



# National Livelihoods working group meeting

May 11, 2023

# Agenda



- Wave XV of the ARK perception survey – UNDP (30 minutes)
- Wave 7 wage monitoring report – UNDP (15 minutes)
- Contextual Analysis of Decent Work Conditions in Lebanon – DRC (15 minutes)
- Online training on decent work and local resource-based technologies – ILO (15 minutes)
- DoT trust (15 minutes)
- Q1 results – what do the numbers tell us and resulting thematic discussions
- AoB (please let me know if you have any points you wish to discuss under AoB)



# Tension Monitoring System Sectoral Overview | Livelihoods

UNDP Lebanon

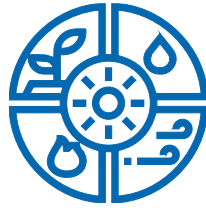
# Five key trends – May 2023

1.



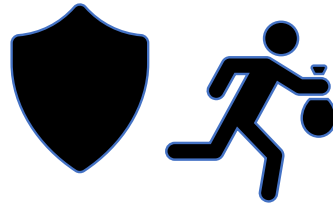
**Increasing inter-communal tensions and scapegoating of displaced Syrians**

2.



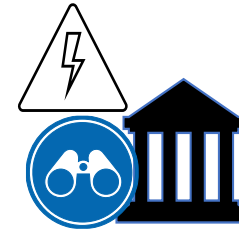
**Tensions and incidents related to access to goods, cash and services**

3.



**High community insecurity and increasing desperation crimes**

4.



**Improved intra-Lebanese negative relations however, coupled with increased distrust and vertical incidents**

5.

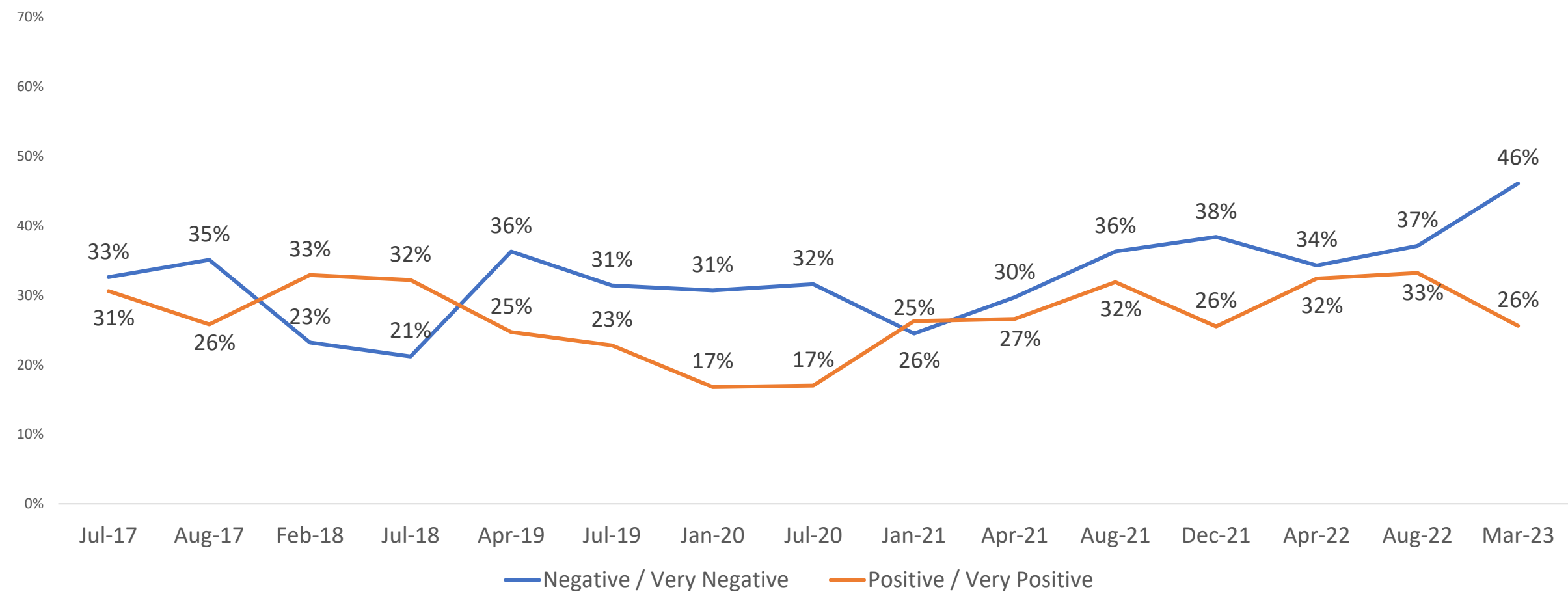


**Preoccupation with survival**

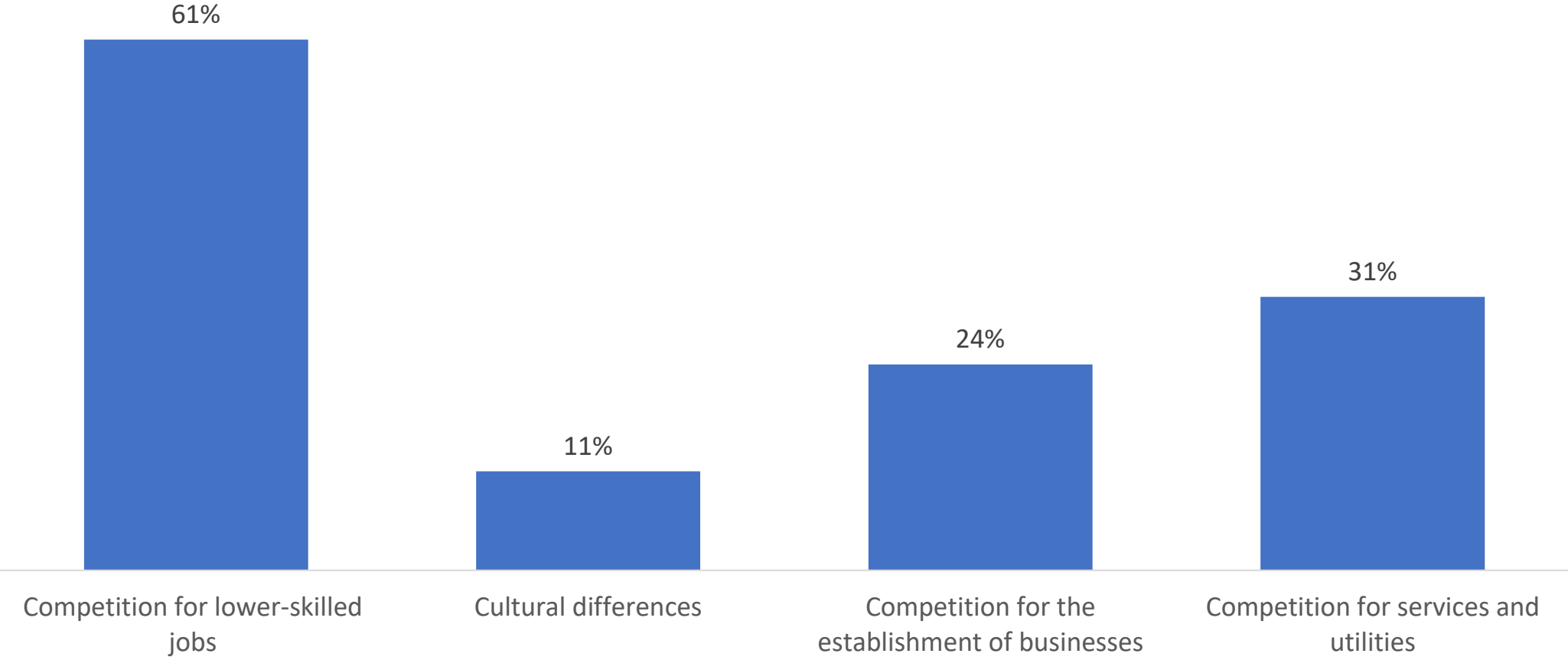
Increasing inter-communal tensions and  
scapegoating of displaced Syrians

# Inter-communal relations are at their lowest point

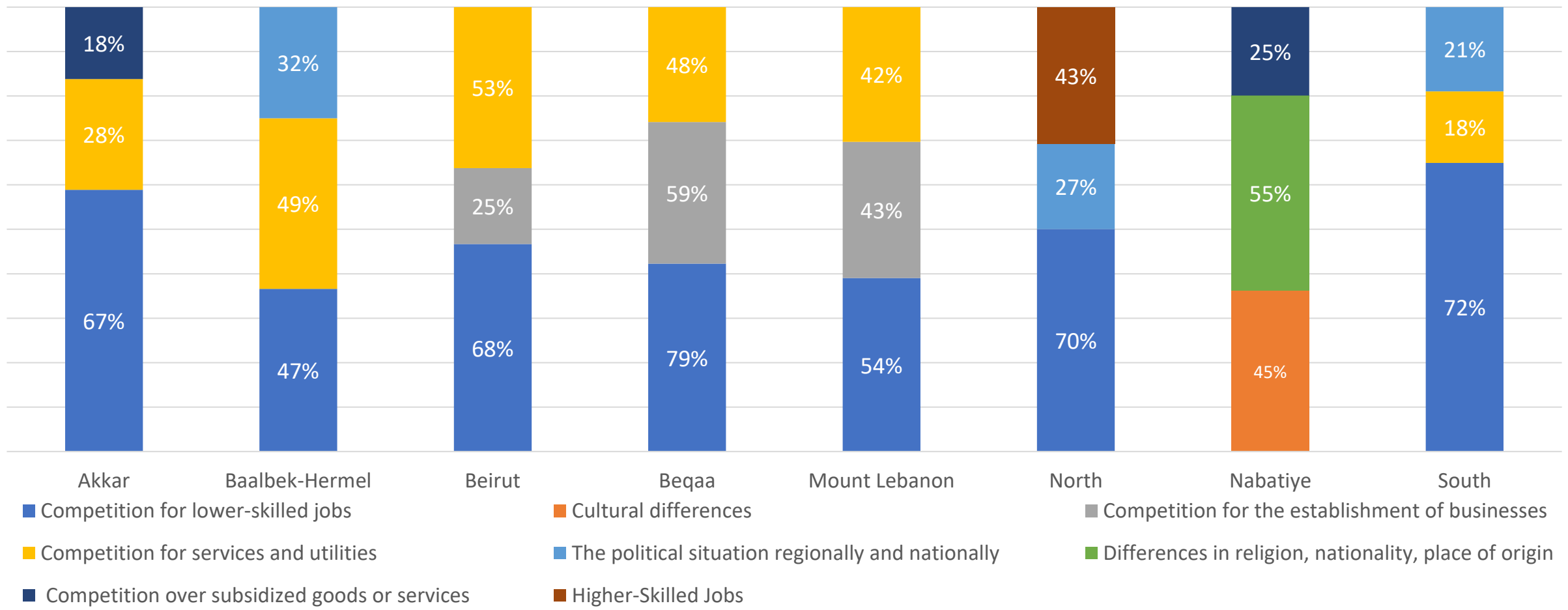
And how would you describe current relations between Lebanese and Syrians who live in this area? Would you say they are positive or negative?



