

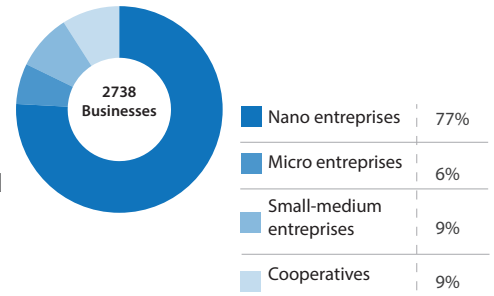
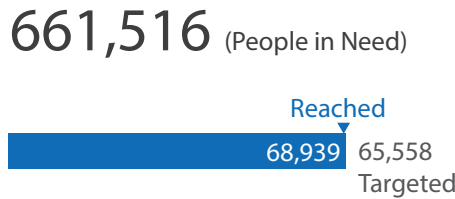
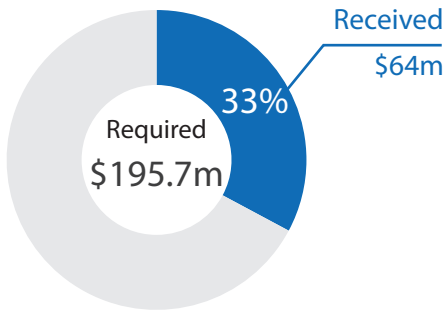


The end-year dashboard summarizes the progress made by partners involved in the Lebanon Crisis Response and highlights trends affecting people in need. The Livelihoods sector in Lebanon is working to: OUTCOME 1) Stimulate local economic development and market systems to create income-generating opportunities, reduce unemployment rates and protect vulnerable people, particularly youth and women, against risks and shocks.

### 2017 funding status as of 31 December 2017

### Targeted population groups

### Business reached by type



## Progress against targets

### Key Achievements

reached / target

|  |                            |
|--|----------------------------|
| # entrepreneurs who benefitted from business management training                           | 4,040/ 10,000              |
| # of MSMEs/ Cooperatives supported through cash & in-kind grants                           | 1,688/2,750                |
| Value of grant disbursed to MSMEs  | \$ 4,790,489/ \$17,000,000 |
| # of value chain interventions implemented   | 74/100                     |
| # of targeted vulnerable persons enrolled in public work projects                          | 6,529/ 37,650              |
| \$value invested in public work projects   | \$2,943,543/ \$37,273,000  |
| # of individuals benefitting from market-based skills training                             | 36,410/ 20,000             |
| # of people benefitting from internships, on-the-job training or apprenticeship programmes | 5,856/ 10,000              |

### Outputs

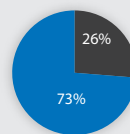
reached / target

|  |              |
|--|--------------|
| # of MSMEs/ Cooperatives supported or established  | 1,300/ 1,676 |
| # of value chains valorized and/or being upgraded  | 9/ 25        |
| # vulnerable cadastres benefitting from improved infrastructure and environmental assets | 113/251      |
| # of job created/maintained  | 2,305/7,908  |
| # of job seekers who accessed employment   | 4,634/8,000  |

