventions will also be in line with the applicable legal frameworks of national laws and regulations¹⁵ on labour and employment, and with the Government policy paper on Syrian displacement to Lebanon. Of relevance to the Livelihoods sector are the National financial inclusion strategy led by the Central bank of Lebanon¹⁶ and the economic opportunities and jobs component of the Capital Investment Plan (CIP) Vision for Stabilisation and Development that the Government of Lebanon presented during the Economic Conference for Development through Reforms with the Private sector (CEDRE) in Paris in 2018 (in addition to Rome II and Brussels).¹⁷

In the current context, it is becoming more important to identify and invest in economic sectors with the potential for growth and income generation. With the support of the Ministry of Social Affairs (MoSA) and the Ministry of Economy and Trade (MoET), and based on relevant market analysis, the sector will support partners in identifying these key economic sectors. The sector will also seek support from MoSA and MoET to coordinate with the Ministry of Agriculture (MoA) and the Ministry of Industry (MoI) on the identification of key sectors within agriculture and agro-food processing, respectively, where increasing focus on supporting these businesses was noted during the past year.

¹⁰ Based on MoSA internal discussions.

¹¹ It includes the National Social Protection Policy and the National Poverty Targeting Programme (NPTP) <http://www.socialaffairs.gov.lb/en/MSASubPage.aspx?News=9>, including the Rural Development Plan by the Rural Development Committee and the Lebanon Host Communities Support Programme.

¹² MoET informs that the SME strategy should continue to be referred to as it is currently still operational. MoET is currently working on updating the Economic Plan to include potential sectors for growth beyond those currently mentioned in the SME strategy.

¹³ MoL informs that the programme and strategies within it are still important and will be extended and should be referred to.

¹⁴ MoL and MoSA highlight the importance of complying with the national plan despite being outdated.

¹⁵ Issued by GoL following the start of the Covid-19 pandemic.

¹⁶ The Strategy will link with the recommendations around improving financial literacy of the population in need and support access to affordable finance. <https://www.bdl.gov.lb/downloads/download/275/en>

¹⁷ With feedback by MoSA the priorities under CIP are still valid.

ASSUMPTIONS & RISKS

To achieve the sector's objectives four main assumptions, mainly related to the contextual situation, are identified. The first assumption is the increase in funding to carry out interventions that ensure market-system development to maintain access to decent and long-term employment and income-generating opportunities through supporting MSMEs and cooperatives in key economic sectors to improve their capacities and efficiency. Another assumption is identifying and providing a meaningful transfer value to bring workers and their dependents out of poverty. Partners are recommended to continue using top-up assistance, i.e. transportations, food and/or in-kind support to workers. Furthermore, the Sector will continue exploring a different and evidence-based methodology/system that can ensure decent wages in a context where inflation is not stabilised, using the results from the UNDP-led Wage Monitoring Assessment and information from the WFP SMEB. This will be done while working closely with other key sectors and partners, donors and relevant line ministries. Simultaneously, the Sector will continue to advocate that the Government of Lebanon improve the regulatory framework on labour and decent employment, including the increase of daily wages. The third assumption is that there will be adequate budget allocations to cover additional costs to ensure beneficiaries' accessibility and the benefit of programmes. This includes, but is not limited to, support for transportation, fuel, electricity, ICT equipment and in-kind and/or food support as well as childcare services. Not only will this ensure the accessibility of beneficiaries, it will also ensure programme continuity in case of a COVID-19 resurgence. To this end, the sector will also work to include Livelihood's activities, especially those related to income generation, such as cash-for-work, as critical activities in business continuity plans.

The Livelihoods sector has analysed several risks which could arise in 2022 and undermine the quality and accountability of interventions. With unemployment and competition over jobs identified by the tension monitoring system as the primary reason for inter-communal tensions,¹⁸ there is a risk that interventions (especially cash-for-work) would further exacerbate these tensions. As such, the Livelihoods sector, working in close coordination with the Social Stability and Protection sectors, will help agencies stay abreast of conflict and protection analysis. Additionally, with the increased levels of tensions, the Livelihoods sector will work with the Social Stability sector on

- 1) facilitating do no harm and context analysis workshops for partners, and
- 2) working on the inclusion of a tension levels layer to the mapping of the most vulnerable cadastres, to support the prioritisation of municipalities.
- 3) Finally, the sector will support directing the geographical coverage of interventions to ensure a wider distribution of activities to reach more communities, when possible.