# Competition over lower-skilled jobs remains the primary driver of inter-communal tensions

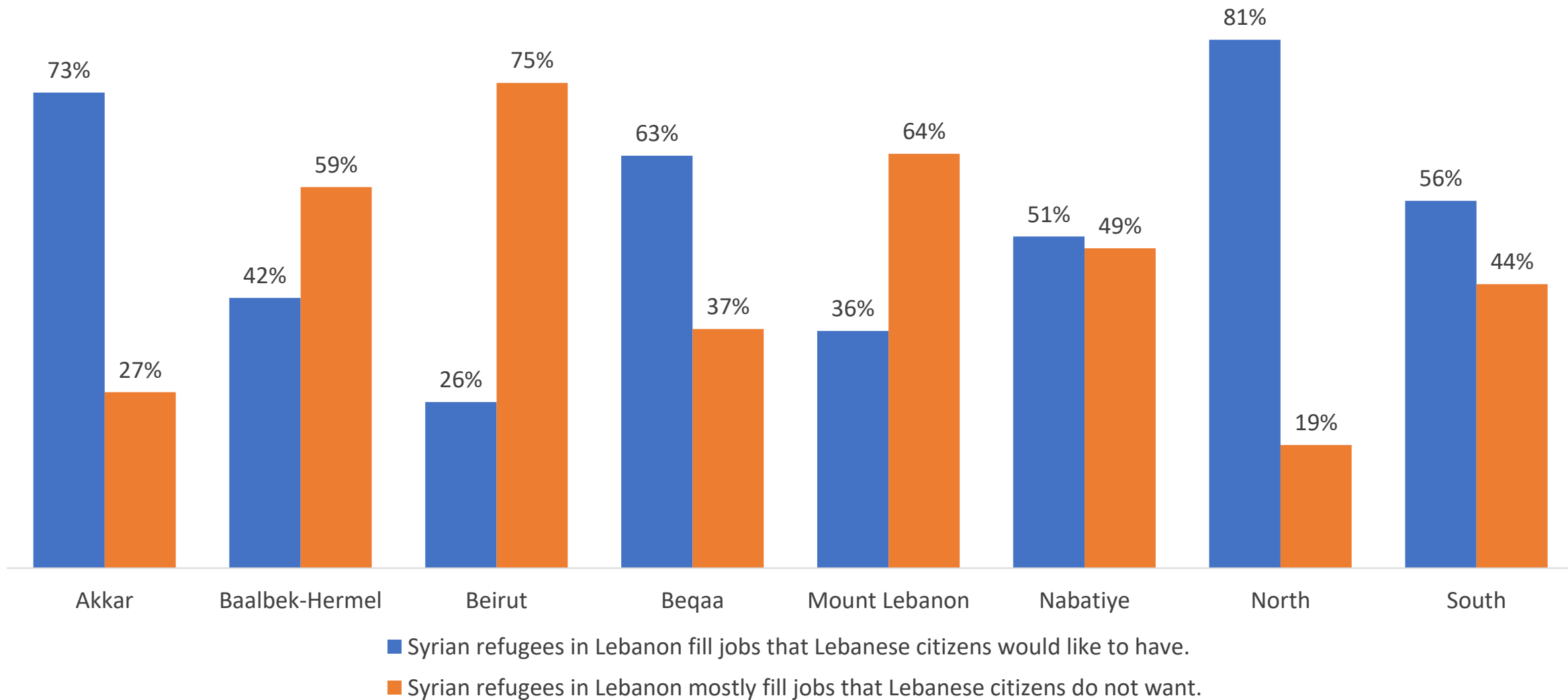


# Bekaa, South and North governorates have the highest levels of competition over lower-skilled jobs

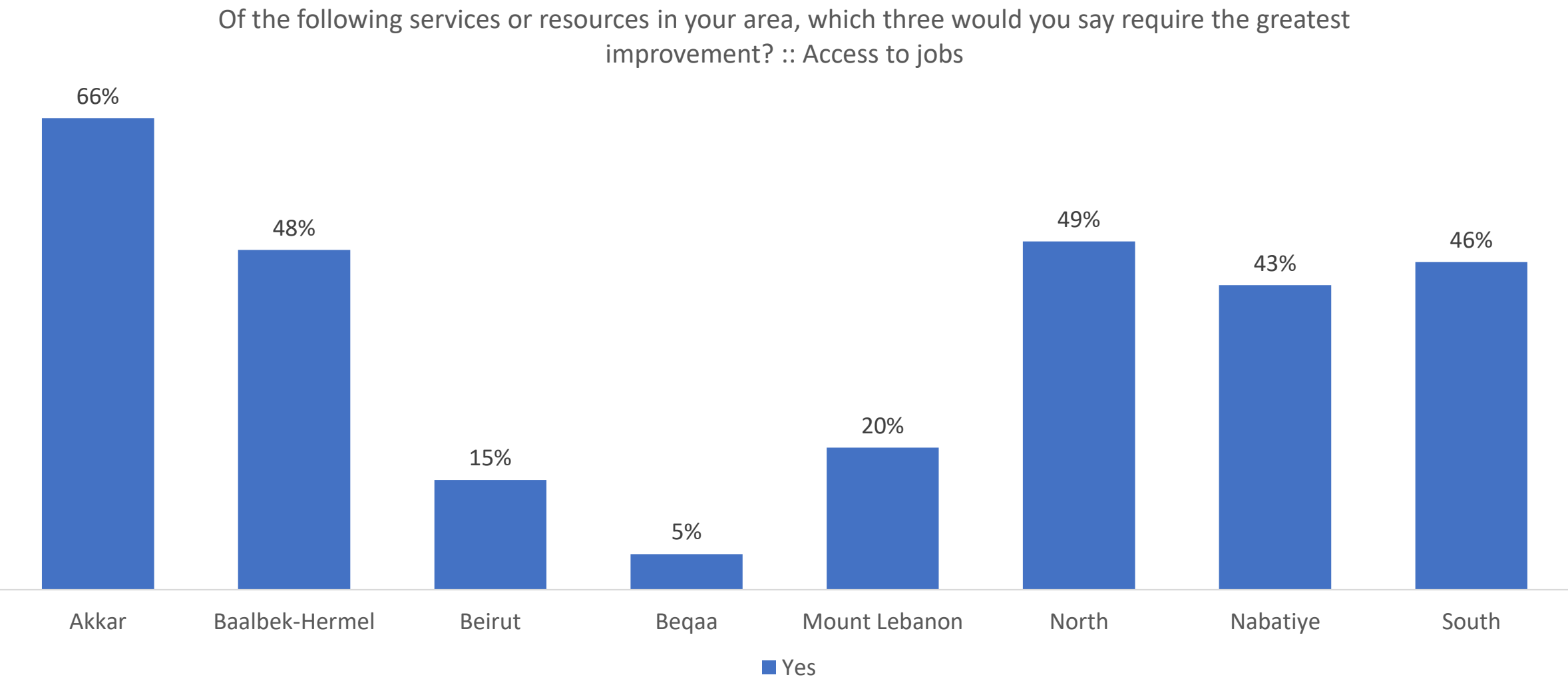




# Competition for jobs is particularly driving negative sentiments in Akkar, Bekaa, and the North

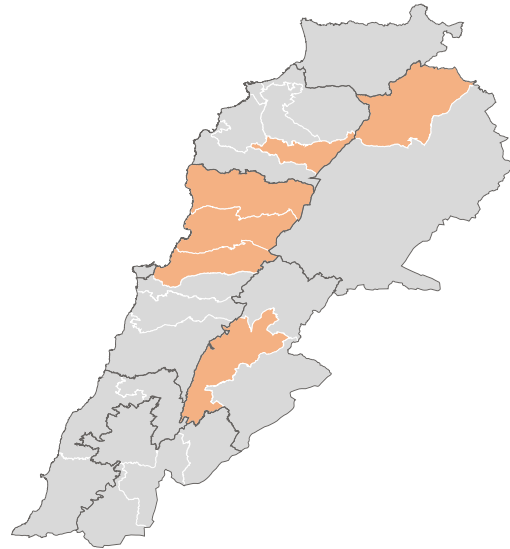
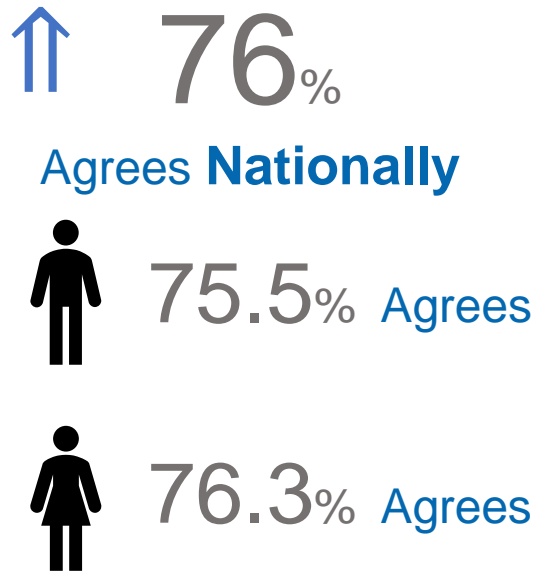


# Access to jobs as an area for improvement is most sought after in Akkar, North, South and Baalbek El-Hermel



# Increased agreement with targeted restrictions on refugees

*“When tensions are high, some restrictions on foreigners' movement or curfews can help keep this area safe”*



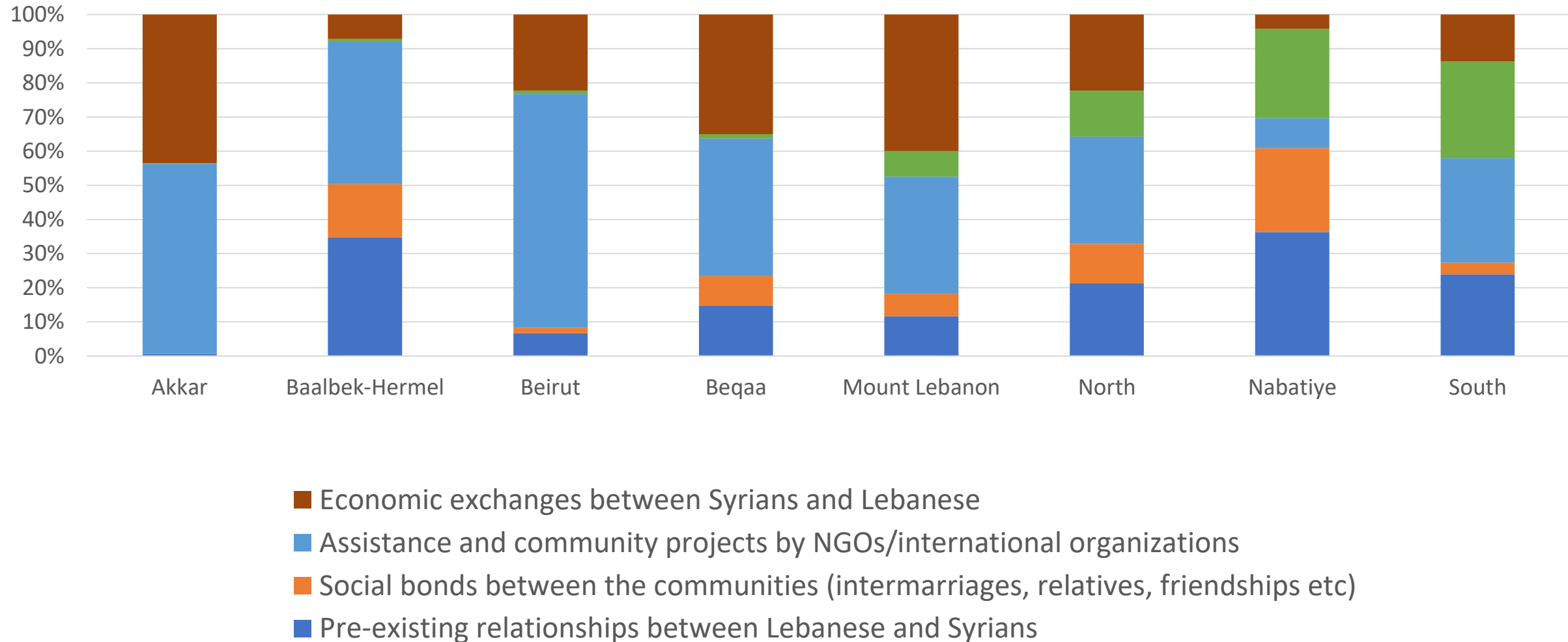
Highest in  
Hermel, West Bekaa, Metn,  
Bsharre, Jbeil, Keserwan