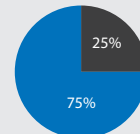
### Breakdown by Age and Gender

Men vs. women benefitting from livelihood programmes

Entrepreneurs who benefitted from business management training



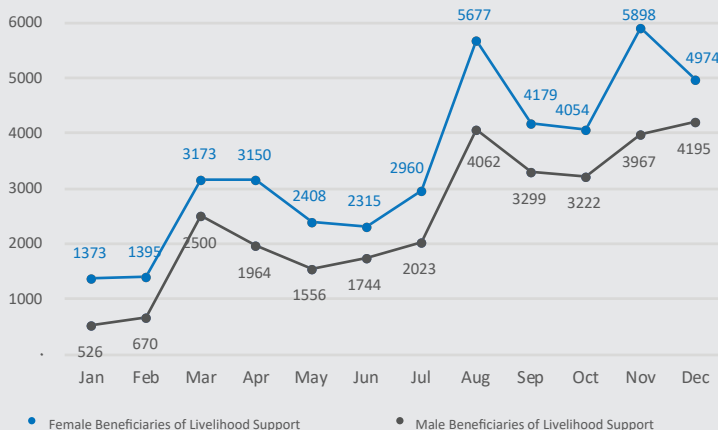
Male  
Female



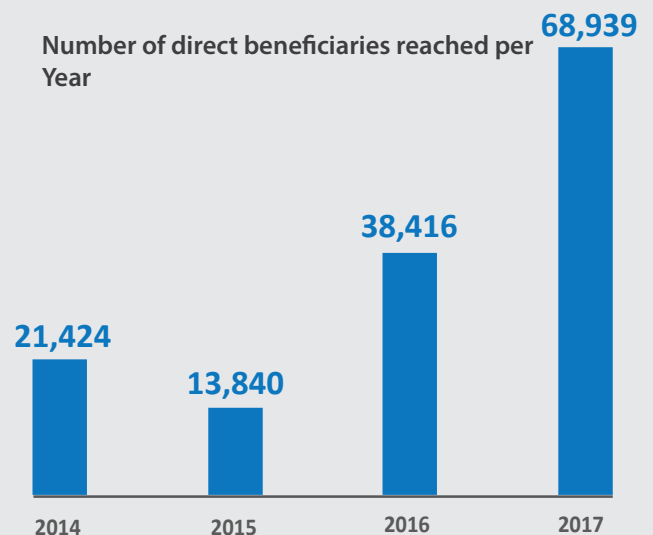
Youth  
Non-Youth

## Analysis

### Number of Beneficiaries by gender per month (2017)



### Number of direct beneficiaries reached per Year



## KEY ACHIEVEMENTS

•2305 jobs created or maintained in Lebanese businesses 2017, a 466% increase compared to 2016

•9 Value Chains being valorized

•6,529 vulnerable people engaged in labour-intensive public work programmes

•4,634 out of 36,410 beneficiaries of skills training programme accessed employment or income opportunities.

•2,738 Micro, Small and Medium Enterprises and Cooperatives supported to improve productivity and profit, and access new clients and markets.

## KEY CONTRIBUTIONS TOWARDS LCRP IMPACT(S)

2017 has been a positive year for the Livelihoods sector. The sector was able to deliver significant results to support vulnerable populations in accessing work and income, under the leadership of the Ministry of Social Affairs. This was possible thanks to a considerable increase in the funding available

(\$44m, +28% compared to 2016), in the number of active partners (45 active partners) and in the quality of programmes implemented. This constitutes the beginning of a promising trends that would need to be significantly scaled up for the efforts of the sector to reach the necessary scale to contribute to reducing socio-economic vulnerabilities and to increasing stability in Lebanon.

First and foremost, the sector main achievement this year was its increasing impact on job creation. Yet, the sector target of 8,000 jobs was far from achieved, primarily because of a continued lack of resources (75% funding gap, despite the positive trend of 2016 - 2017). The support provided by livelihoods partners to private sector entities, mostly small businesses, through a variety of business development services, grants and technology transfer, including through value chain approaches, resulted in helping these businesses to preserve or create new jobs. This includes work through Value Chain Approaches on potato and leafy green in the North which has been complemented by work to develop three more local value chains for both products as well as Tomato in Akkar. Partners are also working on the furniture value chain in the North, the dairy one in Bekaa, and Solid Waste and handicraft nation-wide. Work on traditional Syrian handicraft has been concluded while partners have identified organic agriculture and renewable energy as priority areas and are picking up work from USAID on other agro-food value chains. In total, livelihoods partners supported 2,738 businesses, a four-fold increase compared to 2016 and a sixteen-fold increase compared to 2015. This rapid increase validates the sector strategy to focus on small businesses as the main job creator in Lebanon, in line with the Ministry of Economy SME strategy. This was directly translated into practice with partners reporting that their support resulted in creating or preserving 2,305 jobs, also a four-fold increase compared to 2016. However, most (71%) of these jobs were maintained rather than created. This is mostly because partners predominantly supported nano-businesses (77% of the total number of supported businesses), which typically only have one or two employees and are therefore more likely to safeguard existing jobs than create new ones.

While very encouraging, these results in terms of job creation remain limited in terms of the number of people directly impacted, in a context where poverty is affecting 76% of refugees and 28% of Lebanese. In this context, providing short-term opportunities through labour-intensive projects remains crucial to provide access to income. Unfortunately, the decreasing trends observed in the past years has continued in 2017 in this regard, with only 6,529 individuals engaged for a total of 71,000 work-days. Yet, these projects still benefitted 113 municipalities, through the rehabilitation of roads, canals, or the renovation of 59 public buildings and over 300 public spaces. Several larger scale projects are currently in the design phase which should help the sector bridge the gap towards its 36,000 individuals yearly target, while also contributing to implementing infrastructure needs identified in national master plans.