Another risk is the lack of harmonisation and coordination of modalities and transfer values for assistance in USD and Lebanese Pounds, as increased competition over low-skilled jobs, in addition to the perception of aid bias,

is already a tension driver.

Some sector partners have already shifted the transfer value or currency of assistance, which may exacerbate a sense of unfairness between those who receive assistance and those who do not, as well as between the beneficiaries of different organisations. Moreover, increasing pressure is being put on partners by communities and local authorities during livelihoods activities (especially cash-for-work) to include more individuals in activities, increase the daily wage or to shift currency into USD, sometimes leading to insecurity and heightened tensions. This contributes to the concerns about the potential security risks for partners operating in the field. Therefore, the sector will continue to advocate for a harmonised approach to transfer values and work with key agencies, donors and line ministries on setting a methodology for cash-for-work transfer values while encouraging partners to coordinate closely at regional levels through the regional working groups.

With financial and technical support provided to MSMEs and cooperatives being a priority area, there remains a risk that this support does not lead to sustainable businesses and job creation. The sector will promote:

- 1) conducting market systems analysis¹⁹ to identify key value chains with potential for inclusive growth;
- 2) supporting MSMEs that have been targeted through value chains and/or an area-based approach;
- 3) linking small companies with bigger enterprises on the supply side;
- 4) diversifying supply and encouraging investment in economic sectors that have growing potential;
- 5) assisting small enterprises and cooperatives with proven potential, allowing for longer incubation and business-coaching phases;
- 6) strengthening coordination within or across value chains but also between partners; and
- 7) identifying flexible and innovative financial mechanisms, including a blended finance approach in livelihoods programming (loan interest subsidies, loan cash top-up, grants, etc).

The resurgence of COVID-19 and new lockdown measures in 2022 are also a main risk whose consequences may include altering/suspending/delaying activities or shifting to remote implementation modalities. To mitigate this risk, the sector will continue to ensure high flexibility to allow for the continuation of critical activities, such as income-generating activities and business support. Sector partners are encouraged to

- 1) plan for alternative modalities, such as web-based operations and online business trainings and consultancies coupled with in-kind technical support (internet cards and ICT equipment), and development of online platforms to better link consumers with businesses,
- 2) budgeting for PPE procurement and facilitating access to the national vaccination platform for those unable to register themselves and
- 3) putting in place flexibility measures that allow for a contingency plan in terms of continued conditional cash transfers to refugees and vulnerable Lebanese engaged in labour-intensive work, despite the suspension of activities.

¹⁸ UNDP/ARK Perception Survey, August 2021.

¹⁹ Joint analysis and/or coordination on different analysis are encouraged between partners

Finally, at the institutional level, the enforcement mechanisms of formalising foreign labour in Lebanon, including seasonal labour, are not yet completed, leaving certain workers at risk of exploitation. Further efforts will be made to

- 1) strengthen MoL's capacity to facilitate work permits procedures and reduce market informality and
- 2) ensure that workers are aware of their rights and responsibilities.

SECTOR'S RESULTS: LCRP IMPACTS, SECTOR OUTCOMES, OUTPUTS

The sector's theory of change primarily contributes to LCRP Strategic Objective 4 ("Reinforce Lebanon's economic, social and environmental stability") by supporting recovery and development of MSMEs, job retention and creation and income-generating opportunities, workforce employability and an enabling environment to transition vulnerable individuals towards self-reliance, which in turn is expected to enhance the country's stability and resilience to social and economic shocks. By improving municipal infrastructure through labour-intensive work, the sector seeks to contribute to local economic development with longer-term benefits. Labour-intensive activities also contribute to Strategic Objective 2 ("Provide immediate assistance to vulnerable populations"), providing access to income/cash to the most vulnerable and helping them meet their basic needs. Furthermore, the strategy contributes indirectly to Strategic Objective 3 ("Support service provision through national systems") by supporting municipalities in infrastructure rehabilitation and vulnerable populations in accessing basic needs as well as enhancing the capacity of government institutions, such as MoSA's social development centres (SDCs) to provide services. Finally, it serves Strategic Objective 1 ("Ensure protection of vulnerable populations") by providing awareness-raising sessions on employees' rights and how to safeguard them, promoting advocacy, encouraging policy development and putting in place mechanisms to ensure accountability.