## Renewed wave of Labour-related measures

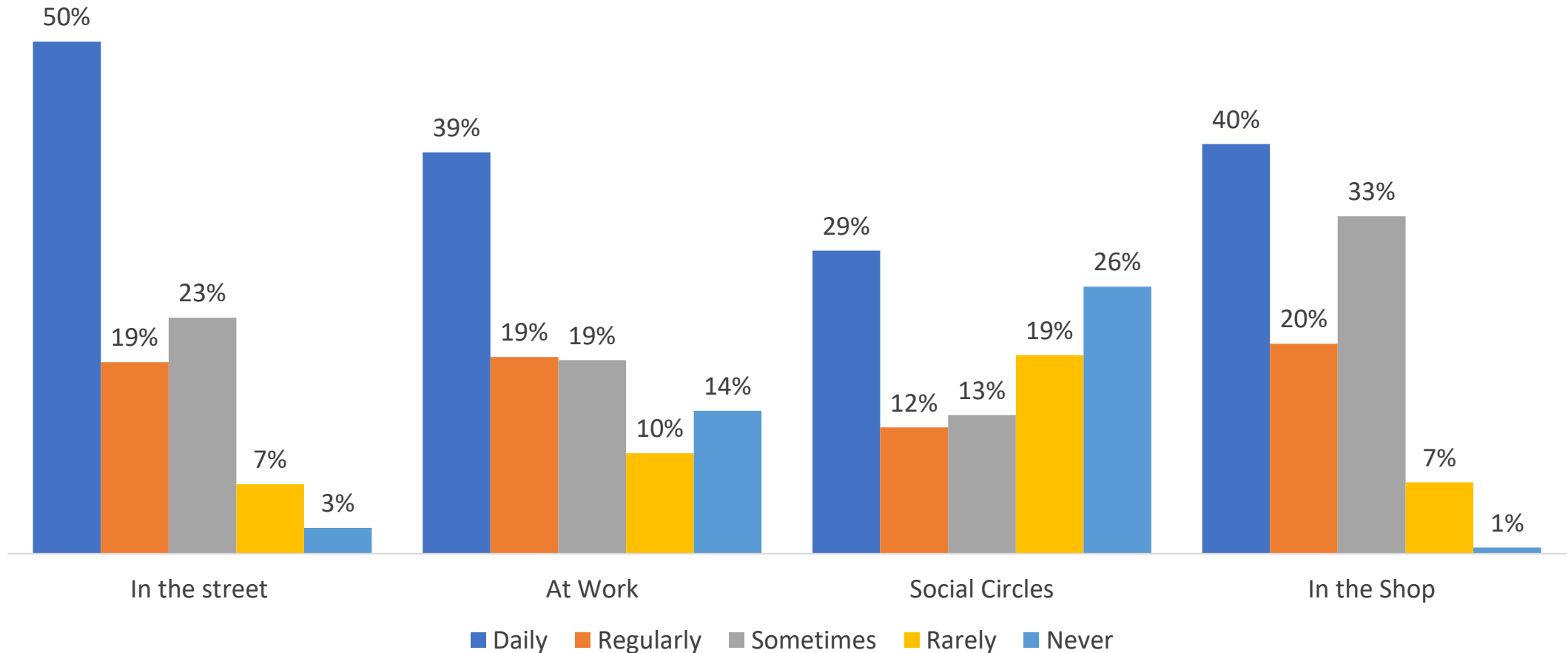
- **Restrictions on daily wages** – for example in Bqaatouta, Baskenta and Rmeich municipalities
- **Bans on kiosks and street vendors** - such as in Western Bekaa
- **Raids on shops** owned by or employing Syrians such as in North, Bekaa, BML and Saida
- **Circulars by Governors and municipalities to address illegal and informal labour**, holding employers and business owners the responsibility of ensuring coherence with legal procedures
- **Inter-Ministerial Committee Assigning Ministry of Labour to strictly monitor employment** within the permitted sectors and to follow up the implementation of the decisions of the Committee

# Economic exchanges and assistance is seen as key enablers to better relations between Syrians and Lebanese

And can you think of anything that might have facilitated good relations between Syrians and Lebanese in your area



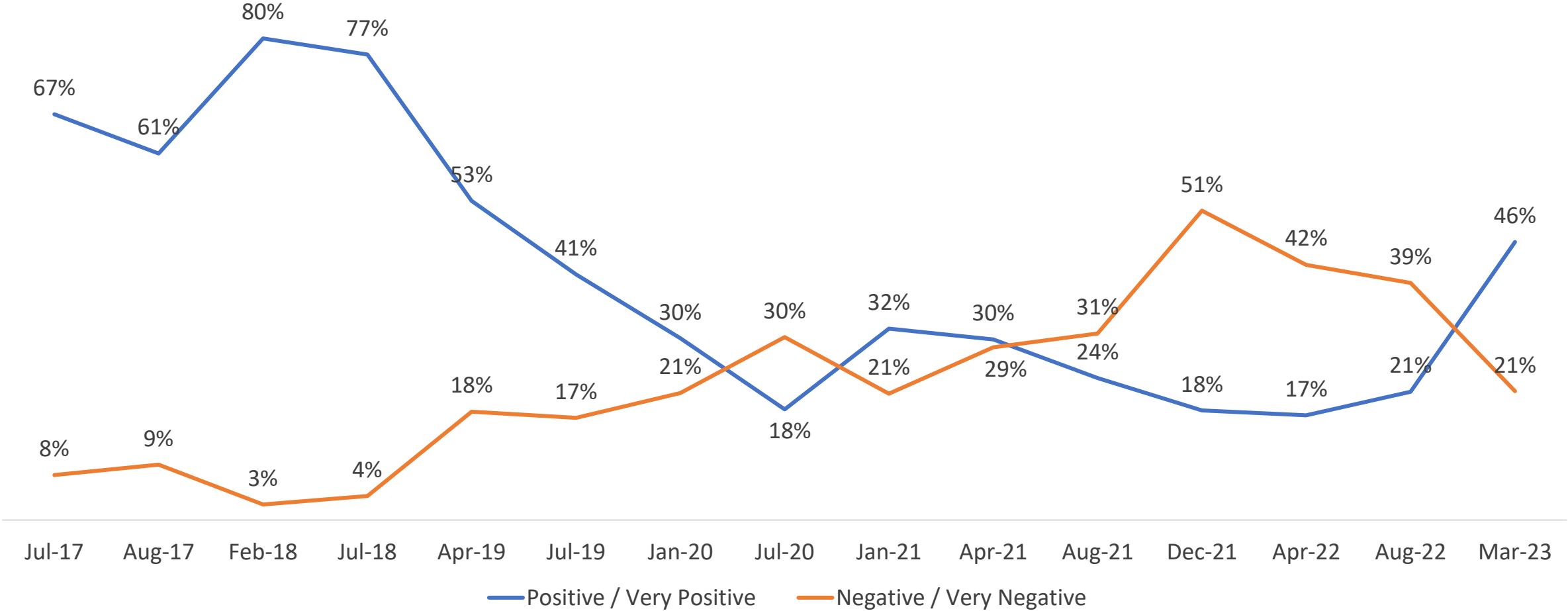
Interaction at work remains a highly important point of interaction between Syrian and Lebanese



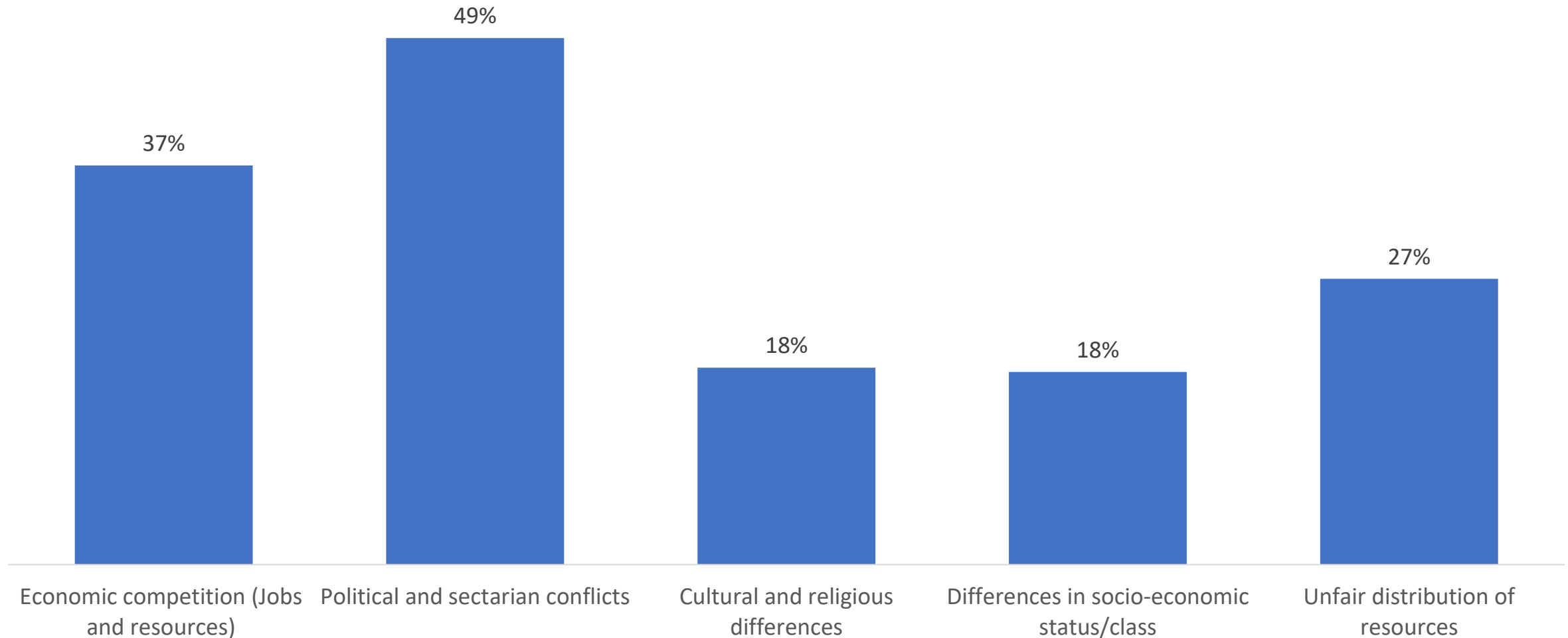
Improved intra-Lebanese but increased  
distrust in institutions and in vertical  
incidents

# Intra-communal relations have vastly improved at the individual level but remain volatile

And how would you describe current relations between different Lebanese groups who live in this area?"

