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MARKET ASSESSMENT IN SAIDA & NABATIEH DISTRICTS

Identifying Income Generating Opportunities in Agro-Food & Environment

Saida – LEBANON – July 2018

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2. LIST OF ABBREVIATIONS AND ACRONYMS

Abbreviation	Name
LCRP	Lebanese Crisis Response Plan
UNHCR	United Nations Higher Council for Refugees
GIZ	Deutsche Gesellschaft Fur Internationale Zusammenarbeit Gmbh
PRL	Palestinians Refugees
PRS	Syrian Palestinian Refugees
PU-AMI	Premiere Urgence- Aide Medicale Internationale
WFP	World Food Program
VET	Vocational Education & Training
UNDP	United Nations Development Program
UNRWA	United Nations Relief and Works Agency for Palestine Refugees
ACTED	Agency for Technical Cooperation and Development
CESVI	Cooperazione e Sviluppo
DPNA	Development for People and Nature Association
CCA	Child Protection Council
MOSA	Ministry of Social Affairs
BP	Brevet Professionnel
BT	Technical Bacculaureate
TS	Technicien Superieur
LT	License Technique
SMES	Small and Medium Enterprises

3. EXECUTIVE SUMMARY

The labor market in Lebanon continues to be characterized by high unemployment rates, amidst the Syrian Crisis in its seventh year. While World Bank estimates the national unemployment rate to be 11%, the Ministry of Labor reports an even higher estimate, 25% national unemployment rate with 37% for youth under 35 years of age, and 18% for women¹.

The picture in the South does not differ much from the national one. The official statistics indicate 65% of the Palestinians and 89% of Syrian Palestinian refugees are living below the poverty line and adopting negative coping strategies, be it selling household goods, cutting food intake, or withdrawing children from schools². Improving the situation of such vulnerable communities requires support to integrate in the labor market, and access income generating opportunities, in high performing economic sectors that are strategic to the regions and those that provide both employment and business opportunities.

Identifying such high performing economic sectors required an assessment, carried out by PU-AMI to understand the current labor market in Saida, Nabatieh, and Jezzine districts, through interviews with different stakeholders, namely small and medium enterprises and identify opportunities for supporting vulnerable populations to access market opportunities, whether employment or self-employment, providing recommendations to the organization on how to increase access to such opportunities and develop programs that lead to meaningful impact within the coming two years.

The assessment provided a snapshot of the labor market in the regions, mapping the different livelihoods interventions undertaken by different local and international associations working in the region, namely in the form of vocational training provisions, within the bundle of social services offered to different age groups. The mapping indicted that accelerated education or market-based skills training provided by international organizations are more compatible with market demand, based on in-depth analysis of skills gap in the current labor market. However, challenges exist for all organizations, namely in lack of investment in the region to improve economic conditions and create jobs, shortage of funds and sustainability of training programs, fluctuation of the Labor Market, making it difficult to address through proper training programs, restriction on work for Palestinians and The continuous change in governmental regulations regarding right to work for Syrians.

When it comes to analyzing labor demand, the assessment interviewed a sample of 20 enterprises, across the three regions, varying in their size (micro, small, and medium), and domain of operation within the various subsectors. Among the main findings from the interviews with different companies are:

- ➔ The Syrian Crisis, political uncertainties and the worsened security situation around the Palestinian camps have significantly impacted the various businesses, regardless of the

¹ Arab Weekly Digest, Interview with Minister of Labor, Beirut, August 2017.

² UNHCR, UNICEF, WFP, Vulnerability Assessment of Syrian Refugees in Lebanon, VASYR, 2017.

sectors in which they operate. Investments have shifted to other 'more secure' regions, and businesses have been left along to mitigate the impact. The decrease in demand due to Syrian crisis, though increased first at beginning but then declined, and increased overhead costs have been the main result of the crisis, let alone the overall economic stagnation that is influencing the whole nation.

- ➔ Due to the current situation, companies have become more susceptible to global market shocks, given the high dependency on imports, sourcing small or large portion of their raw materials from abroad, more clearly visible in the diagram below. It is important to note that this applies to both small and large businesses interviewed.
- ➔ Marketing and Access to markets is the foremost challenge unanimously highlighted by the various enterprises interviewed. Marketing is viewed as a challenge as enterprises have at least one marketing element missing or not properly functioning: distribution channels, or consumer profiling & targeting, or lack of clear marketing strategy.
- ➔ The lack of skilled workers is a main challenge across all sectors, especially in the oriental sweets sector, as the new generation lacks the interest in learning the craft and thus having relevant skills fade away. This may require manufacturers to hire older ones, and pay higher wages to secure their employment, thus increasing cost of Labor.
- ➔ When it comes to recruitment processes for new employees, traditional recruitment methods remain prevalent in the region, relying on personal connections for identifying new candidates, and walk-ins or having the potential candidates approach the company and fill in application. The walk-in is more common for larger enterprises that have retail outlets/branches such as the oriental sweets manufacturers. For the rest, personal connections and word of mouth is the main recruitment method.

Among the main findings from the focus group discussions- supply of labor are:

- ➔ The majority of the people interviewed are living in extreme poverty conditions, be it in informal settlements in rural areas or unfinished houses in urban areas. Almost all participants emphasized the need for support to have ends meet and rent paid, be it through direct cash support or access to work to pay the rent.
- ➔ Women, in general, face many challenges in their lives, but the cultural barriers are the most challenging and hindering factor against their integration in labor market. Whether single, or married with children, women are not able to apply for a full time job or be employed as either their husbands oppose the idea or employers prefer to have single women without children.
- ➔ Majority of male participants interviewed, continuously try to look for any type of work without clear direction and guidance. Some rely on word of mouth, referrals from their friends or family members as to who is employing, but as it is daily or seasonal work, they cannot rely fully on it so go on daily basis to urban spots looking for work. Majority indicated that the

work is always temporary, and they work one day and then 10 days no work. They are rather involved in low-paid, low-skilled daily jobs to sustain their living.

- ➔ The high cost of renewing permits, lack of opportunities, and discrimination are major challenges facing Syrian and Palestinian refugees in their daily lives, and in their job search. They claim wages are very minimal and more often they do not get paid the right amount or none at all, and they face discrimination in that employers do not want to hire Syrians or that they treat them unfairly

The main recommendations, from both labor demand and supply findings, feed into program design that targets both host and refugee communities, focused on creating income generating opportunities, whether employment or self-employment. Building up skills of such communities is a key yet approach to such build-up differs across those communities.

Agriculture and food industry sectors are important pillars and offer significant opportunities for employment and self-employment, in addition to the emerging rural tourism sector. For Agriculture, **Avocados, Cherimoya** and other fruits are in higher demand and fetch higher prices than citrus or vegetables. It is recommended to work on upgrading the technical skills of the value chain actors, mainly the workers of both nationalities, providing on the job-training in **Fertilization, Planting, Weeding, & Harvesting**. Landscaping is another sub-sector that can be targeted, especially in **Saida** through hand-on training on **gardening and public space maintenance skills**, linking them to municipality for employment. Self-employment opportunities exist for refugees in **agriculture grants provision**, for renting plots of land for fruit and vegetable cropping which could be sold either to small retailers, or directly to refugees.

The Food Industry sub-sector provides opportunities for both Syrian and Lebanese communities and for both genders as well, in Saida, Nabatieh, and Jezzine districts. Majority of the actors in the sector are **small and medium enterprises (SMEs)** that are currently working with limited capacity yet can grow and expand if provided with proper support. It is best to have such support tailored to the needs of the enterprises, **business coaching or training on specific skills** to improve overall management and skills of labor as well. **Food Handling, Food Safety, & Cooking (assisting in preparation, planning)** seem to be the topics mostly in demand, and ones that will also have positive spill-over onto other related sectors such as healthcare (in nutrition kitchens, hospitals, catering).