EXPECTED RESULTS

The escalating economic and financial crises increase the need to strengthen the focus on the demand side of the labour market, support the private sector to enhance productivity, boost local economic development and protect employment by providing technical and financial support to MSMEs²⁰ and cooperatives. In addition, the sector encourages partners to mainstream financial literacy training, such as household budgeting and savings management, across all programmes that include cash assistance to ensure longer sustainability of results.

²⁰ Important to continue to focus the support of MSMEs outside of Beirut area.

The sector remains committed to ensuring that it creates decent work opportunities and to working closely with local authorities and employers to strengthen awareness on the need to ensure decent working conditions for both host and refugee communities.²¹

²²This includes ensuring equal pay for women, putting in place mechanisms to prevent and respond to sexual harassment in the workplace, facilitating accessibility for persons with disabilities and ensuring access to quality childcare services.

In line with the LCRP impact statements, the Livelihoods sector will provide a critical contribution to Lebanon's stability by expanding economic opportunities benefitting local economies and the most vulnerable communities and individuals, in line with the Government's rules and regulations. Overall, the sector will also contribute to achieving decent work and economic growth (Sustainable Development Goal (SDG) 8), while working towards ending poverty (SDG 1) and ensuring gender equality (SDG 5).²³ The impact of sector interventions will be measured according to the number of jobs maintained or created because of partners' interventions. The sector framework is structured around three outcomes reflecting priorities in terms of employment/income-generating opportunities, workforce employability and institutional support.

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

Under the first outcome, the work of the sector will be structured into three outputs, aimed at stimulating local economic growth and market systems to encourage the creation and maintenance of short and long-term employment opportunities to protect vulnerable individuals, particularly youth and women, against risks and shocks.

Output 1.1 - MSMEs strengthened to enable decent job retention and creation, boost productivity and competitiveness

Interventions aim to directly support 4,500 Lebanese nano, micro, small and medium enterprises, start-ups and cooperatives, with a specific focus on women-led businesses, since women own a very small percentage of businesses in Lebanon, which affects their economic status. To enhance local economic growth in the most vulnerable areas, the support will include:

²¹ It is recommended to ensure strict monitoring and evaluation measures with random visits or third-party monitoring throughout the project, with accountability measures in place.

²² Decent work as defined by ILO - 'productive work in conditions of freedom, equity, security and human dignity'.

²³ See: <https://sustainabledevelopment.un.org/sdgs>

- 1) technology transfer and business skills and financial management to support the efficiency of business operations in key sectors^{24 25};
- 2) enabling access to financial and non-financial services to strengthen resilience and adaptability to shocks;²⁶
- 3) promoting the use of the market-based approach by strengthening commercial linkages with the private sector;
- 4) exploring different market linkages;²⁷
- 5) looking into a new approach to cluster businesses to benefit from each other's services;²⁸
- 6) ensuring equitable engagement of female workers in MSMEs by reducing gender barriers to access.²⁹

Output 1.2 – Competitive integrated value chains strengthened and upgraded

The target is to create/maintain 1,600 jobs in 2022 by strengthening and upgrading 90 local and national value chains (this also includes components of value chains). Partners should ensure that MSMEs, cooperatives and farmers shift to key value chains with high potential for employment and income.³⁰ Key areas of intervention include

- 1) assessments to identify value chains in need of support at the territorial level, focusing on value chains/sectors with potential of growth to identify gaps or constraints;
- 2) supporting knowledge and compliance of quality standards to improve and promote Lebanese products in international markets;
- 3) strengthening market linkages and seeking new approaches to cluster value chains support either within the same value chains or between different entities across the country to ensure complementarity between interventions; and
- 4) ensuring women-led businesses have equal access to the above support and increasing the involvement of youth via innovative solutions.

