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|  | MINUTES OF MEETING |  |  | |
| Name | Livelihoods working group for Mount Lebanon and Beirut | Reference | 05-ML SS-LH MOM 110216 | |
| Meeting Location | UNDP Beirut 6th floor | Meeting Date | 11/02/2016 | |
| Chair persons | Haytham Sayyad and William Barakat | Meeting Time | 11:00 A.M | |
| Participating Associations | UNDP, MoSA, MoET, UNRWA, PU-AMI, Mercy Corps, International Alert, Acted, Amel, STC, CESVI overseas, SPARK, Lebanon Support, JICA, Makhzoumi Foundation, IRC, UNHCR, ARCS, NPA, CHF, ACA, CLMC, Intersos, AVSI, OCHA. |  |  | |
| Minutes Prepared by | The UNDP Coordination Officer Stabilization Noemie Lanternier | Meeting Duration | 2 hours | |
| Purpose of Meeting | 1. Introduction 2. Presentation of the Lebanon SME Strategy by MoET Head of Enterprise Unit. 3. Presentation of the Conflict Analysis in Beirut by Lebanon Support. 4. Partners Updates, LCRP Updates, AOB | | |  |

SUMMARY OF DISCUSSIONS AND ACTION POINTS

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| 1. | Introduction  Welcoming and introduction by MoSA Coordinator and UNDP Coordination Officer of the meeting’s purpose and reminder of last brainstorming session including actions to enhance the WG productivity such as present Governmental strategies to help partners align their projects accordingly, share assessments and projects ideas before design to pave the way for collaboration and joint activities, avoid duplication and enlarge geographic coverage.  Tour de table of participants. |
| 2. | Presentation of the Lebanon SME Strategy: a Roadmap for 2020 by MoET Head of Enterprise Unit |
|  | * SMEs are the engine of growth of economies. In Lebanon, they represent more than 90% of registered firms, employ 50% of working population, and yet contribute only 27% of total revenues. * SMEs are mainly located in Mount Lebanon (55%) and Beirut (23%), and operate mostly in Trading (53%), Real estate (13%) and Manufacturing (12%). * In the past two decades, Lebanon witnessed several waves of interest in supporting private sector including entrepreneurs and SMEs. The MSMEs were mostly supported by government in early 90s, international organizations in the early 2000s and after 2005, more by NGOs and private financers. * Particularly in the past few years, Lebanon has seen the advent of several public and private sector support initiatives. * In sum, more than 150 initiatives have spurred. * Despite all these efforts, SMEs are still facing challenges, and require more support given their potential. Listed challenges are notably related to capabilities, capital, market structure, legal & regulatory framework, poor market research and untapped innovation potential. * Supporting this sector is urgent and key to help Lebanon overcome its challenges, most importantly, job creation. Major issues remain among which: unemployment, loss in national competitiveness, the impact of the Syrian crisis and a substantial brain drain (which creates a middle management gap all over the country). * To overcome these challenges, MOET launched the “Lebanon SME Strategy: a Roadmap for 2020”. This strategy has a clear vision, mission and objectives. These goals rest on six strategic thrusts that are effectively the pillars of the Strategy: 1) evolving business leaders, 2) facilitating the right founding, 3) improving access to market, 4) enhancing capabilities and innovation capacities, 5) Developing a conductive business environment 6) national infrastructure. * 41 Initiatives have been identified and prioritized to be implemented in 3 waves which are listed in detail in the PPT presentation. * To drive the implementation of the Lebanon SME Strategy and to enhance coordination among all stakeholders, a Public Private SME Board chaired by the Prime Minister is being established. * The SME Board will provide strategic direction and guidance, its Secretariat will be in charge of management and follow up, and the Champion/Working Groups will detail, design and implement the initiatives. * The strategy of MoET highlights important sectors in which the partners can provide support. The Ministry considers that MSMEs are key to strengthening the Lebanese economy. As such, projects supporting innovation and technological transfer are strongly encouraged for middle size enterprises. For small businesses, partners are advised to focus more on trainings and on ways to improve production processes and the work environment itself. In addition, specific information could be provided to small businesses to inform them of the type of credit they could benefit from (small loans from kafalat or banks etc.) since it is of primary concern to them. * The strategy is aimed at improving business environment in Lebanon and is not targeting specific sectors. It focuses primarily on Lebanese entrepreneurs and businesses even if Syrians are indirectly included through the impact evaluation. * Recently, a shift has been observed within the government and its position towards Syrian labor has changed. Syrian workers are receiving support in specific sectors in which they do not originally compete with the Lebanese workforce (construction, agriculture etc.). * Overall the Livelihoods sector tends to adopt a win - win approach towards employment so that the initiatives implemented to support job creation benefit both vulnerable Lebanese and displaced Syrians. * Partners were interested to link strategies to projects design, MoET will share action plans and relevant initiatives (wave one) and updates with partners and invite them to inform the Ministry of the type of support they could provide to support its strategy. * Below are some of the initiatives that partners could have interventions in: * Develop Mentorship Networks * Provide National Recognition for SME Role Models * Attract top-tier VCs, angel investors & PE firms * Bridge SMEs to Large Enterprises and MNCs * Improve Market Competitiveness * Enhance Standards of SME Products and Services * Assist SMEs’ Technology Upgrade * Assist SMEs in Cleaner Production and Resource efficiency * Develop a Job Matching Program * MoET advised on how to support the WG in filling up livelihoods gaps in BML, thus, highlighted that due to the high number of assessments and studies being conducted in the country, it would be good, for capitalization purposes, to aggregate/ harmonize the information gathered in the reports which focus on the same topic (value chains, trainings, needs assessments etc.) so that the data is more accessible at the central level, and to avoid duplication of efforts and implementation. * For any additional information regarding the presentation or MoET strategy, please contact Ms. Zeina El Khoury on *zelkhoury@economy.gov.lb* |
| 3. | Presentation of the Conflict Analysis in Beirut by Lebanon Support |