Hospitality and Rural tourism sub-sectors present potential opportunities for income generation targeting both communities. In urban regions such as Saida, supporting **traditional food industries** can help first to maintain artisan industries that make up the identity of the region. In Nabatieh, rural tourism presents opportunities, given the current focus of the government on promoting rural tourism. Thus, **interventions can target skills build-up of labor for future, namely in hospitality such as guest house management, tourism route development and promoting local products** manufactured by women groups.

Regardless of the option that will be further developed by the organization, empowering beneficiaries with soft skills is necessary to ensure success and sustainability of the designed interventions. In terms of non-technical skills, financial literacy, digital literacy and entrepreneurship skills are required. Finally, it is recommended to have a hands-on approach across all the sectors under consideration. Theoretical training is necessary but the practical training is one that proved to be more effective, especially on the job training, or learning by doing. Its effect is more sustainable on the long term.

4. BACKGROUND

The Syrian Crisis, in its seventh year, continue to impact the country and pose greater challenges on the population to cope with its effect whilst addressing the needs of the refugee communities. Challenges are greatest in the most vulnerable and deprived parts of the country, which are also hosting the largest numbers of displaced persons from Syria. This adds more pressure on the country's resources and forces it to shift its priorities towards addressing the negative effects of the crisis rather than implementing economic development strategies.

The latest Syrian Crisis Plan estimates that there are 1.5 million Displaced Syrians living in Lebanon, 277,985 Palestinian refugees, and 34,000 Syrian Palestinian refugees fleeing Syria.³ Additionally, there are almost 1 million Lebanese, 76% of the Syrian Refugees and 90% of Syrian Palestinian Refugees, people in Lebanon live in extreme poverty with less than \$2.4 a day. In fact, the vulnerability assessment conducted in 2017 showed that 58% of the refugees have per capita expenditure below the survival minimum expenditure basket, unable to meet their survival needs; a 5% increase from 2016. The survey also showed that at least two thirds of the Syrian refugees have continued to employ more emergency and crisis coping strategies, such as selling household goods, productive assets and housing or land, or withdrawing children from school. While this was an improvement from the previous year, 96% of Syrian refugees and 89% of Syrian Palestinian refugees continue to adopt food related coping strategies, reducing their food expenditures and increasing the buying food on credit⁴.

The labor market in Lebanon continues to be characterized by high unemployment rates. While World Bank estimates the national unemployment rate to be 11%, the Ministry of Labor reports an even higher estimate, 25% national unemployment rate with 37% for youth under 35 years of age, and 18% for women⁵. These rates are higher in areas with larger presence of refugees, such as Wadi Khaled in Akkar, for which the unemployment rate is as high as 51%⁶. In fact, the ministry indicates that at least 40,000 youth graduates from universities on annual basis but only 5000 are

³ United Nations; Government of Lebanon, Lebanon Crisis Response Plan 2017-2020, Lebanon, United Nations, January 2017.

⁴ UNHCR, UNICEF, WFP, Vulnerability Assessment of Syrian Refugees in Lebanon, VASYR, 2017.

⁵ Arab Weekly Digest, Interview with Minister of Labor, Beirut, August 2017.

⁶ Ibid

able to access jobs. The large majority of the unemployed are under 35 years of age, with the influx of refugees aggravating the situation in the provision of low-skilled labor. Unemployment among Palestine Refugees from Syria stands at a staggering 52.5 percent (rising to 68.1 percent for female members of the community)⁷. Since the start of the crisis, the livelihood and income generating opportunities have been shrinking gradually, negatively affecting income for vulnerable host communities, and hindering the affected population from securing their basic needs and social and education services.

The picture in the South does not differ much from the national one. The official statistics indicate the presence of 74,741 Syrian refugees registered with UNHCR, and 209,458 Lebanese living below the poverty line in the South. Additionally, 65% of the Palestinians and 89% of Syrian Palestinian refugees are living below the poverty line and adopting negative coping strategies, be it selling household goods, cutting food intake, or withdrawing children from schools⁸. The situation for those vulnerable population has worsened in the last year, where in Saida district alone, 21 to 40% of displaced Syrians are severely or moderately food insecure (less than 20% in 2016), and more than 50% of the displaced Syrians in Jezzine. In the remaining districts of South Lebanon, the rates remain under 20%. The deterioration is mostly due to the cumulative effect of severe strain on already weak services and infrastructure, leading to the depletion of assets, and the increasing number of households who face debt issues.

The Lebanese Crisis Response Plan (LCRP) highlighted in its three years' strategy, 2017-2020, the need to focus on vulnerable population, host and refugees, increasing their self-sufficiency through better access to stable and sustainable livelihood opportunities. This would be done through working on promoting job creation and business income generation, whilst working in parallel on improving the performance of enhancing MSMEs and cooperatives, thus promoting sustainable development.

PU-AMI is one of the international organizations that have been present since 1996, supporting refugee communities, mainly Palestinians in camps around Saida, with targeted livelihood activities. Addressing the Syrian Crisis, PU-AMI adjusted activities to provide integrated assistance to vulnerable population, including Syrian refugee population, vulnerable Lebanese, Palestinian refugees from Lebanon (PRL) and Syria (PRS). Such interventions included Emergency Cash Assistance, wash, Shelter, Infrastructure, Health, Food Security, Livelihoods and Protection activities across the country, including Saida, Jezzine, and Nabatieh Districts. However, with the crisis entering its seventh year, the needs of such populations are increasing along with their vulnerability, thus improving resilience capacities of displaced Syrians and vulnerable Lebanese is a necessity, given their high vulnerability to shocks. Increasing resilience requires supporting such populations to integrate in the labor market, and access income generating opportunities, in high performing economic sectors that are strategic to the regions and those that provide both employment and business opportunities.

⁷ Ibid

⁸ UNHCR, UNICEF, WFP, Vulnerability Assessment of Syrian Refugees in Lebanon, VASYR, 2017.

Identifying such opportunities and developing programs around it required a thorough analysis, and evidenced-based understanding of the current and potential market as well as identifying livelihood opportunities for vulnerable individuals, within identified economic sectors of potential to the Saida and Nabatieh districts, namely agro-food and agriculture sectors. For that, an assessment was carried out, identifying snapshot of the labor market in both districts, identifying opportunities for employment and self-employment within the identified sectors, and provide recommendations to the organization on how to increase access to such opportunities and develop programs that lead to meaningful impact within the coming two years.

5. METHODOLOGY

The assessment process utilized qualitative methodologies consisting of different tools including in-depth interviews with major government and private sector organizations, institutions, and enterprises operating in Saida, Nabatieh, and Jezzine regions, as well as focus group discussions with sample of potential beneficiaries for PU-AMI so as to understand perceptions of employability and skills on demand, and identify courses youth most interested for accessing jobs, and institutions operating in Saida and the targeted geographic areas in Nabatieh and Jezzine. The main tools include:

Desk Review of Existing Research: Namely of reports, studies, and publications produced by national and international organizations related to labor market assessment, and economic sector assessments pertaining to Southern region as well as review of Labor Market Data collected since May 2016. The main studies considered for the study are:

- ➔ GIZ's Employment and Labor Market Analysis in Lebanon, 2016
- ➔ UNDP's Mind the Gap Study, 2016
- ➔ Mercy Corps' Labor Market Assessment of Southern Region, 2017
- ➔ UNDP's Crisis Responses Strategy 2017-2020

Business Surveys: The purpose of business interviews was to learn about how different enterprises operate in the region, understand demand for labor, identify skills on demand, barriers to business growth, competition levels, and potential expansion and absorption of additional labor, which if addressed promptly can increase employability of the local communities in selected interviews. The sampling process for identification of the enterprises was random, but with a "cluster" approach to cover different sub-sectors in the agriculture and agro-food sectors, including formal as well as informal businesses. It is important to mention that the sample is not statistically representative of all the enterprises operating in both sectors, but provides main indications on the prevalent sub-sectors in each region and the main type of businesses operating in the agriculture and agro-food sectors.