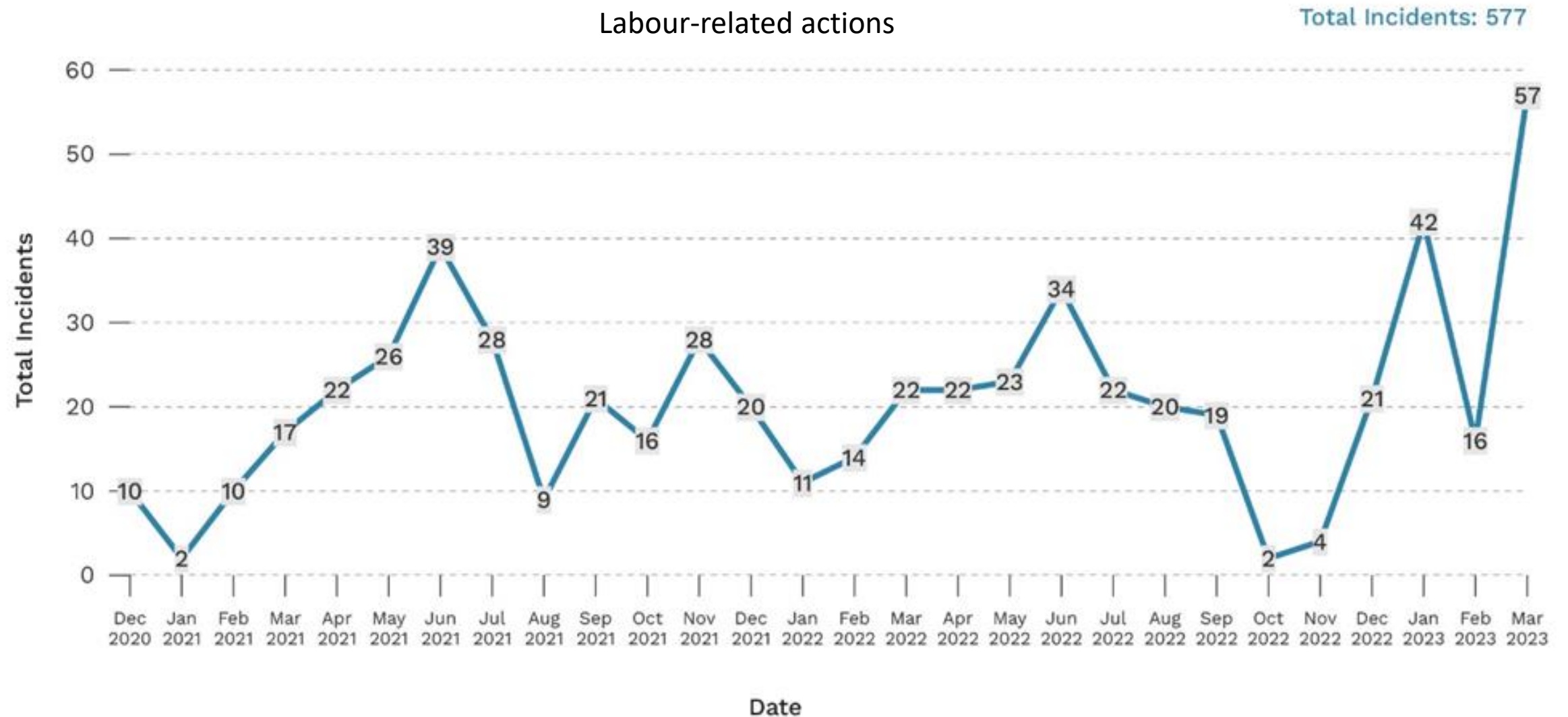


Economic competition and differences are increasingly driving intra-communal tensions



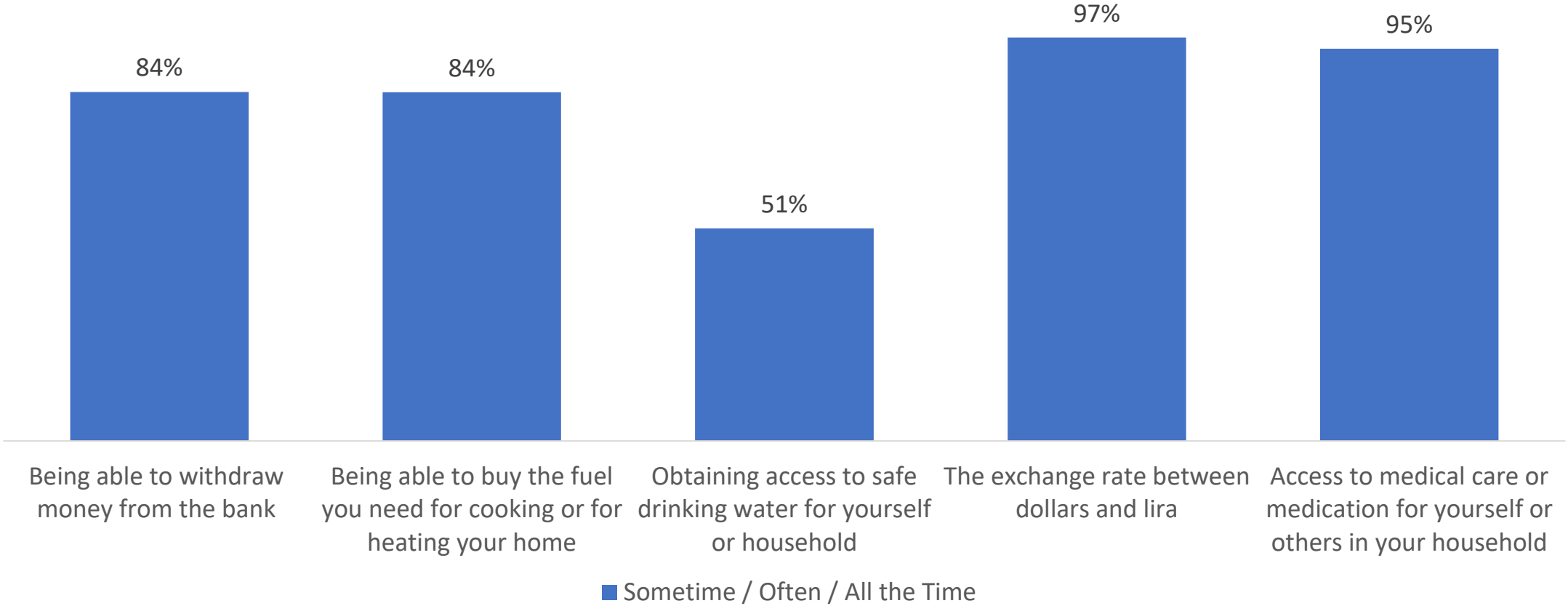


# Labour-related actions such as strikes and demonstrations on the rise in Q1 2023



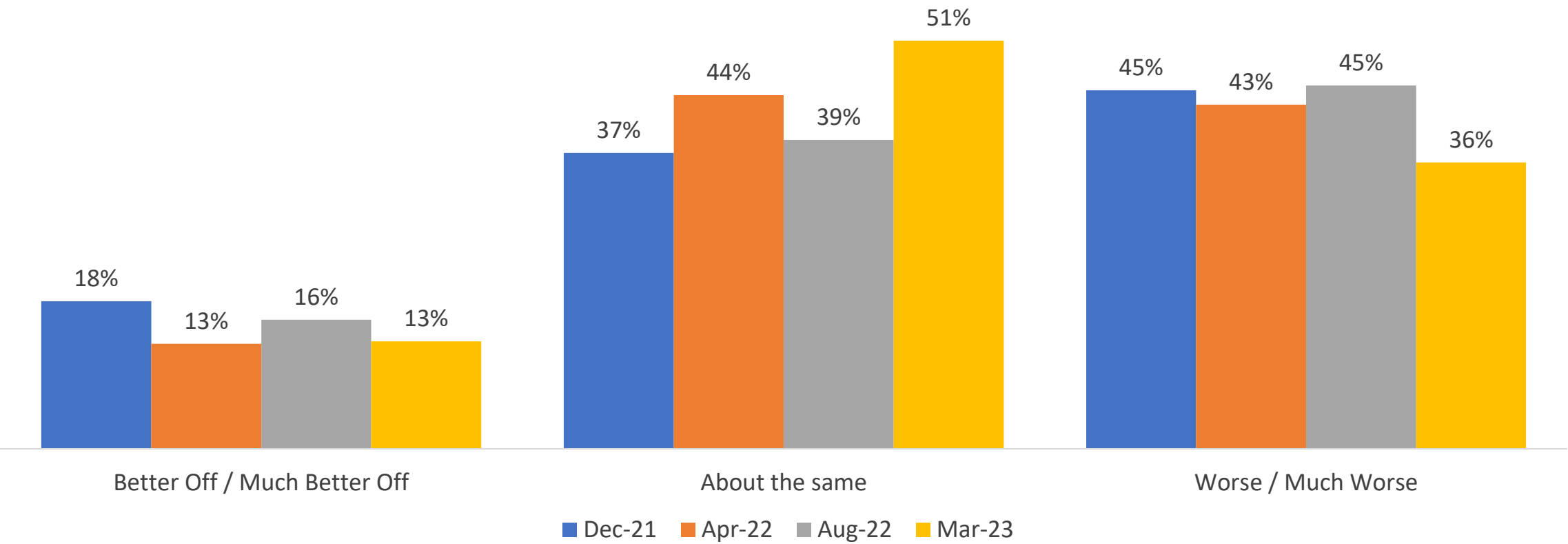
Preoccupation with survival

# People are highly worried about meeting their daily needs



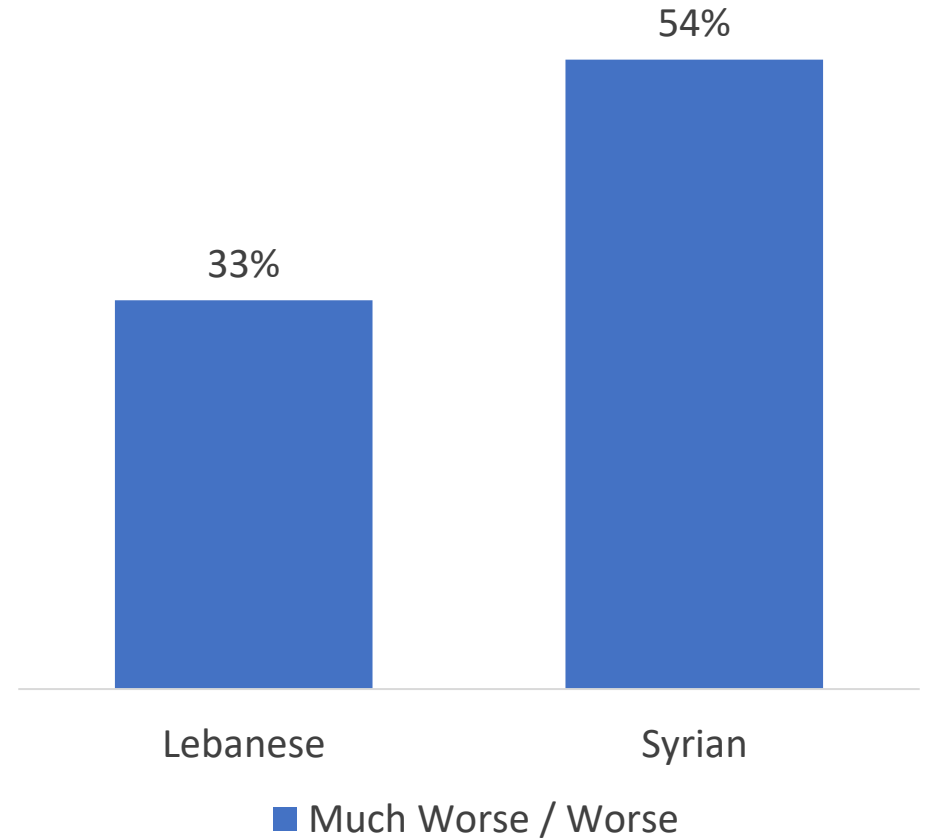
# More than a third of people describe their household situation as worse/much worse than their neighbors

Compared with your immediate neighbors, would you say that your household is generally much better off, better off, about average, worse or much worse?