The Livelihoods sector will continue to work closely with the Food Security and Agriculture sector and MoA on agriculture and agro-food cooperatives to ensure a coordinated approach.³¹

²⁴ The support should be focused on key sectors with high potential for employment and income generation and on subsectors prioritised by MoET, such as industrial sectors, including agriculture and agro-food, pharmaceutical and medical equipment, manufacturing and construction, textile and furniture and creative and cultural industries.

²⁵ Here it is recommended to help link supported businesses with the chambers of commerce where quality certification can be accessed and to support the formalisation process of informal businesses.

²⁶ Financial and non-financial support, such as access to inclusive loan products coupled with business development services. In this context, it is vital to ensure responsible financing to protect microfinance clients from being further indebted, especially vulnerable groups including women-led MSMEs who are often discriminated against in accessing credit and thus forced to close. Livelihoods partners are encouraged to work more directly with the financial sector, particularly microfinance institutions, incubators and venture capital funds, to identify and pilot alternative and innovative financial models such as group savings, village banking and self-help groups. In 2022 the sector will organise technical discussions with key experts on this topic.

²⁷ Business to Business, cross sectors, within the same value chain, or with foreign markets. It could also mean strengthening market linkages between businesses and support functions.

²⁸ This also includes fostering a network of businesses that can share best practices and new knowledge.

²⁹ Including preventing or responding to sexual harassment in the workplace, gender discrimination and lack of access to affordable and quality childcare services. These value chains have been identified and prioritised by MoET and MoI and include: Agriculture and agro-food; Manufacturing and construction; Pharmaceutical and medical equipment; Renewable and green energy; Creative and cultural industries; Textile and furniture.

Output 1.3 – Vulnerable men and women have access to temporary employment in productive public infrastructure and environmental assets that have a local economic impact

Immediate decent employment opportunities for the most vulnerable groups, including women and persons with specific needs, can be achieved through labour-intensive investments in productive, public infrastructure and environmental assets. The aim is to create 40,000 short-term opportunities, 50 per cent of which should benefit displaced Syrians and Palestinian refugees.³² In total, 180,000 beneficiaries will benefit (both directly and indirectly) from labour-intensive interventions. Due to the multiple crises' impact on businesses, sector partners will also subsidise wages through their cash-for-work activities to support job retention in MSMEs and cooperatives. It is important that the sector ensure that labour-intensive interventions address local municipal priorities to reduce tensions and deliver tangible benefits to host communities by rehabilitating infrastructure and environmental and productive assets to support local economic development.

Outcome 2 – Improve workforce employability

Under the second outcome, the sector will focus on bridging the gap in the labour market through two main outputs aimed at expanding beneficiaries' skills needed in the Lebanese labour market through marketable and soft skills training as well as career guidance, job matching and work-based learning opportunities.³³ Activities for displaced Syrians under this outcome are in the three sectors, as per MoL policies. Concurrent with the employment activities, the sector recommends that partners provide business support and include private sector actors in these activities to better link market demands with the supply side.

Output 2.1 – Vulnerable men and women have strengthened and appropriate technical skills to match the needs of the job market

³⁰ These value chains have been identified and prioritised by MoET and MoI and include: Agriculture and agro-food; Manufacturing and construction; Pharmaceutical and medical equipment; Renewable and green energy; Creative and cultural industries; Textile and furniture.

³¹ MoA emphasises the need for coordination on the following activities: Agricultural Roads (construction or rehabilitation) (Green plan), Agricultural Cooperatives (General Directorate of Cooperative), Irrigation Network (On farm networks), Hill lakes (less than 100000 m³), Wholesale and retail markets, all other activities like distribution of agricultural inputs (seeds, fertilisers, pesticides, plants...), Fish sector, Animal sector, Forestation and reforestation (MoA has a strategy for that) and Fruit cooling rooms.

³² As for support to businesses, these beneficiaries will need to be integrated into the tracking system of the sector and cross-referenced with other forms of humanitarian assistance so as to optimise complementarity and efficiency.

³³ Based on the recommendations from the 2021 Livelihoods Sector Reflection Session Workshop, the sector will in 2022 dedicate a specific task force to discuss a cash+ approach in employability activities and business support.