The size of the businesses varied between small, medium, or large, concentrated within the Agro-food and environment sectors in each of Saida, Jezzine, and Nabatieh districts. Twenty (20) interviews, 10 in each region have been carried out, mostly with small and medium enterprises divided as follows:

- ➔ Oriental Sweets Manufacturers
- ➔ Private Caterers and organizations with common kitchen
- ➔ Women Processing Cooperatives
- ➔ Factories, namely dairy factories
- ➔ Wholesale Traders owning commercial farms in both Nabatieh and Saida (avocados, cherimoya, citrus, bananas, other)
- ➔ Plant Nurseries involved in grafting and breeding

The main classification adopted for Small and Medium Enterprises is:

- ➔ Small Enterprises: up to 10 people
- ➔ Medium Enterprises: 10-50 people
- ➔ Large Enterprises: more than 50 people.

Key Informant Interviews: In order to understand the larger local economy and market environment, specific growing market sectors, and opportunities for program linkages. Key informant interviews targeted mostly various stakeholders in the specified regions namely government officials, chambers of commerce, trade associations, producer and business associations, training providers and others in targeted location. The Key informant interviews would help identify economic sectors that have growth potential in the region.

Main interviews were conducted with organizations that are or have provided accelerated vocational training courses in the region, or what is referred to as market-based skills training. Additional interviews can be conducted with key organizations relevant to PU-AMI's potential interventions. A total of 20 interviews have been carried out with different stakeholders namely:

- ➔ Municipalities and Union of Municipalities
- ➔ Chamber of Commerce of Saida and Southern Lebanon
- ➔ Local organizations involved in livelihoods interventions in agro-food sector
- ➔ International organizations implementing agricultural projects
- ➔ UNRWA job placement centres
- ➔ Ministries (Ministry of Labour, Ministry of Industry)
- ➔ Vocational Training Providers

Focus Group Discussions (FGDs): FGDs are used to assess refugees' perceptions of their current skills and opportunities for economic engagement. It is used to help determine gaps between perceptions, skills and existing market opportunities. Discussions were also being used to identify constraints and risks faced by target groups when earning income. Focus groups have been disaggregated by gender, with 6-8 participants per group, as seen in the table below:

Group	Saida District	Nabatieh District
Lebanese Women (young and old)	1	1
Lebanese Men (young and Old)	1	1
Syrian Women (young and old)	1	1
Syrian Men (young and old)	1	1
Palestinian Women (young and old)	1	0
Palestinian Men (young and old)	1	0

The guides for the interviews and business surveys were based on the nature of business and services provided by each organization, factors enabling employment, skills on demand, as well as open questions related to challenges faced and potential topics for strengthening skills of beneficiaries to access jobs, in addition to identifying unmet needs that the program can target, whether in identification of new training topics to help them access jobs, or opportunities for self-employment or linkages to already existing programs with other organizations.

With regards to the focus groups, the participants have been mostly identified and recruited through the help of the PU's Monitoring & Evaluation team, based on selection criteria focusing mostly on the extreme vulnerability and inability to utilize support provided by other organizations in the region. They have been mostly respondents who have either been discontinued from food cards or relief support and currently unemployed without any means of access to income.

5.1. TIME FRAME

The assessment was carried out between January & February 2018 and it included the In-depth interviews with 20 SMEs, 20 organizations (governmental and non-governmental), and 7 focus group discussions in Saida, Jezzine and Nabatieh districts. A list of the contacted organizations and enterprises are found in Annex A of the report.

5.2. CONSTRAINTS & CHALLENGES

Limitations

The main limitations to the study are best summarized as follows:

- ➔ This assessment was designed to address particular program design questions for Premiere Urgence- Aide Medicale International Livelihoods program. The main objective is to design programs that can improve the livelihoods of the vulnerable communities residing in Southern Lebanon, particularly Nabatieh, Saida and Jezzine Districts, and thus not a typical general labor market analysis of the whole southern governorate.
- ➔ The focus of the study is on the agriculture and the agro-food sectors as they are active sectors with potential for foreign employment. However, the study did not focus on other sectors with employment potential such as construction or environment.

- ➔ The interviews with the different businesses was done for a small number of enterprises, around 20 for each region, and thus cannot be used to extract the employment trends for the whole agriculture and agro-food sectors in all of the Southern Lebanon region. However, the sample of the interviewed enterprises operating in the different subsectors provided insights and qualitative overview of the main sectors considered, even if not selected based on quantitative and statistical approaches.

Challenges

The data collection phase was due for completion in one month. However, it took longer time to complete the assessment, facing a number of limitations throughout the process summarized as follows:

- **Reluctance of Companies to Be Interviewed:** The project targeted companies in different sectors, but many enterprises, especially in Saida region, did not show interest in taking part in the project for many reasons; one being the continuous targeting of such enterprises by other organizations conducting labor market assessments, second the significant economic slowdown that is crippling their financial management and growth, rendering skills improvement and employee growth as least of their priorities. However, the assessment overcame such challenges by first interviewing enterprises that are operating within different sub-sectors of the main agro-food and tourism sectors considered for the assessment, while respecting the specificities of the regions, and second by having the same enterprises recommend others to contact that ensuring a higher response. Such contacts have been provided of different companies along the value chain or in different sub-sectors to ensure a wider distribution and coverage. The enterprises in Nabatieh have been more responsive, but difficult to identify at the beginning, thus using the same strategy as in Saida.
- **Scheduling of appointments:** This was one of the main reasons behind extending the fieldwork. The interviews with organizations and local authorities required large efforts in scheduling, due to limited time availability of the people in charge and continuous postponement of meetings to another date that was more agreeable to their time schedule.
- **Limited Participation in Focus Group Discussions:** This represented a major challenge, as it was difficult to get the right number of participants in a group, namely the men groups, and the Lebanese and Palestinian refugee participants, due to the reluctance in participating in open group discussions. Thus only 7 out of 10 planned focus groups have been carried out, with higher presence of Syrian Refugees, namely women. However, focus groups have been conducted in both Nabatieh and Saida regions, ensuring representation of population residing in both urban and rural areas. These focus groups were organized with the help of PU-AMI, selecting from database previous beneficiaries targeted by shelter rehabilitation interventions.

6. REGIONAL OVERVIEW OF SAIDA & NABATIEH REGIONS

The assessment was designed to provide an overview of the agro-food sector in the Southern Regions of Lebanon, particularly in Saida, Nabatieh, and Jezzine, and understand the dynamics of the related labor market, through interviews with different stakeholders that have an influence or are influenced by the market, namely small and medium enterprises.

Through the analysis of this agro-food sector, the survey aims to identify opportunities for supporting vulnerable populations to access market opportunities, whether employment or self-employment. The assessment analyzed the different factors influencing the economy of the regions, and which affect directly the livelihoods of the communities (host and refugees) residing in the areas. Whilst not being limited only to the challenges, the assessment identified sectors of economic potential, going deeper into identifying value chains that have potential to advance and if supported can improve the economic situation of the populations involved directly or indirectly.

The sections below provide an overview of the regions under consideration, their local economies, and the various interventions undertaken by different national and international organizations aimed at improving livelihoods of the selected regions. Furthermore, an analysis of the sectors under consideration is provided, analyzing sample of selected enterprises in each sector, their main activities, and the major findings based on the assessment process. In parallel, findings from the focus group discussions are summarized in the section related to the breakdown and supply of the labor market in Southern regions of Lebanon.

6.1. SOUTHERN LEBANON- SAIDA & NABATIEH DISTRICTS

Designated as the third largest city in Lebanon, Saida is the administrative center for the southern region which includes Tyre, Nabatieh, Jezzine and Bint Jbeil Cazas, and has the largest district: Saida Caza. With geographical proximity to Beirut, 35 kms away, the city is divided into three zones: Wastani, Dekerman, and Historic Center⁹. The city has undergone remarkable growth and expansion in urbanization over the last twenty years, constructing new highways and investing in infrastructure. While this had a positive impact on the urban development, playing the intermediary role for citizens travelling between capital and South, it came at the expense of agriculture, taking over the citrus orchards that once provided the region's identity. Moreover, the role that Saida city played as the center of the South changed due to the split of the southern Mohafaza into two parts

⁹ Nahas C., Cultural Heritage Report: Sidon, Charbel Nahas Organization, Lebanon, 2011: http://www.charbelnahas.org/textes/Amenagement_et_urbanisme/Cultural_Heritage_Report/I-Sidon_197-237.pdf

in 1995, and more investment fled to other regions in the South, rather than in the city and its surroundings, making Saida slide further, lagging behind in economic development¹⁰.