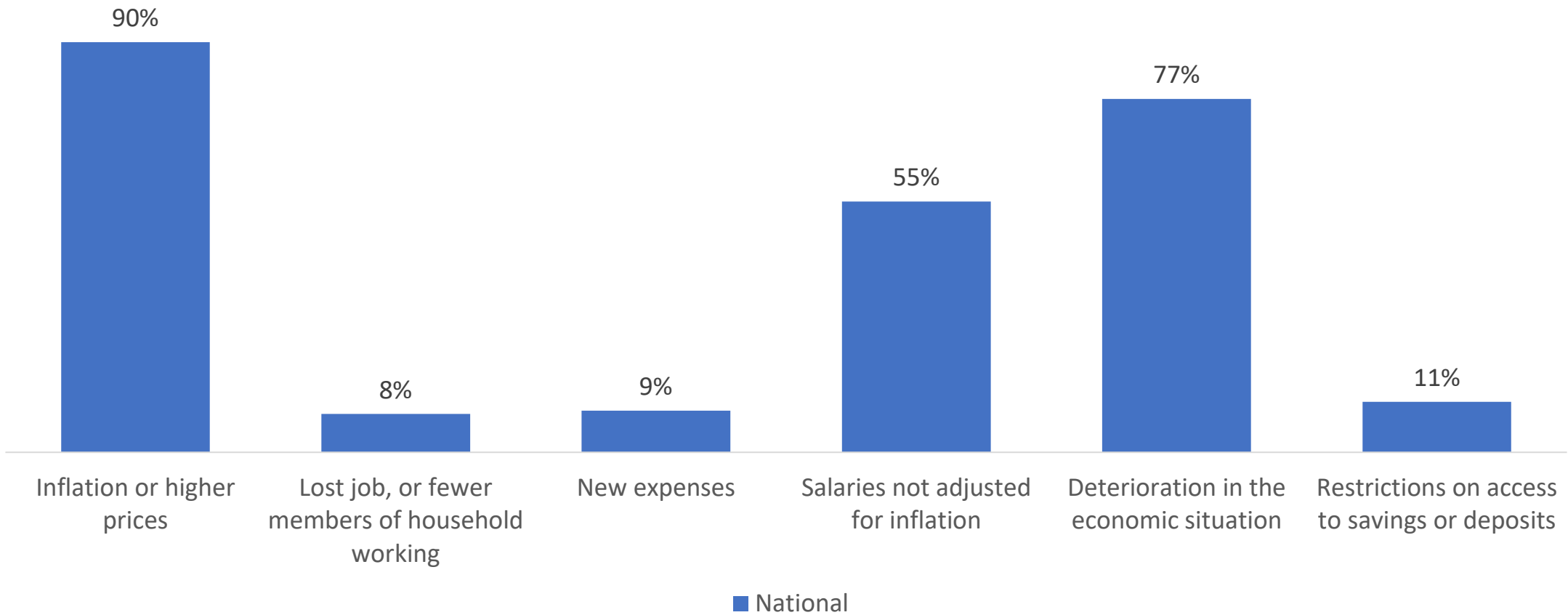
Perceived comparative vulnerabilities are higher amongst Syrians

- 54% of Syrians said they were worse off or much worse off than their immediate neighbors, compared to 33% of Lebanese
- Such negative perceptions are highest in Baalbek El- Hermel (54%) and South (50%).

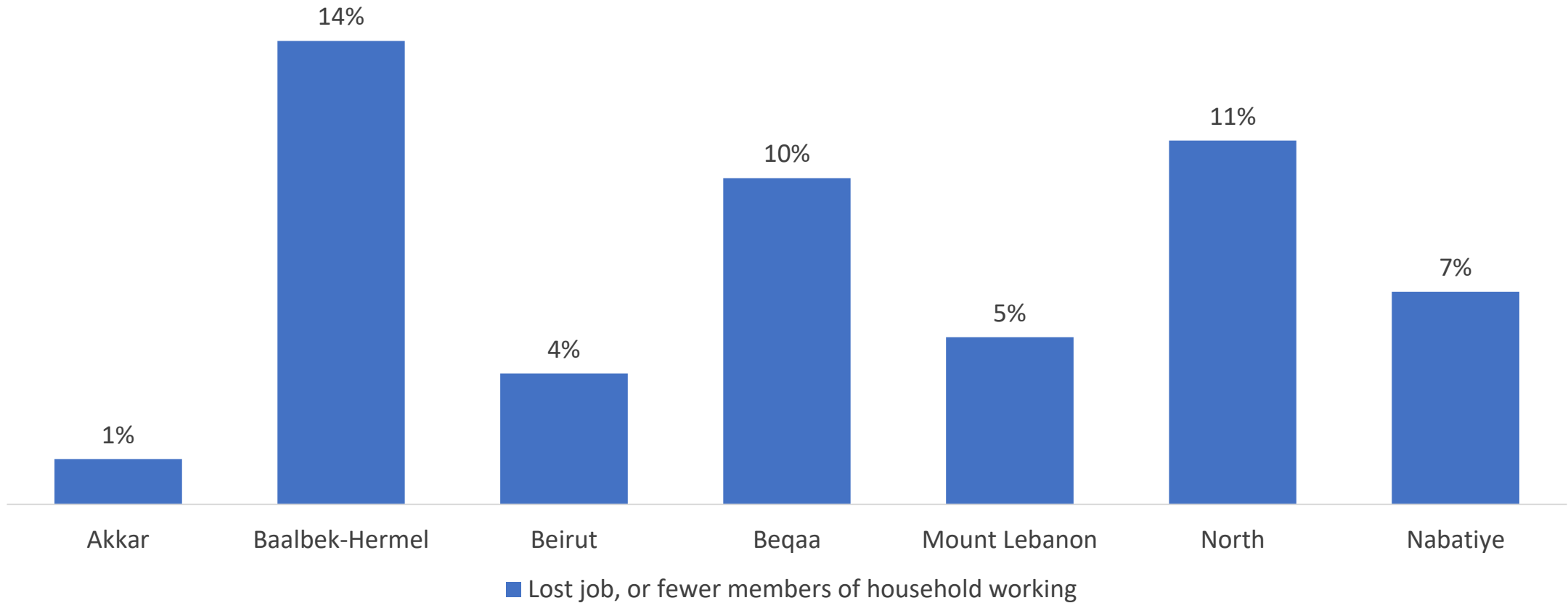


The two main contributing factors to the new hardship are the deteriorating economic situation and inflation / higher prices

*What has contributed to this new hardship?*

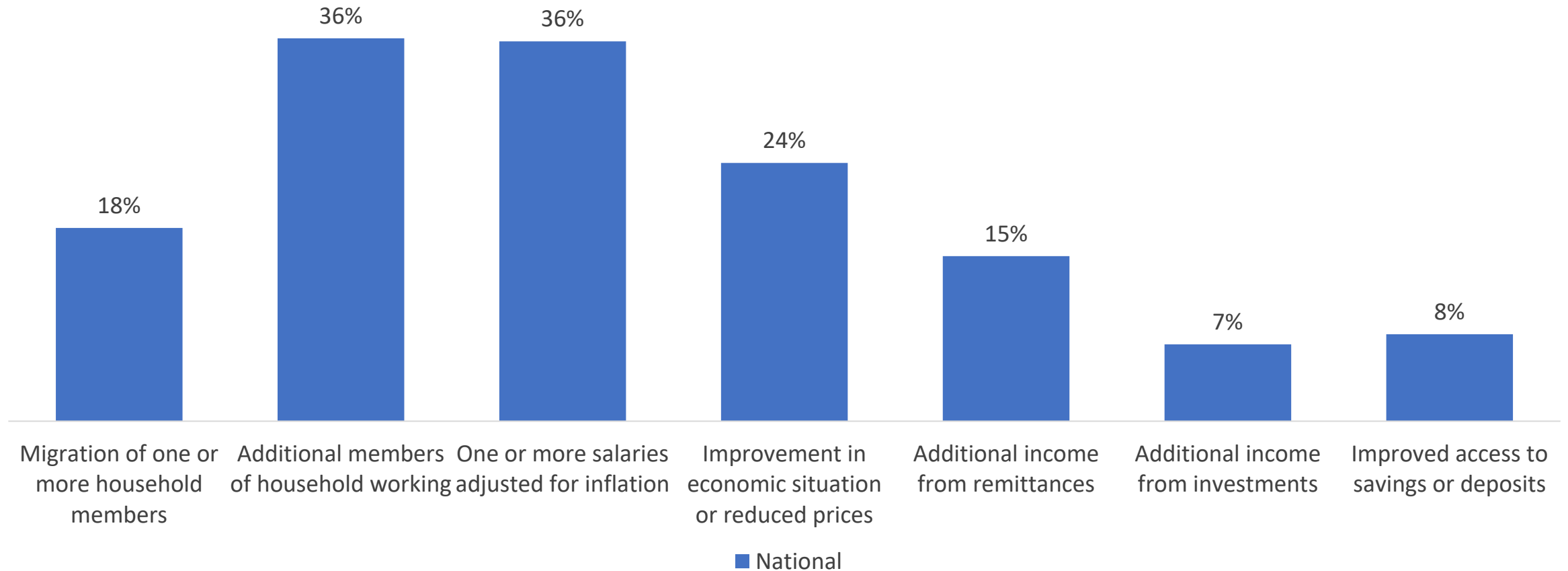


Those who have lost job, or fewer members of household working is highest in Baalbek El-Hermel, North and Bekaa