|  | Full name of the report: “The conflict context in Beirut: the social question, mobilizations cycles, and the city’s securitization” - Conflict Analysis Report, November 2015.   * This report was published four months ago as part of the conflict mapping and analysis project which is supported by UNDP peacebuilding team. 45 informants were interviewed, including state officials, entrepreneurs and workers. * This report provides a contextual and analytical summary of the diverse conflict dynamics in Beirut since 2011 and relates those developments to the historical processes of conflict, violence, reconciliation and resilience within the city’s history. Specifically, the report provides a historical overview of the social question, cycles of political and social mobilization, and migration movements within the 20th century, in a city constantly meandering between cycles of violent conflict, and a reputation of fame, glory and cultural/economic heydays. Importantly, the report showed that the developments of the last four years within the city are characterized by: a renewed arrival of migrants/refugees from Syria, further construction booms, and a cutback of social state services and liberalization of housing and the labor market. These dynamics are causing an intensification of the social question, a rising securitization, and various types of social mobilizations that must always be studied in relation to the city’s past. * At the same time, the report goes beyond using the mainstream framework of identity politics and confessional discourses as a limited lens of analysis often applied to conflict analysis in Lebanon, and rather centralizes socio-economic tensions and the state’s policies of securitization, segregation and neoliberal intervention which are currently affecting the lives of already-vulnerable residents (Syrian and Palestinian refugee, poor Lebanese) and are the main reasons for the renewed cycles of social and political mobilization and unrest. * Finally, the report specifically demonstrates that the new regulations imposed by the state on working conditions and residence permits for Syrians constitute an incisive rupture altering the lives of Syrians in Lebanon in a considerable way. These new policies are not only pushing poor Syrian refugees towards informal and illegal statuses and further vulnerability, but they are also pushing Syrian middle class refugees to leave Lebanon, thereby causing a widening gap in humanitarian and relief work in which the middle class has been a key player.   \Some of the key elements highlighted during the presentation include the following:   * As the capital city of Lebanon, Beirut is at the heart of the dynamics of poverty & change and state policies/decisions. The city hosts 35,000 Syrian refugees (excluding the Syrian population located in Beirut suburbs) and 28,000 Palestinians who live in three camps managed by UNRWA. * For the past few years, important changes have occurred which were globally well perceived by the interviewees (even if major challenges resulting partly from the Syrian conflict need to be addressed) * State and non-state security forces have increased significantly in recent years (materializing in numerous ISF checks points, car inspections, roads blocked…). Interviewees reported not feeling safe in the city, notably because of their nationality, gender, looks etc. * Since many NGOs and International Organizations have their Headquarters in Beirut and target deprived areas, we notice fewer problems there related to discrimination or racism; however, funding instability might represent a challenge in the near future. * Political parties have a strong presence in Beirut but they do not interact in daily street life (they are seen in informal checkpoints and are notably involved in the securing of certain areas…) * Movements or contestations can lead to conflict, and the new regulations implemented last year towards Syrian have increased tension and anxiety within the refugee community. * Syrians reported that the process of residency renewal in particular was confusing, complex, and costly; it put them at risk of being blackmailed or abused. The constantly changing laws and regulations (pledge not to work etc.) were also subject to criticism. * Many Syrians reported staying illegally in Lebanon since they were unable to conform to the new requirements. Their socio-economic status was generally precarious and they depended on Lebanese counterparts to survive which put them in a very vulnerable position. * Many considered returning to Syria or relocating to a third country. * The pledge not to work was initially aimed at regulating access to employment to protect the Lebanese workforce but it turned out to aggravate the already precarious situation of Syrians in the country without changing anything on the ground. * Many educated Syrians are either not remunerated (they volunteer...) or work outside of their field of specialization in jobs for which they are overqualified and often abused (especially women). * Other factors of tension apart from illegal work, include child labor and prostitution. * Most interviewees reported economic hardship due to the high cost of living in Beirut, including the high price of rent and basic necessities. Families decide to settle in specific areas depending on their level of income. Poor families are mostly located in the eastern and southern suburbs of the city (Bourj Hammoud etc.).   Conclusion:   * Beirut has been shaped by armed conflict, cleavages and change dynamics. * These historical trends have intensified with the Syria conflict and refugees are reported to live in precarious conditions in the majority of cases. * The Lebanese Government should reconsider its policies towards refugees and adopt a more coordinated approach. Policy makers should focus on more sustainable solutions for deprived Lebanese and Syrians to ease tensions in the long-term. * The report constitutes one of the best research material published in recent years and explains in details the main dynamics of the city. Participants are therefore strongly encouraged to read it (other reports will be soon published on other areas, notably the cities of Tripoli and Jezzine). It is available on the Lebanon information hub web portal. |
| 4. | Partners Updates, LCRP Updates, AOB |
|  | * The Livelihoods-Social Stability WG will share assessments, reports and studies on a regular basis. Partners are invited to send any relevant documents to the Coordination Officer who will share them with the WG. * The WG is currently collecting information from partners on their vocational training (VT) and 3 W activities. The VT table will be shared with the group at the end of February, the 3 W Matrix can be shared partly upon request. |
| 5. | Action Points |
|  | * MoET will share action plans of specific initiatives and upon partners request, as well as, relevant updates with partners and invite them to inform the Ministry of the type of support they could provide to support its strategy. * Next meeting will be held on Thursday 10 March, 2016 at 1o:00 AM at Makhzoumi Foundation’s Conference/training room in Mazraa/ Beirut. Each partner will be asked to share updates |