On the positive side, the region has witnessed considerable investment in the last decade, mainly in the retail sector and real estate development: shopping centers, education, and health centers. The main economy of the region is based on the trade and services sector, with industry and agriculture accounting for a small portion. The household survey conducted by Central Administration and Statistics dates back to 2004, and while the figures may have changed due mainly due to the crisis and the economic stagnation nationwide, they are indicative, in that they still apply in proportion: approximately 30% of economic activities is concentrated in wholesale, retail trade & repair, 16.4% in construction, and only 7% in Agriculture & food manufacturing¹¹. In terms of agriculture, Saida & Jezzine regions cover an area of 201,539 dunums, with almost 40% planted with olives, 32% with citrus, and the rest varying between stone fruits, greenhouses, avocados and bananas on the coastal areas.

Saida region today hosts two main poverty pockets: old historic center inhabited by lower income Lebanese and Palestinians, and the camps hosting mainly Palestinians and recently Syrian Palestinian refugees. These two regions account for 40% of the population, according to the strategic diagnosis report by Medcities¹². Added to that is the influx of refugees, where Saida alone accounts for 18 out of 69 vulnerable cadasters in South & Nabatieh Governorates, 4 of which are most vulnerable: Saida El Ouastani, Miye ou Miye, Darb es Sim and Ghaziye¹³.

In fact, the mapping of inter-community tension undertaken by UNDP indicated that 43 villages in South have tension, 7 of which are in Saida, and 2 have high tension mainly Bissarieh and A'aqbieh. This has been mostly due to added pressure on resources and competition for jobs. Neighboring Saida is the Nabatieh governorate, comprising 4 different districts: Nabatieh, Hasbaya, Bin Jbeil, and Marjeyoun. For the assessment, only Nabatieh district is considered, hosting the Nabatieh city, which is the capital and located only 22 km away from Saida. The governorate fares better economically than sister governorates in the region, with lower poverty levels noted, 2% in 2008, below the 20% national poverty level, despite prolonged occupation and wars with Israel¹⁴. This is mostly due to the remittances of Lebanese expatriates who fled the region at times of war and helped in rebuilding the region and its economy through such remittances. In terms of local economy, services are the main sector absorbing employment in the region, 34%, followed by agriculture, 14%

¹⁰ Hallaj A., Debs H., Saida Urban Sustainable Development Strategy: A Strategic Diagnosis Report, Medcities: http://www.medicities.org/documents/22116/135803/6.+Saida_Diagnosis_Local+Economic+Development.pdf/c2e1a9ad-9ee9-41a7-a226-c33e140e0c6a

¹¹ Chaaban J., *Saida USDS Descriptive Memory Report on Local Economic Development, Social Structure and Urban Governance*, Beirut, 2004.

¹² Ibid.

¹³ United Nations; Government of Lebanon, Lebanon Crisis Response Plan 2017-2020, Lebanon, United Nations, January 2017.

¹⁴ Al Masri M., *The Social Stability Context in the Nabatieh & Bint Jbeil Cazas: Conflict Analysis Report*, UNDP, March 2016.

and industry, of which 24% is attributed to food industry. The Nabatieh Caza is relatively less populated than Saida region, with an estimated 200,000 inhabitants (both Nabatieh and Bint Jbeil Cazas), as compared to Saida, 207,500 inhabitants alone, accounting for 4.9% of the national population¹⁵.

In terms of agriculture, the region is most famous for tobacco, leafy vegetables in Kfarroumman and neighboring areas, and olives, where 85% of the cultivate land is grown with olives, namely in Hasbaya, and Marjeyoun¹⁶.

6.2. LABOR MARKET ASSESSMENTS- GOVERNMENT POLICIES AND LABOR REGULATIONS FOR REFUGEES

Within the overall framework of the response to the Syrian Crisis, different organizations carried out different labor market assessment to understand the dynamics of the labor market, identify the gaps and develop strategies to address gaps while complying with the governmental regulations regarding employment rights for refugees. Among such studies is that conducted by GIZ¹⁷, on national level in 2016 identifies main sectors with potential for growth and employment generation, based on government regulations, inputs from experts, contribution of the sector to overall economy, ease of establishment, infrastructure, and availability of local talent. These are mainly Agriculture & Agro-food, construction and real estate, Tourism and hospitality, Green Industries, and Waste Recycling. While those sectors are potentially open for employment and expansion, some are more open for integrating Syrian labor than others, based also on their alignment with government regulations pertaining to Syrian Labor. The Lebanese Government identified main sectors that refugees are allowed to work in and be granted work permit, those being Agriculture and Agro-food, Construction, and Solid Waste Industries.

Agriculture and Construction have traditionally employed Syrian labor (as seasonal workers), who played an important role in the growth and expansion of the sector, especially given that most Lebanese preferred services sectors, such as hospitality, banks, and various service, as more attractive and with higher potential for better income and job creation. Agriculture has traditionally also been a sector providing equal opportunities for both genders¹⁸.

Along the same lines, a recent labor market assessment study conducted by Mercy Corps in 2017, in Chouf, Bekaa, Saida, and Jezzine regions, focused on understanding the current and future

¹⁵ Localiban: Population in the Saida District: <http://www.localiban.org/rubrique551.html>

¹⁶ Investment & Development Authority of Lebanon (IDAL), Investment Profile of Regions: South and Nabatieh regions, http://investinlebanon.gov.lb/en/lebanon_at_a_glance/invest_in_regions

¹⁷ Rouhayyem G; Melki N., Weinmann D., Employment and Labour Market Analysis in Lebanon, GIZ, February 2016.

¹⁸ United Nations; Government of Lebanon, Lebanon Crisis Response Plan 2017-2020, Lebanon, United Nations, January 2017.

economic trends of the country with respect to labor market so as to better address the market demand and improve skills, namely in the agriculture, environment, and construction. The study has also identified economic opportunities for host and refugee population, in different regions whilst addressing the specificities of each region.

Among the main findings the assessment highlighted the trends in the sectors that are key employers in the regions, such as agriculture and agro-food in Saida region where agriculture is more focused on diversification and innovation through new crops.

The construction sector faces higher challenges due to the political and security situation as well as decreasing foreign investments. Jobs created are mostly short term, and more opportunities exist for Syrians and Palestinians in that sector. However, they face challenges amidst the changing labor regulations and the competition between Palestinians and Syrians in that sector, the latter accepting to work in less favorable conditions than Palestinians.

When it comes to vulnerability in general, the assessment indicates that the Syrian Palestinian refugees are most vulnerable as they receive little support from national and international organizations, and least able to access labor market due to nationality and backgrounds.

The study concludes with identification of potential sectors, across all regions, which if developed, can lead to regional economic development and provide income generating activities to the population, both host and refugees. These are agriculture, food processing, agro-tourism, renewable energies within environmental sector, and creative industries. For the South, Agriculture, agro-tourism and food processing were of higher potential for job creation than environment and creative industries.

The study also recommends, based on the analysis of the labor market demand, supply, and potential economic sectors identification, vocational trainings that combine both soft and technical skills that address the shortage and gaps in the considered sectors and accelerate integration in the labor market. For the Southern regions, the training topics recommended, for all regions including the southern regions, are divided as per sectors:

- **Agriculture & Agro-Food:** organic farming, land exploitation, crop innovation, marketing & branding, food safety, business planning and financial feasibility.
- **Environment and Agro-tourism:** general hospitality, food quality control, package tour design and development, destination marketing, solar energy technical skills, solar energy panel design and construction, recycling, and waste sorting.
- **Construction:** plumbing, carpentry, computer numerical control machinery, administration & accounting.