The sector's focus on the supply side of the labour market has continued to expand significantly in 2017 and remains the main activity of the sector in terms of people supported. Over 35,000 Lebanese, Syrian and Palestinians have completed short-term market-based skills training in 2017, nearly a two-fold increase compared to 2016 and a 175% over-achievement of the sector



## Facts and Figures

**13%**

Percentage of Lebanese Households registered with NPTF who have access to full time employment

**76%**

Percentage of Syrian households living below the poverty line (\$3.84 per/day)

**153,600**

Estimated number of Syrians employed

**78%**

Percentage of Lebanese SMEs concentrated in Beirut and Mount Lebanon area

target. About 21,000 of these beneficiaries also benefitted from employment services such as career guidance and/or from internship schemes. However, the overall impact of such activities on improving the livelihoods of beneficiaries remains limited, with only 6% of them accessing employment and 7% home-based opportunities. Now that they have reached such a scale, improving the quality and impact of these trainings will be a key priority of the sector in 2018 (see below).

All in all, these achievements constitute conclusive evidence of livelihoods partners' ability to contribute to the LCRP impact statement of maintaining Lebanon's economic stability by mitigating the deterioration in the economic condition of vulnerable populations. In total, the sector improved the lives of 13,468 households in 2017, or over 67,000 people. The fact that the sector has already secured more funding for 2018 (\$56m) at year-end, than in 2017 also demonstrates donors buy-in into the approach and the capacity of the sector.

## CHALLENGES

The main challenge affecting the work of the sector remains the degrading environment related relations between communities and competition in the labour market. The beginning of 2017 was marked by a string of close to 30 local protests, demonstrations and/or municipal regulations against alleged competition by Syrian workers, particularly the ones running shops. This trend was confirmed by the Stabilization Monitoring Perception Surveys which showed that perception surrounding competition for lower skilled jobs was the issues identified as the main source of inter-community tensions by Syrians and Lebanese respondents alike in all districts of the country. This crystallization of tensions on the issue of livelihoods led to more pressure on the programming for livelihoods partners, who had to take very careful steps not only to ensure acceptance of any project including refugees to the host community, but also to make sure that their programme was conflict sensitive and would not raise tensions or fuel confusion. On the other hand, this general development reiterated the crucial importance of the work of the sector from a stability perspective, as any programme benefitting host community livelihoods or creating more opportunities for refugees in the three sectors they are allowed to work would contribute to defuse frustrations related to the lack of opportunities. Partners made the necessary adjustments to their programme to take this new reality into account and support the regulations of the labour market. This included sensitizing beneficiaries on labour laws and regulations and the specific framework for Syrians (1,000 beneficiaries sensitized) or by supporting the labour inspection department of the Ministry of Labour with the secondment of additional inspectors.

## KEY PRIORITIES AND GAPS FORESEEN - 1ST QUARTER 2018

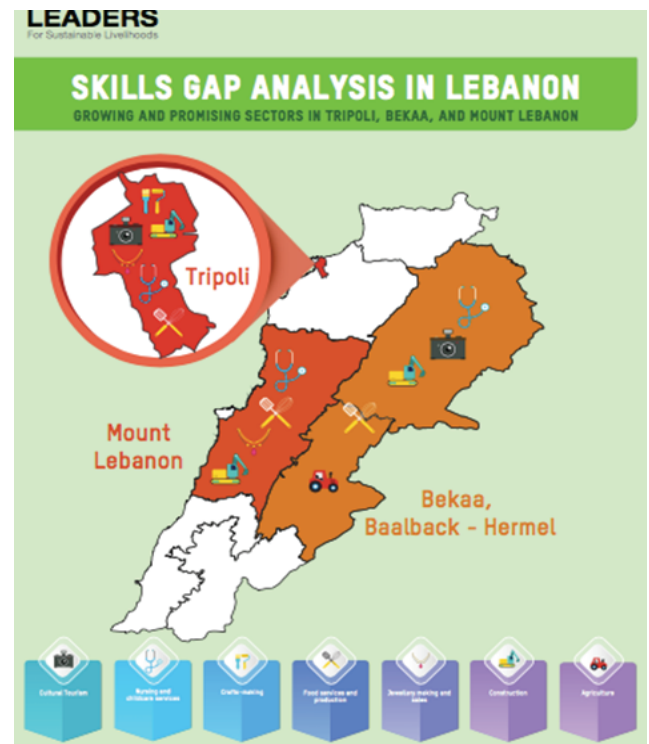
While this work initiated with ministries to improve the overall skills training system will be a key priority for the sector early, important gaps persist to scale up the job creation part of the livelihoods strategy. As mentioned above, the funding prospects for 2018 are promising for the sector has already more funding secured than in the whole of 2017. However, this remains only 26% of the appeal, and scaling up is urgently required to allow partners to build on promising results and deliver to scale. In particular, the imbalance of the sector between supporting the demand and supply side of the labour market needs to be corrected. As for 2018, the 2017 strategy had been carefully crafted to emphasize the need to match the focus on skills training and workforce employability with a robust job creation strategy, taking into account that the Lebanese economy is creating very few jobs, especially in vulnerable areas. The fact that 25% of the job creation target has been achieved while 175% of the training caseload was reached is a cause of concern, as partners run a real risk of raising beneficiaries' expectations and fostering competition in an already tense environment. Unfortunately, the expression of interest from partners for 2018 revealed that all 65 sectors partners were keen in implementing skills training programmes in 2018, which would further increase the total caseload of the sector. At this stage, it is therefore crucial for donors to prioritize funding for the demand-side of the labour market, where partners have demonstrated their capacity to speak to results over the past two years. In particular, this should include scaling up value chain development interventions to support strategic economic sectors with a high potential in terms of job creation and economic growth. As mentioned above, on top of the 9 value chains currently being upgraded, partners have identified several new sectors where value chains work could be continued or initiated. This includes Agro-food value chains, where up to 18,000 jobs could be created and where several USAID interventions need to be followed upon. On a more innovative note, partners are also increasingly interested in environmental value chains, such as recycling, upcycling, but also renewable energy.