To address this issue in 2022 the Sector targets 15,000 individuals with training, addressing gaps in the labour market and increasing the employability of the most vulnerable. To address the new labour market demands and gaps and to create greater access to the labour market for vulnerable groups, livelihoods interventions should aim at providing technical and soft skills training based on market demands and on topics in which beneficiaries have legal work opportunities in the Lebanese labour market.³⁴ Under this output the sector promotes employment of women's entrepreneurship in the green economy to transform potential energy solutions into women's economic empowerment, especially amidst the compounded socio-economic crises and the COVID-19 pandemic.

The sector will work with the TVET Directorate of the Ministry of Education and Higher Education and with the Ministry of Labour to support ongoing efforts to reform vocational education in Lebanon. This collaboration will also help prioritise investment in existing public vocational training centres to support governmental institutions in improving the system (curricula, equipment, infrastructure) but also to ensure sustainability.

Output 2.2 – Career guidance, awareness-raising sessions, job matching, and work-based learning opportunities offered to female and male job seekers

The sector will target 26,000 beneficiaries in 2022. Due to the current context, partners are recommended to 1) strengthen the linkages between vocational training and work-based learning opportunities to enable beneficiaries to be competitive in the labour market upon completion; and 2) strengthen linkages between work-based learning opportunities and support to MSMEs within the targeted value chains and/or area-based approach. This is of specific importance as the linkages to MSMEs are crucial to ensure better impact of employability, as the planned support to businesses can help ensure job retention and creation.

The sector recommends programmes to prioritise targeting of new entrants to the labour market, such as youth, but also women (including female heads of households), whose ability to generate income will be crucial to lifting themselves and their families out of poverty. Previous years' experience under the sector shows a gap between the number of trained women and girls and the number of women and girls who access employment. To address this, the sector will make efforts to shift the training contents for women and girls to sectors that are required by the market, in line with recent market assessments, while also ensuring that women have access to safe transportation and childcare. This will be done alongside skills leading to home-based opportunities (within the sectors specified by MoL for displaced Syrians) with a conflict-sensitive approach ensuring that competition over jobs with the host community is not exacerbated through such programmes.

Outcome 3 – Strengthen policy development and enable environment for job creation

Under the third outcome, the sector will strengthen policy development and the enabling environment for job creation through two complementary outputs.

Output 3.1 – GoL supported to approve decrees/regulations/awareness-raising material on decent work conditions

This output will be addressed by working with the Ministry of Labour, both at the policy and enforcement levels, with a particular focus on increasing labour inspection capacity. In addition, the Livelihoods sector will work with Lebanese-owned enterprises and cooperatives to improve decent work conditions (and support the formalisation of businesses which should also contribute to this objective), while engaging in advocacy and awareness-raising activities focusing on minimum labour standards and regulations.

The sector will require close collaboration with the Ministry of Labour and its national and regional employment offices (NEOs). The Ministry, as the key administrative authority in the field of labour, responsible for employment conditions, labour relations, and for shaping employment policy, will be supported in developing and implementing labour policies within Lebanese laws. This will notably require support to labour inspection capacity to ensure enforcement of labour regulations that protect employees and employers and uphold the principles of decent work for both Lebanese and Syrians' labour.

Output 3.2 – Policies, strategies and plans supporting job creation, MSMEs and livelihoods developed to improve the business eco-system

The sector will encourage policy- and strategy-level development and institutional-level support to improve the enabling environment for job creation. Overall, the sector aims to support the development of six policies, strategies and plans amended, formulated and/or proposed to the Government. The Ministry of Economy and Trade and its network of local Chambers of Commerce will be supported in the implementation of the Lebanon SME Strategy.

IDENTIFICATION OF SECTOR NEEDS AND TARGETS AT THE INDIVIDUAL, HOUSEHOLD, INSTITUTIONAL AND GEOGRAPHICAL LEVEL

The Livelihoods sector continues to suffer from data gaps on vulnerable Lebanese at the household and individual levels, which challenge its targeting and require partners to go through local assessments to inform programming.³⁵ Other data gaps include systematised local market assessments to identify intervention types and a national labour market assessment.

The Sector has developed "Recommended Parameters on Outreach, Identification and selection of Beneficiaries."³⁶ This document looks at various livelihoods services/interventions and provides recommendations on the best modalities and criteria to identify potential beneficiaries.