While construction and environmental sectors provide potential opportunities for employment, the recent **decree no. 1/29** issued in February 2018 by **Minister of Labor** further restricts the sectors eligible for Syrian (Syrians and Syrian Palestinians) Employment. As of February 2018, Syrians do

not have the right to work in environment and maintenance sectors and can only work in the agriculture and construction sectors. The decree indicates that as long as there are Lebanese available for the work, Syrians will not be allowed to work in any sector, except in agriculture and construction. This puts more restrictions on the employment of these vulnerable categories and further pushes them into extreme poverty.

6.3. SYRIAN REFUGEES' CRISIS: LIVELIHOOD INTERVENTIONS

The regional crisis, political instability, and security tension in the country have significantly affected the Lebanese economy, which has been suffering since 2011, and projected to have slow recovery and growth. The World Bank estimated a growth rate of only 2% a year, remaining unchanged for the last two years, and having services and tourism as main drivers for economic recovery¹⁹.

The uncertainty that the country has passed through over the last six years, be it internal or external, have led to higher unemployment rate of 11%, 37% of which is among the youth of the population (1 out of 3)²⁰. The picture in the South is not any different from the national figure, except for unemployment rates, where they are relatively lower: 5% in Saida and 6% in Nabatieh districts²¹, but higher for Palestinian Lebanese refugees, 23% in 2016 as result of Syrian Crisis²².

Additionally, the Lebanon's SME and industrial sector continues to struggle, amidst the various challenges, be it reduction of export activities due to border closures leading to reduced access of regional markets, increased reliance on imports, and reduced competitiveness of Lebanese firms as result of increased shipping costs and consequently reverting to marine shipment, that is more expensive and critical for perishable goods, thus higher costs bore upon the firms²³. With the prolongation of the crisis, interventions undertaken by the various national and international organizations shifted from relief and direct assistance to employability and supporting individuals to access labor market. For that, different studies and assessments, previously mentioned, have been conducted on employment and labor market in order to identify main gaps that can be filled through different interventions by national and international organizations. GIZ's Labor Market Assessment 2016, UNDP's Mind the Gap in 2016, and Mercy Corps' Labor Market Assessment conducted in 2015 are among the various studies conducted nationally and regionally. Such interventions came mainly in the form of skills provision trainings, or what is referred to as accelerated vocational

¹⁹ World Bank, Lebanon's Economic Outlook, 2017: <http://pubdocs.worldbank.org/en/866011507054530081/MEM-Oct2017-Lebanon-ENG.pdf>

²⁰ Arab Weekly Digest, Interview with Minister of Labor, Beirut, August 2017.

²¹ OCHA South and El Nabatieh Governorates Profile, May 2016. According to Saida Municipality, the unemployment rate in Saida is around 20%.

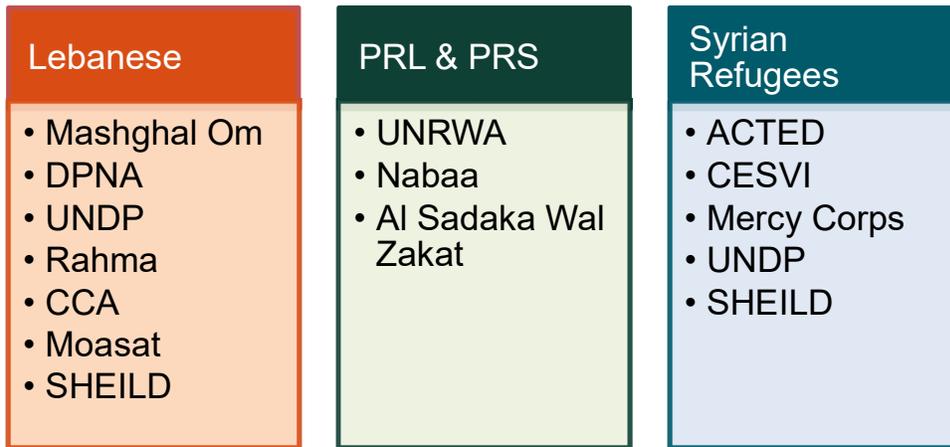
²² LCRP 2017-2020, p.103

²³ World Bank, LEBANON: PROMOTING POVERTY REDUCTION AND SHARED PROSPERITY, A Systematic Country Diagnosis, World Bank Group, Middle East and North Africa Region, Beirut, June 2015.

trainings that can improve the employability of the host and refugee population and facilitate linkages to labor market.

When it comes to interventions, local associations continue to work on provision of vocational training, on all topics including food processing and servicing, within the bundle of social services offered to different age groups, be it child protection to direct support for the poor, medical care for elderly, and finally vocational education for youth. In Saida region, eight different local organizations are providing vocational education to youth and women regardless of the nationalities, and open to all southern region residents. They differ mostly in the topics covered, schemes whether formal or accelerated vocational training, and geographical coverage, as seen in the figure below.

Figure 1 List of Vocational Training Providers By Target Beneficiaries in Southern Lebanon



Mashghal Om provides a one-stop shop for women, training on the job, building their sewing skills, and linking them to markets. The organization has contracts with schools for providing uniforms and thus a secure market. DPNA is more focused on youth in impoverished areas such as old Saida, and is currently part of coalition (along with UNDP, UN Habitat, Municipality of Saida, OXFAM, and USAID) to revive the tourism, and build the skills of youth on tourism for Old Saida. The Child Protection Council (CCA abbreviated in French) works on rehab programs for youth with drug addiction and works on integrating them in labor market by building their employability skills. Rahma Center is more known for its institute that provides formal vocational education and accelerated vocational training courses for men and women on all topics, namely maintenance, electricity, beauty, hairdressing, babysitting, secretary. The organization also has a central kitchen for catering, and providing the usual vocational training courses. Moasat is considered one of the oldest associations in the region working on bundle of services for youth, women, and elderly. The association has catering facilities, and also provides training on food processing and catering, especially for women. Currently Moasat is engaged in partnership with international organizations such as Acted and PU for provision of training courses for women on topics such as food hygiene, hospitality, traditional specialty foods).

Regarding Palestinian refugees (Lebanese and Syrian), UNRWA is the governing organization providing different services from social to education to livelihoods and employability. In terms of

employability, UNRWA operates an Employment Service Center in Saida, since 2007, which mainly works on four different service offerings:

- Registration of job seekers (refugees)
- Matching with vacancies
- Career counselling
 - Case by case (one on one)
 - Group coaching to improve employability
 - Workplace learning (internships)
- Advocacy for right to work by increasing awareness on job rights for both seekers and employers.

The center was first funded by international donors, with a target of 4725 people but center managed to outreach 14,000 people. However, the Syrian Palestinians were excluded for budget reasons. However, with the new Belgian Fund, the organization will be able to gradually target the Syrian Palestinians through provision of the different services. Nabaa and Sadaka Wal Zakat associations works on a smaller scale, targeting both Palestinian and Syrian Palestinian refugees through provision of social and human development, as well as livelihoods through referrals to other organizations such as Rahma and Moasat specially for vocational training.

When it comes to international organizations, ACTED, CESVI, Mercy Corps, and UNDP are the main players in the southern region, undertaking livelihood interventions mostly through skills build-up, cash for work, and SME development.

In terms of skills training provision, CESVI is starting a program targeting vulnerable population (skilled and unskilled) in southern regions, particularly Saida, through skills build-up and creating job opportunities for the in green construction, maintenance, electricity, plumbing (MEP), and Decorative finishing. The program also includes provision of business development services for micro and SMEs in Saida as well as technical support to Syndicate of Handicrafts in Saida, as well as support in career guidance and counseling. Their main target is unskilled and semiskilled vulnerable people.

ACTED, on the other hand, is working also on provision of skills training, focusing on food processing, in collaboration with MOASAT organization. The program targets mainly women, Syrians, Palestinians, and Lebanese, training them on different topics such as food hygiene, quality control, and processing.