Other priorities of the sector for the first quarter will focus on the enabling environment for job creation, notably by developing more linkages with ministries and other stakeholders involved in ensuring decent work conditions in the labour market, considering the level of informality and exploitation that has been exacerbated by the crisis. Similarly, the sector needs to further strengthen its linkages with the private sector, notably through lessons learnt events with key existing private sector partners

### Improving skills training

The stark increase of the number of beneficiaries of short-term skills training has been a key feature of the work of the sector in 2017. Yet this important achievement is also creating challenges, particularly in terms of an imbalance of the sector strategy: only 13% of the people trained eventually find a job or access income. The vast majority of beneficiaries therefore do not see an immediate improvement in their livelihoods. However these challenges should not outshine the important efforts of partners to improve the quality of such training programmes. Partners are increasingly making sure that skills training programmes are part of ‘package’ of services to improve employability of beneficiaries. This is a positive trend that should be built upon in 2018.

A key element of improving the impact of skills training programme is to link them to pathways to employment such as career guidance, job referrals, on-the-job training and internship schemes. This is now almost systematically the case. More importantly, partners are increasingly relying on advanced market studies as the basis for developing such programmes, ensuring that the curriculum designed for beneficiaries is indeed suited for market needs. This is crucial to ensure that beneficiaries who complete such programmes have indeed good chances to find and retain employment.



Since the beginning of the crisis response, 37 market research studies have been undertaken, such as overview of SME needs, skills gaps or labour market analysis, or business climate assessment. 16 of these were completed in the last two years and ten more are ongoing, a testimony to the growing interest of partners (a map and table of all these assessment is available on the livelihoods page of the inter-agency portal). These studies offer the right combination of both national and local research into a variety of economic sectors (agro-food, construction, energy, tourism, ICT, etc.) to identify skills gaps to develop sound curricula for their programmes. This effort can also support longer term economic development in Lebanon by identifying key niche opportunities in the market such as decoration, painting wallpaper services, carpentry and furnishing in the construction sector in Tripoli, chef and sous-chef in hotels and restaurants in Mount Lebanon, or jewelry machine operators and craft makers in glass blowing or soap making in Tripoli (LEADERS Consortium 2017 Skills Gap Analysis – see infographics below).