³⁴ Vocational training for displaced Syrians must be in the three specified sectors, as per MoL policy.

³⁵ Despite the Labour Force and Household Living Condition Survey (LFHLCS) 2018-2019 Lebanon issued in 2019. https://www.ilo.org/wcmsp5/groups/public/---arabstates/---ro-beirut/documents/publication/wcms_732567.pdf

³⁶ Based on the recommendations from the 2021 Livelihoods Sector Reflection Session Workshop, the sector will dedicate a specific task force to update the guidelines in 2022.

The sector assumes that each poor household needs at least one member engaged in livelihoods assistance to raise the household over the poverty line. For individuals dependent on direct humanitarian assistance, the sector aims to provide support through labour-intensive programmes as well as empowerment activities, such as a combination of market-based and life skills, with work-based learning initiatives that enable them to be competitive in the labour market. In 2022, the Sector will look further into the Recommended Parameters on Outreach, Identification, and Selection of Beneficiaries guidelines to reflect on current changes and needs.

While the sector aims at adopting a value chains and/or area-based approach, this will need to be complemented by specific programmes prioritising the most vulnerable at the household or individual levels, such as youth, households with persons with specific needs, female-headed households and other severely vulnerable groups, such as survivors of gender-based violence as well as families at risk of or engaging in child labour. National systems will be crucial in this regard, such as the (updated) NPTP database, in addition to the local information provided by SDCs, municipalities or local associations.

The sector will use available data on poverty, tensions and deprivation as a basis for area-based targeting in order to analyse the situation in the areas and to identify which institution/private sector, entity/value chain to target. As per the value chains approach,

the sector will use available data stored on the Inter-Sector Service Mapping Platform to identify ongoing interventions and advise implementing partners on how to complement activities. The national employment regional offices should play a critical role in matching vulnerable individuals with opportunities generated by these programmes and will be supported through the third outcome of the strategy.

Another tool to support targeting will be the mapping of the most vulnerable cadastres,³⁷ which provides a good basis to identify areas where displaced populations are concentrated alongside vulnerable Lebanese, using a multi-dimensional poverty index. Both the poverty dimension and the host/displaced ratio are relevant for livelihoods interventions. Partners must also take into consideration recent changes in the socio-economic situation affecting the Lebanese population and the unemployment and poverty rate in host communities. Finally, the state of inter-communal relations is another important lens for geographic targeting, as job competition remains a widely cited source of tension.³⁸ The Livelihoods sector will direct partners to target high-tension areas, based on the Social Stability sector's analysis and mapping of tensions, in line with the do no harm principle.

³⁷ The sector will be coordinating closely with MoSA to update the Strategy and targeting with the new vulnerability map, once finalised.

³⁸ The context analysis needs to be updated periodically as tensions and conflicts are dynamic and change depending on internal/external elements, especially those related to the political and socio-economic situation.

3. MAINSTREAMING OF GENDER AND SGBV, PROTECTION, CONFLICT SENSITIVITY, PSEA, ENVIRONMENT AND COVID-19

PROTECTION, CHILD PROTECTION AND PSEA

The Livelihoods sector addresses protection issues inclusive of women, youth and persons with specific needs, through the identification of opportunities to safe access. In 2022, the sector will facilitate thematic discussions with the Protection sector to 1) better identify barriers and approaches to providing more inclusive livelihoods opportunities. This aims to reduce the subjection of displaced persons to exploitation and dependency on humanitarian aid and to support their contributions to the local economy; and 2) develop joint advocacy messages to increase funding for critical livelihoods opportunities for women and persons with specific needs, including those with disabilities.

The sector will work with the Child Protection Working Group to identify linkages with the Child Labour Road Map Action Plan 2021-2022 and jointly review and share guidelines on addressing child labour by including vulnerability criteria on how to better target households with children engaged in labour. Joint indicators will continue to be monitored throughout 2022 and the sector will work with the Child Protection Working Group to discuss results and identify areas with higher prevalence of child labour, which could be prioritised by livelihoods programming.

The dedicated PSEA sector focal point will support the sector in linking partners to PSEA Network training opportunities, guidance and key discussions and will regularly update partners on material produced by the PSEA Network.