Mercy Corps is currently implementing FORSA project, aimed at increasing employability of Lebanese youth in the Agriculture, Construction, and Environment sectors. 750 beneficiaries will be targeted over 2 years, through capacity building of youth, technical and financial support to vocational schools, and support to small and medium enterprises for absorbing more employment.

UNDP plays a more strategic role in the region, focusing more on local economic development, through supporting local authorities in improved solid waste management addressing needs of their communities, and working with public and private sector to promote economic development. At policy, they are working with Union of Municipalities on solid waste management and in Zahrani building a wholesale market for fresh fruits and vegetables. Regarding youth employment, the

organization has worked on project for supporting coops in doing assessment and building their technical and managerial capacities. For youth, they partnered with SHEILD organization to provide VT trainings on hospitality, car mechanics, pastry and bakery. The certification was provided from the Ministry of Education & Higher Education. For local economic development, UNDP is currently working on the tourism sector, reviving cultural heritage in old Saida, training women on culinary heritage and setting up community kitchens. Moreover, the organization is involved in mapping value chains Freekeh, honey, and thyme in the South to identify gaps and address them accordingly.

In Nabatieh region, there are numerous institutions and schools offering Technical and vocational education in different sectors, including the agriculture and food processing and hospitality, accredited through Directorate of Technical Education and Training. All have regional coverage across the South, and maintain an open door policy, regardless of gender and nationality. They provide formal vocational education, for BT (Technical Baccalaureate) and TS (Technicien Supérieur), education levels. SHEILD is one non-governmental association providing vocational education and training. SHEILD has been involved in providing vocational trainings for both host and refugee communities, offering courses in wool weaving, pottery, soap making, and food processing for women. The courses are mostly offered through social development centers of the Ministry of Social Affairs (MOSA) in the South. The duration of the courses is up to 4 weeks for a total of 24 hours, and only certificates of attendance are provided, with further course provision dependent upon available or additional funds. It is also worth mentioning that there is one Agricultural Vocational School operating in Nabatieh and is part of the overall project funded by the Dutch Embassy to rehabilitate and upgrade the curricula to match the market demand.

The positive aspect of such livelihood interventions is that they work on building the skills of different target groups, and equipping them with tools to help them land a job in the future. While local organizations provide similar vocational education, accelerated education or market-based skills training provided by international organizations are more compatible with market demand, based on in-depth analysis of skills gap in the current labor market. However, challenges exist for all organizations, namely:

- ➔ Lack of investment in the region to improve economic conditions and create jobs. There is little government support to develop regions outside the capital thus most of the opportunities exist within the capital Beirut.
- ➔ Shortage of Funds and sustainability of training programs, as they are linked to available funding and shifting policies of donors.
- ➔ Fluctuation of the Labor Market, making it difficult to address through proper training programs: labor market shifts on annual basis, hindering the prompt adaptation to the new requirements
- ➔ Restrictions on work for Palestinians and current competition with Syrians make it difficult to develop training programs for employability. UNRWA reduced their support due to funding

shortages, and thus more vulnerability. There is mismatch among Palestinians, between education and opportunities present, and labor market cannot absorb, thus many left to look for opportunities outside.

- ➔ For self-employment, Syrians do not have the right guidance as to how to set up their businesses and are not well experienced in business management to open their own businesses, thus many barely make it to the market. They do not receive support on that matter and do not know where to look for support on business management when needed.
- ➔ The continuous change in governmental regulations regarding right to work. This puts more pressure on organizations to address the ever-changing regulations and adapt their programs to the government policies.

7. MAIN FINDINGS

The assessment carried out over period of 2 months: January & February 2018 aimed to provide a mapping of the current livelihoods interventions undertaken in the selected regions, identification of sectors of economic potential, and snapshot of the labor market providing opportunities for employment and self-employment within the selected sectors. Providing a snapshot of the labor market required an understanding of the demand side of the market, i.e. enterprises operating, means of recruitment, challenges faced, as well as the supply side of the market, i.e. youth, men and women employed or searching for employment, and understanding the main influencing factors that promote or hinder their employment. The assessment looks in priority into the identification of opportunities within the sectors and requirements for taking advantage of such opportunities and generating income for the vulnerable categories. This section is more focused on the understanding of the labor market, profiling enterprises through the various interviews conducted, as well as potential beneficiaries through the focus groups conducted.

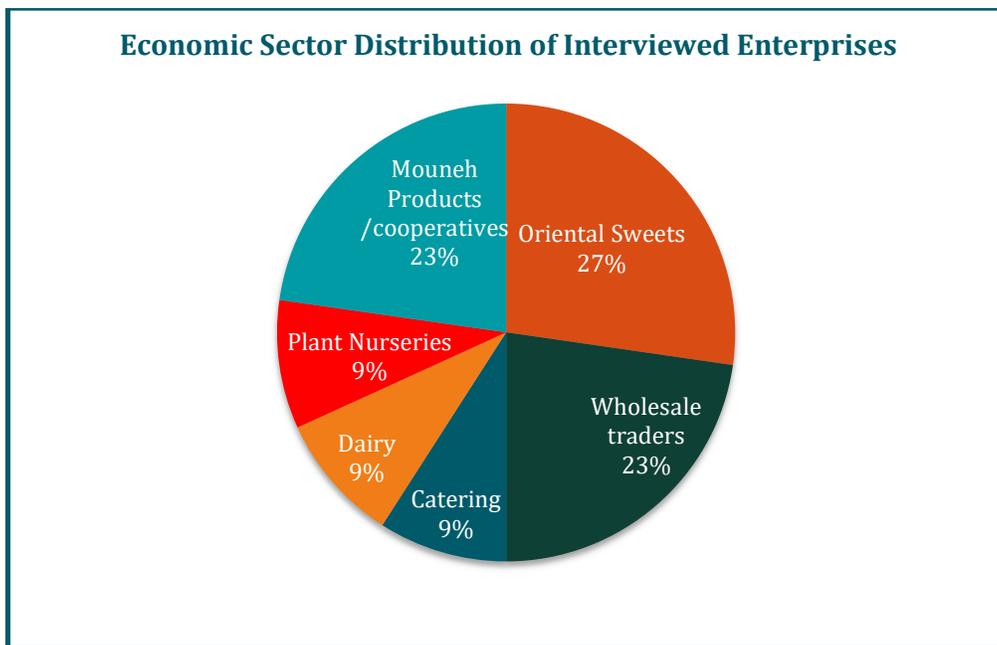
7.1. PROFILE OF SELECTED ENTERPRISES- DEMAND FOR LABOUR

The assessment included in-depth interviews with 20 enterprises operating in agro-food and environment economic sectors in Saida & Nabatieh regions. A detailed list of the enterprises interviews can be found in Annex 1 of the Report. The information found below is more of analysis of the main findings from the survey that was administered to the interviewed enterprises. The sections provide a graphical and analytical overview of the sectors in which such enterprises operate, the number of employees and their gender distribution to determine the size, impact of the crisis, performance within the chain particularly with respect to raw material sourcing, challenges faced, and future outlook, exploring possibilities to cooperate with PU-AMI and perceived means of collaboration.

Sector distribution of the interviewed enterprises

The selected enterprises varied in their activities and coverage. While the sample of enterprises was developed using random selection, the target was in selection of enterprises was to have them cover as much as possible the sub-sectors of the agro-food and rural tourism sectors, whilst taking into consideration the local context of the regions and giving more weight to the different sub-sectors that are more represented in the region, as per the figure below.