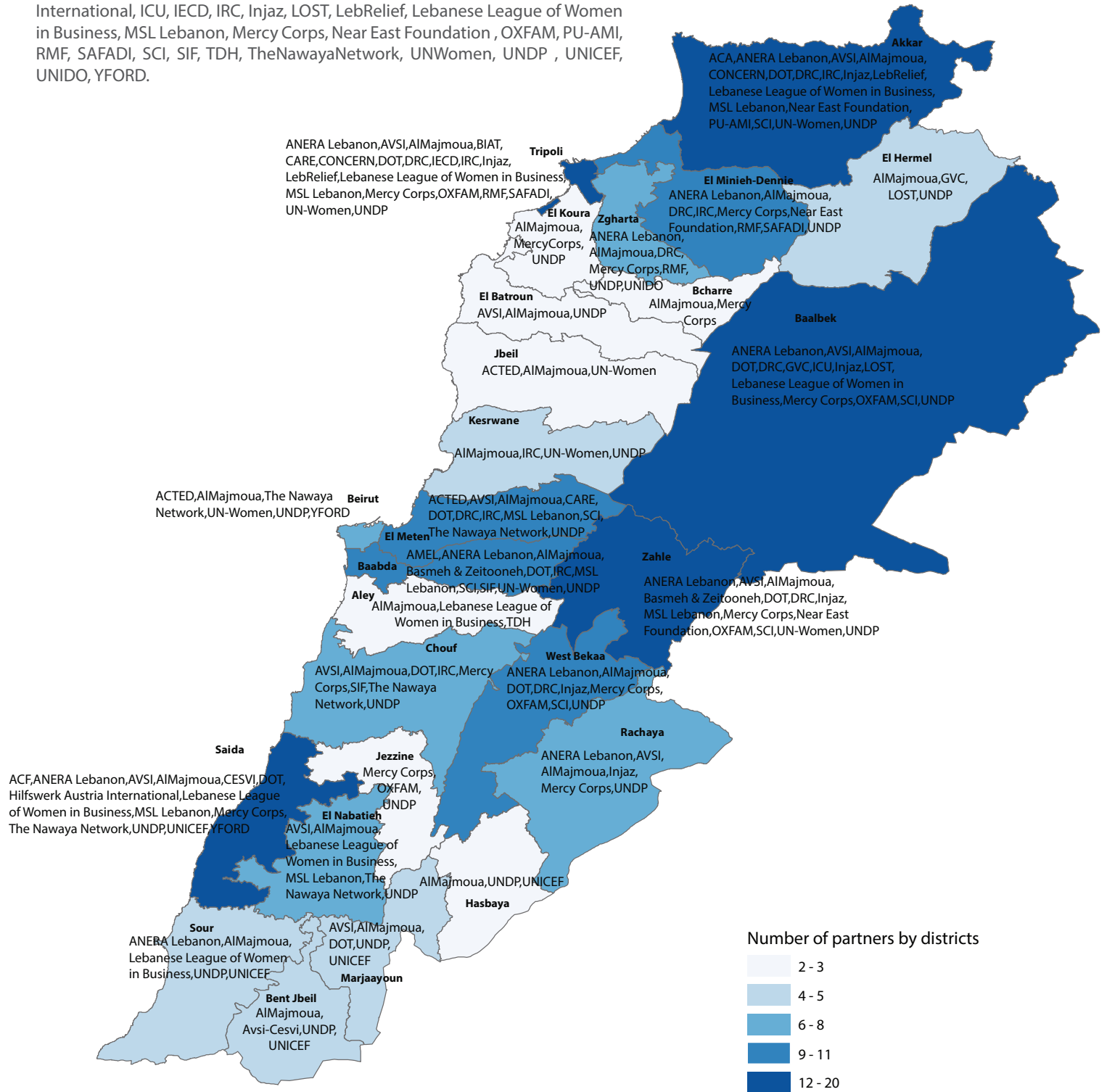
In addition, partners have also worked on innovating on the delivery of their training programme, notably by more closely involving the private sector. This notably includes involving the private sector in curricula design and training provisions linked to a placement scheme of trainees, or involving businesses in pre-enrollment test of trainees, or in the certification of their skills upon training completion. Overall, the job placement rate of partners who combined these different innovative practices with sound market research and pathway to employments is between 25 and 30%, or twice the average achievement of the sector. As mentioned above, policy work is underway to bring other training programmes to this standard. The sector will support the development of an overall TVET Roadmap with the Ministry of Education through the creation of a task force on accelerated skills training, involving other key ministries such as MOSA, MoET, MoA and MoL.



# Organizations per district

The achievements described in this dashboard are the collective work of the following 40 organizations:

ACA, ACF, ACTED, AMEL, ANERA Lebanon, AVSI, AlMajmoua, Avsi-Cesvi, BIAT, Basmeh & Zeitooneh, CARE, CESVI, CONCERN, DOT, DRC, GVC, Hilfswerk Austria International, ICU, IECD, IRC, Injaz, LOST, LebRelief, Lebanese League of Women in Business, MSL Lebanon, Mercy Corps, Near East Foundation, OXFAM, PU-AMI, RMF, SAFADI, SCI, SIF, TDH, TheNawayaNetwork, UNWomen, UNDP, UNICEF, UNIDO, YFORD.



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