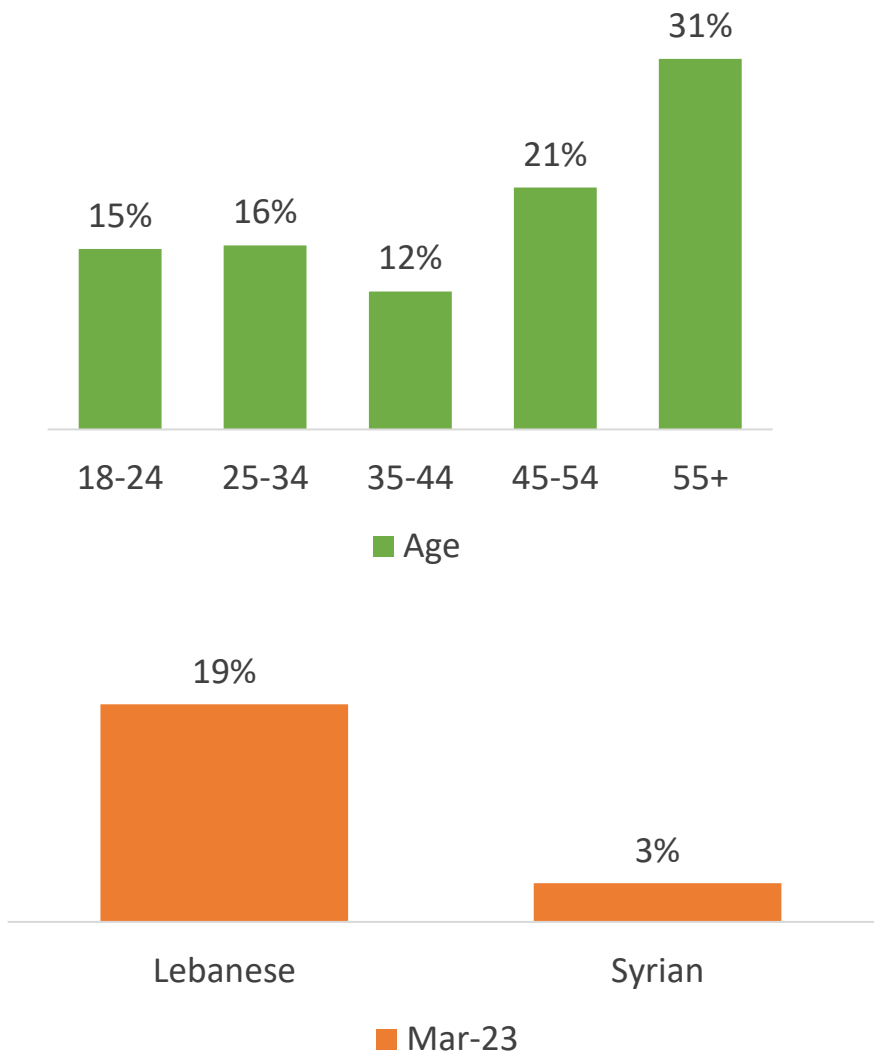
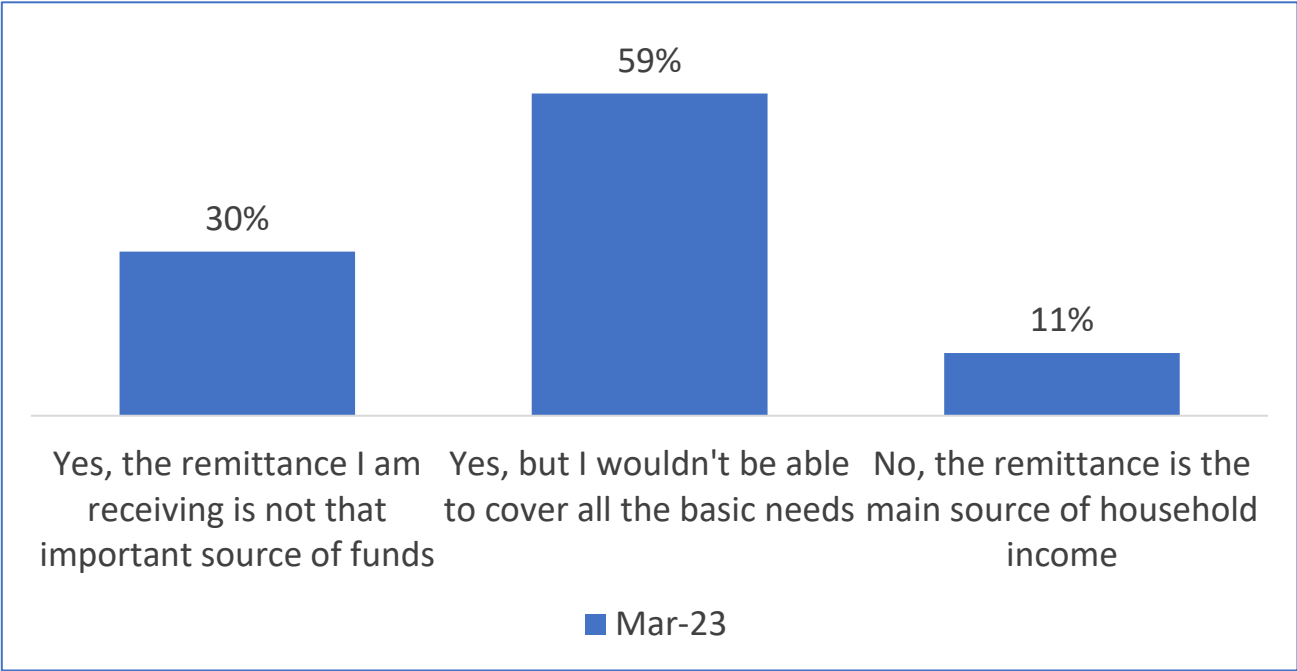
# Additional jobs and adjusted salaries are seen as two key enablers to improving the household situation

*Which of the following, if any, would you say have contributed to this improvement to how your household was doing?*





# High dependency on remittances to cover basic needs



# Perception Survey Dashboard

**Dashboard Link**

**<https://shorturl.at/dFNT7>**

Scan the QR Code





# Wave 7 wage monitoring report UNDP

# Wage Monitoring Survey

SEVENTH QUARTERLY REPORT



CONSULTATION & RESEARCH INSTITUTE  
مؤسسة البحوث والاستشارات

# OBJECTIVE AND SCOPE

# Objective

- In view of the volatility of the economic context, there is an urgent need to establish a more scientific approach of collecting data on wages to provide updated and accurate information to set relevant and compatible minimum wages in the CfW projects.
- The UNDP has charged CRI with conducting a periodic quarterly survey, with the objective of collecting information on the wage levels of daily unskilled workers in various economic sectors, targeting different regions and nationalities.

# Methodology

- The survey consists of seven wage monitoring waves: a baseline wave and six subsequent follow-up waves undertaken at three-month intervals. This presentation pertains to wave VII.
- Each wave consists of a qualitative and a quantitative component.
- The quantitative sample consists of 500 respondents distributed across sectors, regions, and gender according to agreed-upon quotas.
  - The same respondents who were interviewed during the baseline and second waves were re-interviewed during the third wave, with the exception of 14 respondents who had to be replaced: 5 were unreachable (number out of service), 2 became unemployed, 2 left the country, 1 moved districts, 1 moved to a sector that falls outside the scope of the survey, 1 stopped working after getting married, and 2 refused to participate.
  - These 14 attrition cases were replaced by respondents with similar gender, nationality, location, activity, and socio-economic characteristics.
- The qualitative component consists of 30 employers distributed across sectors and geographic locations.

# RESPONDENT PROFILE



# Sample distribution

	Agriculture	Agroindustry	Construction	Total
Total	211	91	198	500
Share of women	26%	60%	0%	
Beirut	0	1	39	40
Mount-Lebanon	54	16	45	115
Jbeil	12	3	5	20
Keserwan	4	3	12	19
Metn	6	3	10	19
Baabda	11	2	6	19
Aley	12	1	6	19
Chouf	9	4	6	19
North	52	25	38	115
Akkar	23	5	9	37
Minnieh-Donnieh	9	5	5	19
Tripoli	1	1	8	10
Zgharta	7	5	5	17
Bcharre	0	0	0	0
Koura	7	3	6	16
Batroun	5	6	5	16
South	56	24	35	115
Bint-Jbeil	9	5	4	18
Hasbayya	6	3	4	13
Nabatieh	5	3	7	15
Marjeyoun	10	2	3	15
Saida	8	2	6	16
Sour	9	4	6	19
Jezzine	9	5	5	19
Bekaa	49	25	41	115
Hermel	10	5	7	22
Baalbeck	10	3	7	20
Zahle	9	5	10	24
West Bekaa	10	5	8	23
Rachayya	10	7	9	26

- The original sample consisted of 200 agriculture workers, 200 construction workers, and 100 agroindustry workers.
- However, due to some workers moving among the three targeted sectors, the wave 7 sample includes: 211 agricultural workers, 198 construction workers, and 91 agroindustry workers.

# Socio-demographic profile

Indicator	Disaggregation	Value
Share of Lebanese workers within each sector	Agriculture	20%
	Agroindustry	70%
	Construction	20%
Household size	Lebanese	4.87
	Syrian	5.76
Average age (years)	Lebanese	38
	Syrian	33
Illiteracy rate	Male	6%
	Female	14%
Share with primary education or less	Lebanese	32%
	Syrian	64%
Share of main breadwinners	Male	91%
	Female	38%

WAGES

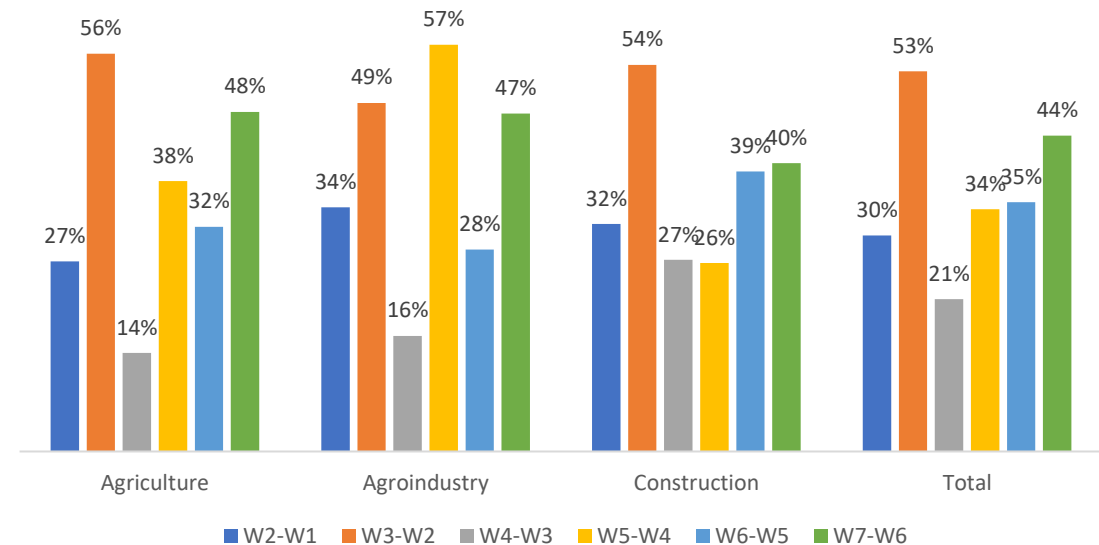
# Definitions

- The “going market rate” is the announced standard price based on employers and market sources.
- The “wage” is the amount actually earned by a worker as declared by the worker him/herself.
- In reality, many daily workers do not end up earning the “going market rate” for many reasons including: working less hours per day (females with families to take care of), receiving in-kind partial payment in the form of housing or agricultural produce, and variations in productivity which are reflected in the daily wage paid by the employer.

# Current and Pre-Crisis Daily Wage

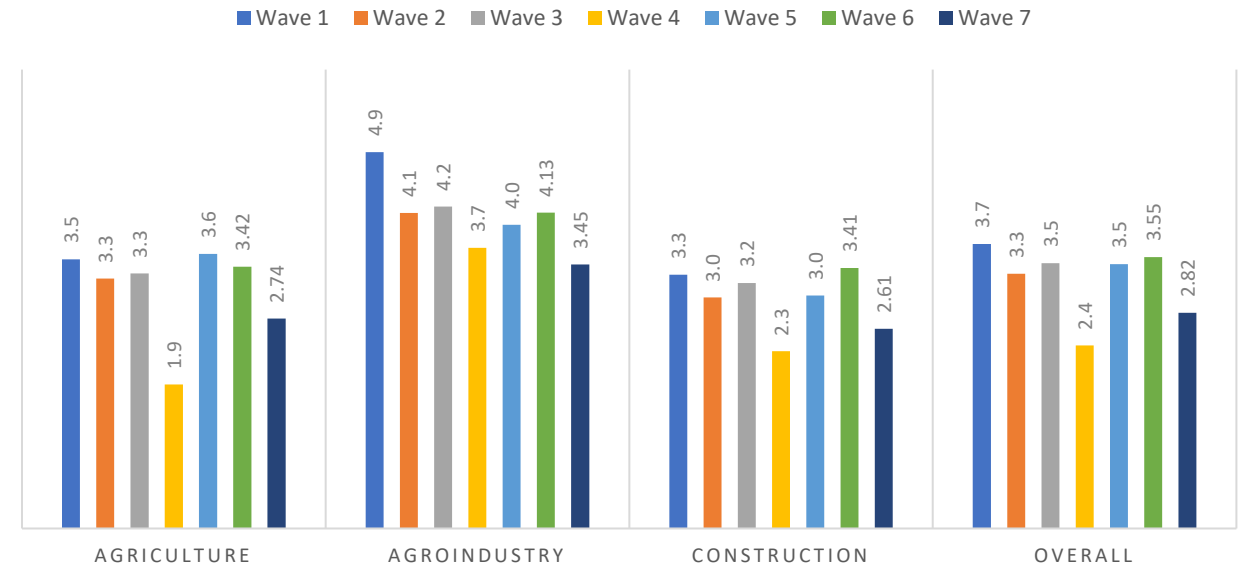
- The average current daily wage was around LBP 240,000 compared to LBP 166,000 in wave 6, LBP 123,000 in wave 5, LBP 92,000 in wave 4, LBP 76,000 in wave 3, LBP 49,000 in wave 2, and LBP 38,000 in wave 1. This amounts to a wage adjustment of 44%, a notable increase considering that only 2 months elapsed between waves 6 and 7.
- The gap between male and female wages remained at the stable 1.6 level recorded in all waves except for wave 4 (1.8) (LBP 261,660 for males and LBP 163,500 for females).
- Male workers of both nationalities earn a similar wage, but there is a wide difference in the daily wage of female Lebanese and female Syrian daily workers who earn LBP 213,000 per day and LBP 122,250 per day respectively.
- The North remains the region with the lowest wages across all sectors except for agroindustry in which the Bekaa pays lower wages. After falling to a low of 55% of overall average wages, wages in the North readjusted to their previous equilibrium of 80% of nationwide wages.