Figure 2 Economic Sector Distribution of Interviewed Enterprises



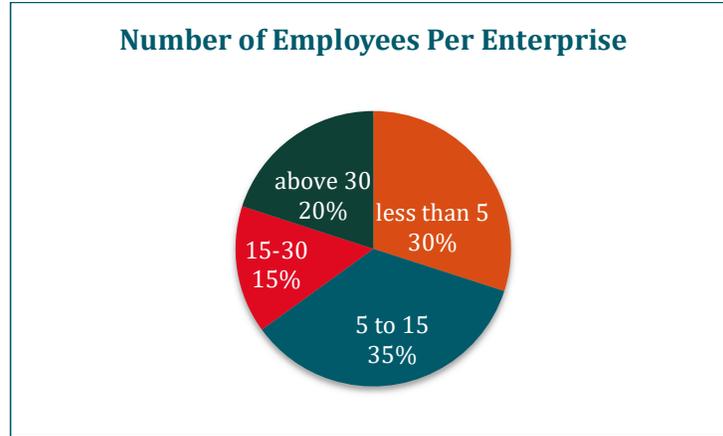
The figure above describes the enterprises interviewed in both Saida and Nabatieh regions, comprising a sample of 20 enterprises. Among those interviewed within the sample, 27% are sweet manufacturers, mostly from Saida as this sub-sector is traditionally part of the region's identity and is home to old profession passed on from generation to the other. Wholesale traders represented 23% of the sample, a total of 5 agriculture wholesale traders from both Saida and Nabatieh Wholesale markets. Such wholesale traders source from different farmers and deal with an array of products, fruits and vegetables, with citrus accounting largest chunk of their supply, around 70% and to some lesser extent vegetables, cherimoya and avocados. Mouneh producers of Thyme, Olive Oil, Jams, Pickles, and other traditional products account for significant percentage of sample, located in rural areas of Saida (Baanoub and Jezzine) and widespread in Nabatieh regions. They are mostly small enterprises as well as women processing cooperatives. Other enterprises interviewed equally represent the dairy and plant nurseries sectors widely available in the Nabatieh region, and catering companies/organizations mostly in Saida city.

Employee number & gender distribution

The size of the selected enterprises is an indication of the current workforce. Majority of the enterprises interviewed are more of micro and small enterprises, with those up to 15 employees

accounting for 65% of the sample, and only 15% medium enterprises with a range of 15-20 employees, and the rest are mostly the large oriental sweets manufacturers that have more than 80 employees, specifically Al Baba Sweets in Saida, and Al Sharq & Al Sultan sweets in Nabatieh, as seen in the figure below.

Figure 3 Number of Employees Present in Sampled Enterprises

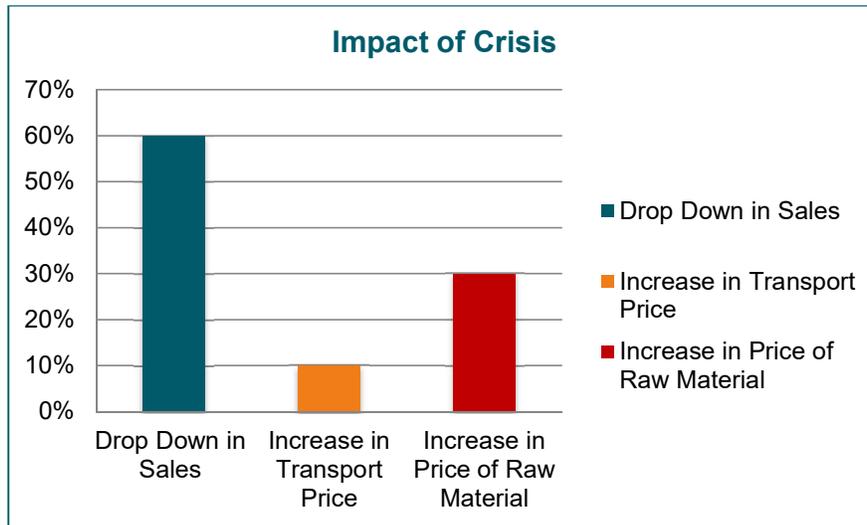


When it comes to gender representation, the sampled enterprises stated that they have gender equity in their businesses, 50-50%, and that there is the presence of significant number of women in their workforce. Some exceptions exist in certain businesses that operate in the nursery sector which are mostly male dominant and processing cooperatives in rural areas that are predominantly run by women. In the oriental sweets industry, women mostly take the role of administrative and sales, leaving the technical and managerial roles to men, such as sweets making, operations, and general management. It is also worth mentioning that at least 85% of the enterprises are family owned, where mostly family members take the upper management positions and decision-making is solely the responsibility of the founder.

Impact of crisis & political uncertainty

The Syrian Crisis, political uncertainties and the worsened security situation around the Palestinian camps have significantly impacted the various businesses, regardless of the sectors in which they operate. While the southern region of Lebanon has relatively the lowest number of refugees in the country, the crisis negatively influenced the overall business climate. But above that, the last clashes in Abra back in 2014, and the continuous security threats surrounding the Palestinian camps around Saida have negatively contributed to the operations and growth of the various businesses. Investments have shifted to other 'more secure' regions, and businesses have been left along to mitigate the impact. The decrease in demand, though increased first at beginning but then declined, and increased overhead costs has been the main result of the crisis, let alone the overall economic stagnation that is influencing the whole nation. The figure below provides a more accurate impact of the crisis and how it affected the sampled businesses.

Figure 4: Impact of Crisis on Sampled Enterprises



At least 60% of the enterprises operating in the agro-food sector, have witnessed a substantial drop in sales, up to 40% in the case of oriental sweets manufacturers. This could be attributed to number of factors: the reduced purchasing power overall of households forcing them to focus on the basic foodstuff needed, rather than luxury such as sweets, especially among the middle and lower social classes, the changing consumer preferences, leaning more towards healthy and low sugar items, and finally the rise of French and American sweets & bakeries competing for the same customers and gaining larger market share.

For the rest of the companies, dairy or catering or food processing, the dropdown in sales have mostly been attributed to overall reduction in demand as result of crisis and political uncertainties. Increase in price of raw material has been another major factor reducing the competitiveness of the enterprises, and negatively impacting their growth. This is more observed among raw material that is imported, for sweets manufacturers and traditional product manufacturers, specially packaging and bottling raw material. Some manufacturers reported doubling and tripling of the price of raw materials such as butter, Walnuts, and cashews that are imported from Europe and which have been severely influence by the Dairy Crisis in Europe. For wholesale traders, the increased cost of transportation and road blocks have been the direct result of the crisis, leading to loss of export market share in gulf and neighboring countries, and reduction in wholesale prices of various fruits and vegetables due to loss of markets (1kg of citrus was sold for 1000 L.L and now it barely fetches 500 L.L/kg). In short, the crisis had a main impact on economy in terms of reduced market access, reduced purchasing power of population, and increased overhead costs and availability of raw material, all leading to reduced competitiveness and stagnation.

Sourcing of raw material

A main section of the enterprise survey includes questions related to the sourcing of raw material. The objective is to understand whether raw material, in terms of agricultural or animal products, are sourced locally or have to be procured from other regions or imported. It helps first to get a better overview of how raw material is sourced, and to identify, in case imported, if there any challenges

faced in that process and whether is possibility to growth or produce them locally, thus an opportunity for new business (self-employment opportunities) ideas that can help the existing enterprises by increasing availability and reducing cost bared upon by imports, whilst strengthening the value chain itself.

Lebanon imports 80% of its food requirement, making it highly dependent on global markets and susceptible to changes in market prices. This susceptibility has been witnessed by the majority of enterprises, which depend, at varied levels, on sourcing small or large portion of their raw materials from abroad, more clearly visible in the diagram below. It is important to note that this applies to both small and large businesses interviewed.