CONFLICT SENSITIVITY

The sector will collaborate with the Social Stability sector to strengthen conflict sensitivity mainstreaming capacities³⁹ amongst livelihoods partners through training on conflict sensitivity and do no harm and thematic support through guidance notes and checklists, as well as ad-hoc support based on contextual developments. Finally, a quarterly tensions overview will be presented through the sector working group to ensure that information is regularly shared. Tension monitoring data and analysis will be used to guide targeting of livelihoods programming to reduce tensions in areas where job competition over low-skilled jobs is prevalent.

YOUTH AND GENDER

Youth and women remain a specific priority target group across all activities of the sector, taking into consideration their particular vulnerability and their higher unemployment rates. While the sector has successfully ensured that youth and women are the primary groups benefitting from skills training, further emphasis is needed to increase their access to income

and employment, notably through support to business start-up and development schemes as well as work-based learning programmes. For women, a particular focus will be the provision of targeted support to female-headed households. The sector will be working with key agencies on gender-transformative approaches to strengthen women's engagement in non-traditional sectors when feasible.

ENVIRONMENT

The Livelihoods sector will continue to support environmental protection through the implementation of labour-intensive interventions, such as forest management and reforestation projects, land restoration activities (e.g. restoration of terraces), water conservation measures (e.g. shallow ponds for conserving soil moisture, re-building of stone weirs) and litter-cleaning campaigns (along waterways and roadsides).⁴⁰ The Environmental Task Force highlighted the need for sector partners to ensure that labour-intensive activities include control mechanisms to ensure that they remain in line with environmentally approved plans. The sector will work with the Environment Task Force at MoE on how partners can put such mechanisms in place.

COVID-19

Given the persistent impact of the COVID-19 outbreak on the implementation of activities, the sector will continue to ensure the provision of services through both in-person and remote modalities. In case there is a resurgence of COVID-19 in 2022, partners will need to shift to online modalities. Physical activities will need to be minimal and mostly relate to necessary practice and on-the-job training and labour-intensive activities such as construction, agriculture and environment (in line with the LCRP Business Continuity plan). In case of new mobility constraints, partners should continue to provide wages through labour-intensive activities, such as cash-for-work, as these are an important lifeline in ensuring income for vulnerable populations.

³⁹ Align planning with the 3RP guidance note on Conflict-Sensitive Programming (Guidance Note): [HERE](#)

⁴⁰ Sector activities will be in line with applicable laws and regulations by MoA and Ministry of Environment (MoE), especially with regards to forest management activities.

Total sector needs and targets:

Population Cohorts	Total Population	Total Population in Need	Total Population Targeted	Total Population Targeted			
				# Women	% Women	# Men	% Men
Lebanese	3,864,296	138,399	121,378	61,863	51%	59,437	49%
Displaced Syrians	1,500,000	109,409	109,240	55,677	51%	53,493	49%
Palestinian refugee from Syria	27,700	5,454	3,641	1,857	51%	1,784	49%
Palestine refugee in Lebanon	180,000	12,943	8,496	4,333	51%	4,163	49%
GRAND TOTAL	5,571,996	266,205	242,755	123,805	51%	118,874	49%

Type of Institutions	Total Targeted
MSMEs	4,500
Ministries (MoSA, MoET, MoL, MOInd, MoA, MEHE)	6



Women are taught skills such as soap making in order have a living income.

UN Women /Daleel Tadamon December 2021

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

INDICATOR 1A	DESCRIPTION	MEANS OF VERIFICATION	UNIT	FREQUENCY
# total number of decent job created and/or maintained (30 % created and 70% maintained)	"New jobs created in supported Lebanese nano, MSMEs - Businesses and cooperatives who have hired new employees since the support was provided. Jobs maintained in supported Lebanese MSMEs - For nano and micro-businesses, it can be considered that any support provided helps the nano and micro-business to maintain the jobs in this business = the #employees of the micro-businesses they support as well as self-employed individuals (for micro-finance support). For SMEs this should be asked as part of the follow up underlined above."	Project reports from partners based on follow up individually (by phone or through visit) with all supported businesses after the support (grant, training) has been provided , 3 to 6 months after the support to the business ended.	Jobs	Quarterly