Quarterly increase in average current wages by sector



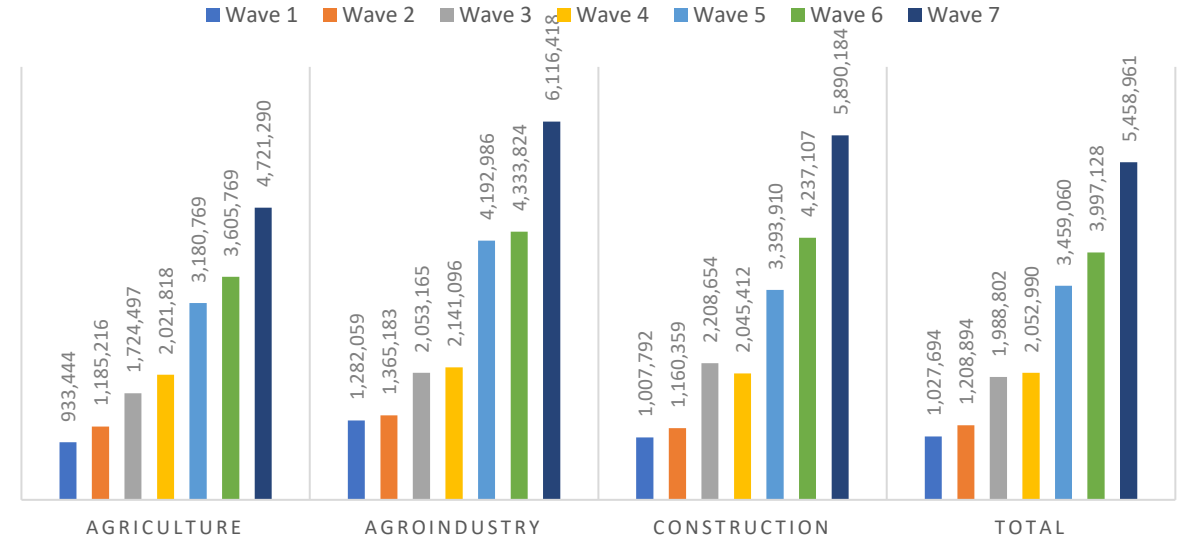
# Number of workdays per week

- Interviewed workers reported 2.8 work days per week, reflecting a significantly inferior level of activity compared to the 3.6 and 3.5 days recorded in the previous two waves, but still higher than the lowest recorded activity level of 2.4 work days per week recorded in February.
- The decrease in activity is somewhat worrisome as it may reflect additional economic slowdown as opposed to seasonal impacts. Indeed, if the overall average number of workdays per week (2.8) is compared to the average of 3.5 recorded in the equivalent wave of last year (wave 3), a 19% decrease in activity may be inferred.
- Female workers recorded a higher number of work days per week (3.3) than male workers (2.7), reflecting the higher level of activity in the agroindustry sector where they represent the majority of workers.



# Income and Perception of Wages

- Following a moderate increase in household income in wave 6 (16%), wave 7 records a significant increase in average household income (37%). This reflects the significant increase in current daily wages (44%) which outweighed the decrease in the number of average workdays per week.
- The average reported minimum necessary monthly income was around LBP 11.3 million, compared to LBP 9.9 million in wave 6, LBP 8 million in wave 5, i.e. an increase of 23% over the past three months (compared to 36% between waves 5 and 4).
- The ratio between the **minimum necessary** income and the **current** household income, dropped to a new all-time low of 2.1 in the current wave.



The **minimum** wage for which workers are willing to work (LBP 212,790) is slightly below the current wage (LBP 240,062).

# Employer Interviews

- Interviews were conducted with 30 employers. These interviews were the source of the “going market rate” that employers declare is paid on average to various profiles of workers.
- Almost all employers reported a decrease in activity.
- In terms of employment profiles, the clear majority of workers in all three sectors seem to be Syrian nationals, with the share of Lebanese being slightly higher in agroindustry. Current trends do not show any shifts in the age, gender, or nationality composition of daily workers.
- Most employers acknowledged that workers were dissatisfied with the daily wage but stated that they were unable to pay higher wages, with most of them mentioning the rising cost of fuel which cripples the enterprise, in addition to the heavy cost of equipment, repair, and inputs.
- The overall average daily rate across sectors is LBP 306,354 (LBP 47,250 in wave 1, LBP 61,628 in wave 2 and LBP 98,152 in wave 3, LBP 107,422 in wave 4, LBP 148,163 in wave 5, LBP 212,876 in wave 6). Most employers predicted wage increases reaching around LBP 500 thousand on average, with some even suggesting daily wages reaching LBP 1 million.



# Determination of Daily Wage

# Calculation of the Proposed Wage

	Baseline	Endline	%
Exchange rate index	Jun-19	Average (Jun. 2022-Nov. 2022)	2158%
Food SMEB	Oct-19	Average (Apr. 2022-Sep. 2022)	1782%
Total CPI	Jun-19	Average (May. 2022-Oct. 2022)	1183%
Food CPI	Jun-19	Average (May. 2022-Oct. 2022)	1603%



Food SMEB is the proxy-variable that was adopted to estimate the increase of the “Average Daily Wage”

But the dynamics of the labour market were also taken into account in the calculations (e.g. impact of the economic crisis on labour demand and supply).

These dynamics were estimated through the “Market Wedge” (the difference in growth between the “going market rate” and the “average daily wage”).

# Calculation of the Proposed Wage

	Wave 1 - April 2021 (in LBP)			Wave 2 - July 2021 (in LBP)			Wave 3 - October 2021 (in LBP)			Wave 4 - February 2022 (in LBP)			Wave 5 - May 2022 (in LBP)			Wave 6 - Sept. 2022 (in LBP)			Wave 7 - Dec. 2022 (in LBP)		
	Pre-crisis	Apr-21	%	Pre-crisis	Jul-21	%	Pre-crisis	Oct-21	%	Pre-crisis	Feb-22	%	Pre-crisis	May-22	%	Pre-crisis	Sep-22	%	Pre-crisis	Dec-22	%
Going Market Rate	32,786	47,250	44.1%	32,786	61,628	88.0%	32,786	98,152	199.4%	32,786	107,422	227.6%	32,786	148,163	351.9%	32,786	212,876	549.3%	32,786	306,354	834.4%
Average daily wage	28,638	37,970	32.6%	28,638	49,460	72.7%	28,638	75,846	164.8%	28,638	92,030	221.4%	28,638	123,282	330.5%	28,638	166,366	480.9%	28,638	240,062	738.3%
Market Wedge			-11.5%			-15.3%			-34.5%			-6.3%			-21.4%			-68.4%			-96.1%
Food SMEB			282.1%			419.7%			678.2%			1072.8%			1356.2%			1527.0%			1782.2%
Food SMEB – Market Wedge			270.6%			404.5%			643.7%			1066.5%			1334.8%			1458.6%			1686.0%
Proposed average daily wage	28,638	<b>106,133</b>	270.6%	28,638	<b>144,468</b>	404.5%	28,638	<b>212,984</b>	643.7%	28,638	<b>334,055</b>	1066.5%	28,638	<b>410,894</b>	1334.8%	28,638	<b>446,357</b>	1458.6%	28,638	<b>511,489</b>	1686.0%



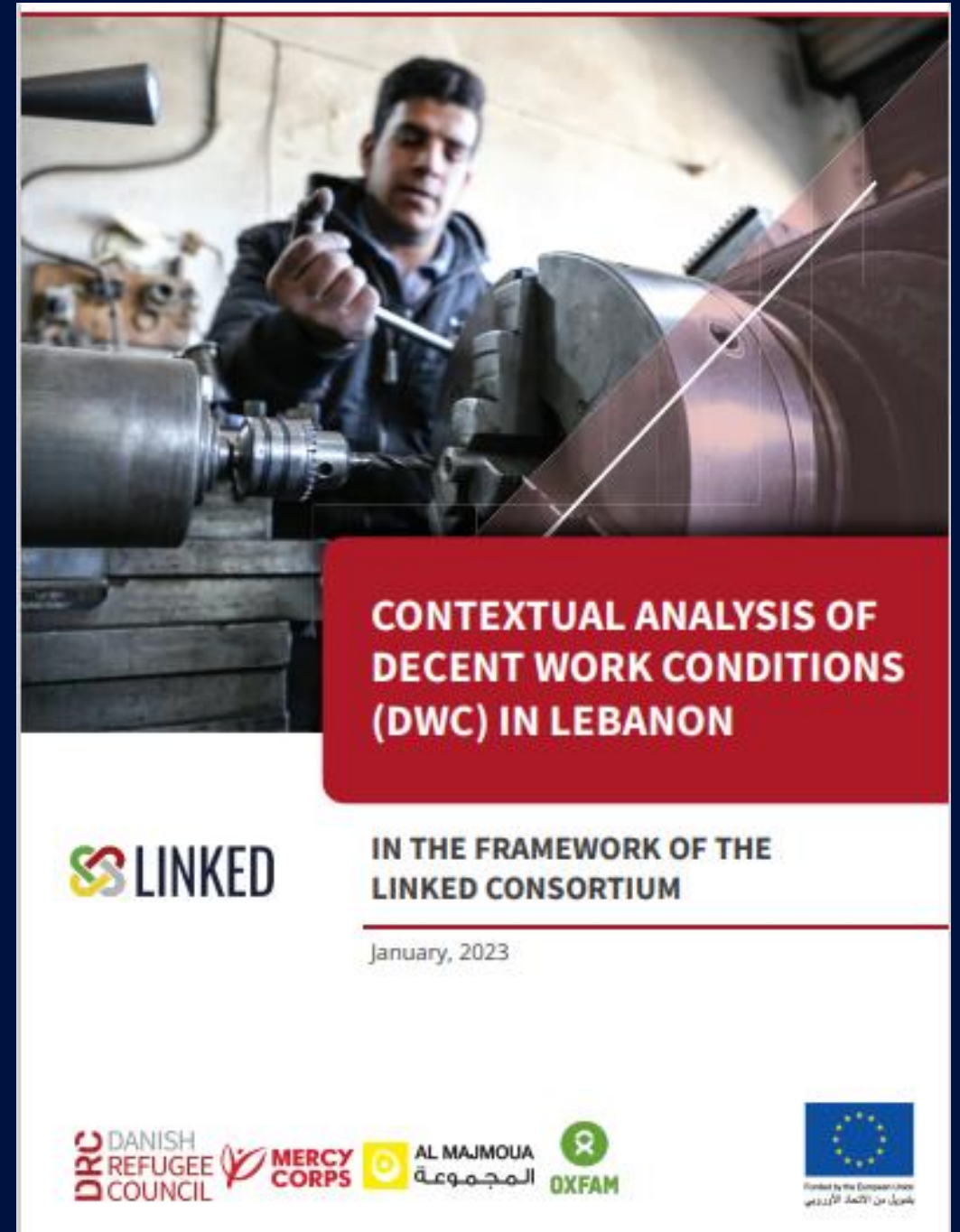


# Contextual Analysis of Decent Work Conditions in Lebanon – DRC



# Decent Working Conditions

Challenges and Recommendations



# Methodology

- The contextual analysis of DWC presented in this paper was carried out between 19 October and 16 December, 2022, in an effort to improve the understanding of DWC in the Lebanese context through reflection on the impact of crises experienced since October 2019
- **Objectives:**
  - *Assess the situation and changes in DWC practices in Lebanon in order to create a better understanding of the context, challenges, and gaps, including the perspectives of business owners, employees and job seekers.*
  - *Assess the impact of the LINKED project to DWC with a particular focus on businesses.*
- 6 KIIs conducted with consortium partners, My Work, My Rights, Livelihoods Sector and ILO
- 9 FGDs with business owners and job seekers; 3 in each respective location