TOTAL

Baseline	Result 2021	Target 2022
494	13,109	16,000



Lebanese



Displaced Syrians



Palestinian Refugees from Syria (PRS)



Palestine Refugees in Lebanon (PRL)

Baseline	Result 2021	Target 2022									
N/A	N/A	8,000	N/A	N/A	7,200	N/A	N/A	240	N/A	N/A	560

INDICATOR 1B	DESCRIPTION	MEANS OF VERIFICATION	UNIT	FREQUENCY
# target Lebanese MSMEs and cooperatives that report increased performance and expanded market access (new clients, contracts, market access) as a result of programme activities	Supported Lebanese MSMEs and cooperatives who report increasing profitability / production / expanded market access (new contracts, clients, market) 6 months after receiving support	Project reports from partners based on follow up monitoring to supported Lebanese MSMEs, Activity Info	Businesses	Bi-yearly

TOTAL

Baseline	Result 2021	Target 2022
N/A	714	2,700

Micro-businesses			Nano-businesses			Social Entreprises		
Baseline	Result 2021	Target 2022	Baseline	Result 2021	Target 2022	Baseline	Result 2021	Target 2022
N/A	N/A	405	N/A	N/A	405	N/A	N/A	108

SMEs			Start-ups			Cooperatives		
Baseline	Result 2021	Target 2022	Baseline	Result 2021	Target 2022	Baseline	Result 2021	Target 2022
N/A	N/A	540	N/A	N/A	270	N/A	N/A	972

OUTCOME 2: Improve workforce employability

INDICATOR 2A	DESCRIPTION	MEANS OF VERIFICATION	UNIT	FREQUENCY
"# of job seekers placed into jobs (at least 50% women). % of women among job seekers placed into jobs."	Job seekers placed into jobs (at least 50% women)	Activity Info	Individuals	Monthly

TOTAL

Baseline	Result 2021	Target 2022
N/A	1,223	2,000

 Lebanese			 Displaced Syrians			 Palestinian Refugees from Syria (PRS)			 Palestine Refugees in Lebanon (PRL)		
Baseline	Result 2021	Target 2022	Baseline	Result 2021	Target 2022	Baseline	Result 2021	Target 2022	Baseline	Result 2021	Target 2022
N/A	N/A	1,000	N/A	N/A	900	N/A	N/A	30	N/A	N/A	70

INDICATOR 2B	DESCRIPTION	MEANS OF VERIFICATION	UNIT	FREQUENCY
"# targeted vulnerable men and women engaged in home-based income generation (at least 50% women) % of women among vulnerable persons engaged in home based income generation."	Individuals using the skills gained in trainings for activities at home	Activity Info	Indiv	monthly

TOTAL

Baseline	Result 2021	Target 2022
N/A	1,721	2,000

 Lebanese			 Displaced Syrians			 Palestinian Refugees from Syria (PRS)			 Palestine Refugees in Lebanon (PRL)		
Baseline	Result 2021	Target 2022	Baseline	Result 2021	Target 2022	Baseline	Result 2021	Target 2022	Baseline	Result 2021	Target 2022
N/A	N/A	1,000	N/A	N/A	900	N/A	N/A	30	N/A	N/A	70

OUTCOME 3: Strengthen policy development and enable environment for job creation

INDICATOR 3A	DESCRIPTION	MEANS OF VERIFICATION	UNIT	FREQUENCY
# of policies, regulations and strategies amended and/or proposed approved by the Government	Decree, regulation, policy and strategy in place to support livelihoods, job creation, MSMEs or business eco-system	Official Gazettes Official documents from GoL and partners report	Document	Quarterly

TOTAL

Baseline	Result 2021	Target 2022
7	N/A	N/A

INDICATOR 3B	DESCRIPTION	MEANS OF VERIFICATION	UNIT	FREQUENCY
Increase in ranking of Doing Business (World Bank)	Doing Business provides objective measures of business regulations (and their enforcement) and enables investors and entrepreneurs to assess the quality of a country's business environment	World Bank Doing business ranking	Rank	Annually

Institution

Baseline	Result 2021	Target 2022
126TH	N/A	N/A