# Challenges Affecting MSMEs

- **Businesses are in “survival mode”**; coping by shutting down their businesses, reduce working hours/shifts/wages to accommodate loss in revenue including purposefully not registering employees in the NSSF.
- Perception is that DWC is **costly**, while employers could not be aware of low or no-cost changes to improve it
- **Access to markets** acts as a major hurdle – some need support accessing local markets while others seek support in accessing international/export markets
- Business owners struggle to meet their own **household needs**
- **Bureaucratic challenges** to employers seeking to register employees in **NSSF** and incentives to do so



# Challenges Jobseekers

- **People will seek any opportunity** to generate income regardless of conditions, such as hazardous work or sending children to work
- **Wage decrease** linked to rise of undeclared/informal work, and job loss due to **shift from full-time to part-time**
- **Discrimination** especially based on nationality and competition for jobs even at lower salary
- **Low job retention**: employees searching for opportunities that pay more, or in USD, or are unhappy with working conditions
- **Power imbalance**: less bargaining power of employees and therefore less ability to speak up or demand for better conditions
- Perception of **corruption** or discrimination as job vacancies are posted despite candidates having been pre-selected, and a lack of transparency in the hiring process

# Interesting Findings

- Business owners reported that when **unable to offer better wages to employees**, in some cases they **offered other benefits** such as bonuses, annual leave, transportation subsidies, school fee assistance...etc.
- Lebanese workers for international companies are offered lower packages compared to pre-crisis levels, and lower than their international counterparts (ironically similar to Syrians working for Lebanese companies)
- **Mental health challenges** due to lack of MHPSS support acted as a barrier to work for employees, especially after the Blast
- Women are among the first people to be negatively affected by worsening work conditions, as they are more prone to exploitation
- Priority areas for DWC according to employees and job-seekers:

Footer

26

1. Getting paid in dollars

2. Support Lebanese workers of foreign companies who are also mistreated and not given decent salaries that suit their qualifications

3. Address unfair contracts and nepotism

4. Improve bad treatment at work

5. Bring back the subsidies the government removed

6. Stop laying off or replacing employees with people who accept lower salaries

7. Revise labour laws

8. Reduce long working hours

9. Increase unacceptable low salaries

10. Fight corruption, one public sector at a time, by starting with DWC project focused specifically on corruption

# Recommendations for Programmes

- Include a **behavioural change assessment tool** in the design of future projects to assess more profound behavioural changes in addition to improvements in knowledge.
- **Expand DWC** to not just business owners, but **other key stakeholders** who manage MSMEs since it extends beyond the legal representative/business owner themselves
- In future projects, **provide tailored, one-on-one support to businesses to support their implementation of DWC**. Examples include support through legalization process, access new markets such as exports or learning about ISO (International Organization for Standardization).
- Develop a **community action plan** to strengthen workers' representation in local governing bodies. This can also include bystander intervention training for business owners to strengthen their social responsibility towards identifying and referring people in need of psychosocial support to specialized agencies.
- Continue offering **financial and technical support alongside DWC**. This could include:
  - How to deal with suppliers or access different markets.
  - Consider separating target groups by business size in future iterations of the project.
  - Continue to support the financial sustainability of businesses, seeing this as a critical foundation for their maintenance and improvement of working conditions.
  - Consider allocating a specific portion of business grants to improving and implementing DWC

# Recommendations for Advocacy

- Advocate for a multi-faceted approach requiring joint efforts to adjust legislation, ensure institutions are enforcing these laws, and simultaneously create jobs.
  - Increase advocacy focused on improving policies, laws, and regulations such as **adopting a national employment policy**, laws for PwDs and child labor, and the NSSF in close cooperation with the Ministry of Labor.
- Advocate for **increasing the economic inclusion of non-Lebanese in different sectors in Lebanon**, especially in terms of the population being an **untapped resource** to drive the country's economic recovery through the Livelihoods Sector
- Increase awareness and advocacy for **favorable tax laws which encourage businesses to formalize their work** and employees, and which encourage new businesses to emerge.
- Advocate for **improved mental health services and support**, especially for those affected by the Beirut blast. This should be seen as an enabling factor to being able to work.
- Advocate for up to date and regular data collection such as through **regular and coordinated labour market surveys**.



THANKYOU



Funded by the European Union  
بتمويل من الاتحاد الأوروبي



# Online training on decent work and local resource-based technologies ILO

# Employment Intensive Infrastructure Program in Lebanon (EIIP)

May 2023



International  
Labour  
Organization



Implemented by:  
**KFW**



# Program Description

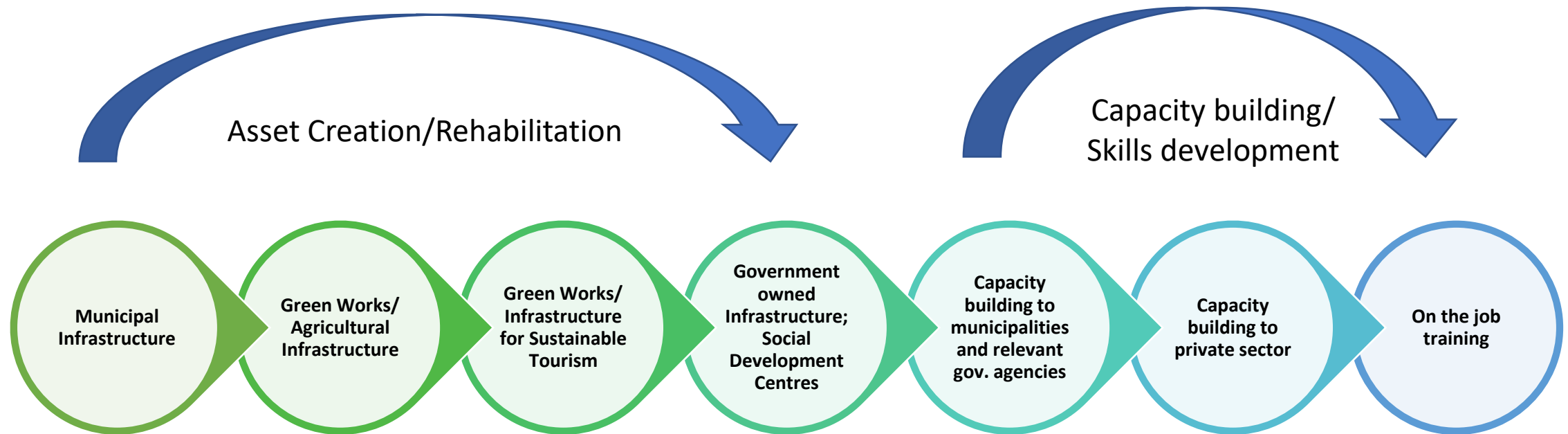
Funded by The German Government through **KfW** Development Bank

- Objective: “Strengthen resilience of local host communities by improving livelihoods for host community members and Syrian refugees through job creation and infrastructure development”

Action	Influence	Interest
<ul style="list-style-type: none"><li>▪ <b>Asset creation</b>, Sustainable Infrastructure and Green works</li><li>▪ Generation of decent <b>short-term employment</b></li><li>▪ <b>Capacity building</b> and on the job training</li></ul>	<p><b>Beneficiaries/workers</b></p> <ul style="list-style-type: none"><li>▪ Decent work</li><li>▪ Improved livelihoods and employability</li></ul> <p><b>Employers</b></p> <ul style="list-style-type: none"><li>▪ Private sector capacity enhancement</li></ul> <p><b>Local and central government</b></p> <ul style="list-style-type: none"><li>▪ Enhanced capacity and advocacy on EIP and decent work practices</li></ul>	<ul style="list-style-type: none"><li>• Trigger good local development.,</li><li>• decent work, and</li><li>• formal labor market practices</li></ul>



# Phase V main pillars



# Local Resource Based Technology

▲ Employment  
optimization

▲ Effective planning  
and preparation

▲ Quality of work

▲ Skills development

▲ Productivity and  
task rates

▲ Private sector  
engagement



- ILO EIIP –Well organised and productive work.

# Overview on Environmental & Social Safeguard Framework

- Designed to guide implementation of inclusive and rights based practices in infrastructure & mitigate negative social & environmental

Increase the likelihood that outcomes of the infrastructure projects are as inclusive & equitable as possible

**Ensure that concerns of different stakeholders are adequately addressed in EIPs**

Establish mitigation practices & policies to social & env. risks which could hinder the implementation of the EIPs.





# When & Why We do the training

- 1- Pre-bid training for all contractors wanting to submit for bids to any EIIP Project
- 2- Important to help the contractors/ partners submit bids that are realistic, especially when it comes to the BoQ and costing submissions.
- 3- For other partners, to mainstream the EIIP concepts and principles within their work.



• Mouhamara School

# Topics covered by the training

- 1- Introduction to EIIP & LRBT
- 2- Local Resource Based Technology
- 3- Labour Management and Work Plan
- 4- Task Rates and Productivity Norms
- 5- Unit Rate Analysis and Pricing BoQ for LRB Works
- 6- Environmental & Social Safeguard Framework and role of SSO
- 7- Contract Administration & Particular Conditions
- 8- Final Quiz & Certificate



# To Access the Training



**Reach out to us!**

**Get the Link**

**Register & Start  
the training!**

# Keep Up to Date with EIIP!

- <https://www.eiiplebanon.com/>



# Thank You

For more information, please visit:

[www.EIIPLebanon.com](http://www.EIIPLebanon.com)





DoT trust



Q1 results – what do the numbers tell us  
and resulting thematic discussions



Output	Target	Achieved
1.1 – support to businesses	8,000	3,033
1.2 – value chains support	90	49
1.3 – labor-intensive projects	40,000	5,916

Output	Target	Achieved
2.1 – market-based training	15,000	3,295
2.2 – work-based learning	9,000	1,114
2.2 – employment guidance	15,000	4,178
2.2 – start-ups	2,000	37

Output	Target	Achieved
3.1 – advocacy/raising materials	4	-
3.2 – Surveys/assessments	4	4

12% of appealed budget was funded (9% carry over from 2022, 3% received Q1)

18% individual target beneficiaries reached



AoB