Figure 5 Sourcing of Raw Materials



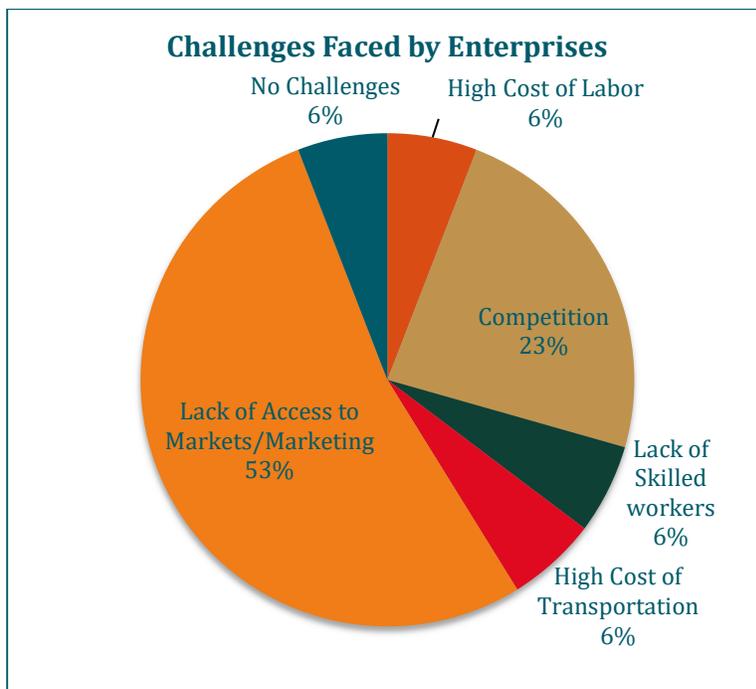
While fresh fruits and vegetables are sourced locally from wholesale markets, the origins of such produce, whether locally or imported, is not known and thus indicated as sourcing from local markets. The majority of enterprises, 60% combined, rely on sourcing raw material from traders or distributors in Beirut or Saida, as seen in the figure above. This applies specifically to oriental sweet manufacturers that purchase from traders imported goods such as butter, cheese, sugar, and nuts. Plant Nurseries rely on direct imports, from Spain and Italy for ornamental and fruits trees that are high in demand in Nabatieh area. For the rest, the food start-ups, dairies, and cooperatives, they fill in the gap in value chain by planting their own inputs, be it zaatar, herbs, or setting up their own dairy farms for ensuring continuous and consistent supply.

Challenges faced by enterprises

Despite having quite a diverse enterprise sample in terms of size, operations or geographic coverage, the challenges are common, differing mostly in the degree of influence over the whole operations and future plans of the enterprises. Marketing and Access to markets is the foremost challenge unanimously highlighted by the various enterprises interviewed. The diagram below shows a different picture, with only 53% of companies citing marketing as main challenge, but that is mainly due to the fact that such companies only have marketing as a challenge, while the others face

different challenges, largest of which is marketing or access to markets. Marketing is viewed as a challenge as enterprises have at least one marketing element missing or not properly functioning: distribution channels, or consumer profiling & targeting, or lack of clear marketing strategy. This is the case of cooperatives and oriental sweets manufacturers who have been unable to adapt to the changing consumer demand, finding the right distribution channels to reach their final consumers, or undertake proper market research to identify potential new markets to address. Competition is an additional challenge, cited mostly by oriental sweets manufacturers in Saida, claiming that the diversion in Saida's role as capital of south paved way to opening sweets outlets in Nabatieh and competing with existing ones. High cost of transportation is a major challenge for nurseries and wholesalers who have to source from different suppliers and bear the cost of transportation without guaranteeing a good market. The lack of skilled workers especially in the oriental sweets sector is a challenge, as the new generation lacks the interest in learning the craft and thus having relevant skills fade away. This may require manufacturers to hire older ones, and pay higher wages to secure their employment, thus increasing cost of Labor. With the current economic stagnation and reduction in sales, overhead costs become a burden and wages an added burden, especially for smaller enterprises that are unable to expand and grow.

Figure 6 Challenges Faced by Sampled Enterprises



When it comes to recruitment processes for new employees, traditional recruitment methods remain prevalent in the region, relying on personal connections for identifying new candidates, and walk-ins or having the potential candidates approach the company and fill in application. The walk-in is more common for larger enterprises that have retail outlets/branches such as the oriental sweets manufacturers. For the rest, personal connections and word of mouth is the main recruitment

method. It is worth mentioning that while certain positions within enterprises have been occupied by Palestinians (agriculture, sweets manufacturing supervisor), they are now replaced with Syrian Labor, mainly due to lower wages, and the higher availability of the Syrians, with Palestinians more shifting towards other sectors with less competition (construction or engineering), or immigrating for better opportunities outside the country. Another observation is that while some employers interviewed have flexibility in terms of refugee employment, others have shown firm behavior in emphasizing the fact that they employ only Lebanese, and that other enterprises should follow the same course. Thus there is mixed reaction and degree of flexibility towards fair opportunities for both host and refugee communities.

The findings indicate that enterprises do not depend on recruitment agencies for hiring, and prefer to have reference check and good knowledge of the background of the candidate prior to shortlisting and hiring. This is important for future consideration, should the organization decide to offer employment linkages, as it will require establishing stronger linkages with the private sector for facilitating employment in their enterprises.

Potential cooperation with PU-AMI

The interviews with the different enterprises revealed a gap in the link between the various interventions undertaken by the local and international organizations, and the needs of the enterprises operating in both regions. The majority of the enterprises, at least 16 out of 20, indicated that they have not received any technical or financial support from any governmental or non-governmental body, with the exception of women cooperatives that have received trainings and financial assistance to set up and run their businesses.

For example, the sweets manufacturers in Saida simultaneously indicated they have been isolated and disconnected from local initiatives undertaken for promoting tourism in the area. They were not even aware that there is a strategy put in place for reviving the tourism in the region. For the smaller food enterprises or start-ups around Saida & Jezzine, the situation is not different, as they had to set up their businesses by themselves without any financial or technical support. They are now at a stage where they need to expand, scale up and access new markets, but unable given the resources available. The same goes for other enterprises, indicating they have not been approached by international organizations working in the regions.

Despite such disconnection, the enterprises showed interest in potential collaboration with PU-AMI provided it achieved a win-win situation for all, whilst not having a clear vision of how such cooperation can be attained. Some indicated that training of youth and women on specific skills can help them in the future through direct access to such trained beneficiaries when implementing expansion plans. This is valid for smaller Mouneh enterprises aiming to venture into rural tourism in the near future, as well as for nurseries that expressed the need for trainings on grafting, and maintenance for the potential candidates. For others, cooperation would come mostly in the form of technical support, be it in reducing cost of raw material, upgrading product quality, and accessing

new markets. The argument is mainly that by helping the enterprises, mostly small and medium sized, demand for labor will increase and thus more opportunities for income generation across all population groups: host and refugees.

7.2. FOCUS GROUP FINDINGS- SUPPLY OF LABOR

The following findings represent perceptions of different refugees interviewed through Focus Group Discussions. It is important to take into consideration that such findings are mostly reflections of the different perceptions and opinions expressed by such population in the different focus groups discussions and thus can only be taken as indicative rather than case of reality in the regions. They are more of insights on perceptions and how the different refugee populations in Saida & Nabatieh regions are coping with their statuses, access to employment in their regions, and factors negatively influencing their livelihoods. The findings, while indicative, are important to consider when designing support programs to such target groups.

Persistent Poverty and Negative Coping Strategies among Refugee groups

The majority of the people interviewed are living in extreme poverty conditions, be it in informal settlements in rural areas or unfinished houses in urban areas. The average family size is 6 with some having an average of 7 to 8 children, and mostly less than 10 years of age. While they received support in the past through provision of winter clothes, fuel coupons, and WFP food card, they have been discontinued from such support, which left them in bad conditions, unable to secure proper continuous food for their families (without knowing the reason), and adopting negative coping strategies such as buying on credit, selling assets, or withdrawing one of children from schools. Rent is a critical issue, having to pay an average of 200 to 300 USD per month, without access to work, which makes it even more challenging for families to maintain livelihoods. Almost all participants emphasized the need for support to have ends meet and rent paid, be it through direct cash support or access to work to pay the rent.

Cultural Barriers Main Challenge Hindering Women Integration in Labor Market

Women, in general, face many challenges in their lives, but the cultural barriers are the most challenging and hindering factor against their integration in labor market. Whether single, or married with children, women are not able to apply for a full time job or be employed as either their husbands oppose the idea or employers prefer to have single women without children. Women from both regions are; however, open to having women set up their own businesses, mainly at home to support their families. Family comes first and then if there is time, they can do things at home in their free time and get paid for it. The majority of women interviewed in both Nabatieh and Saida suburbs come from rural areas in Syria where agriculture was the main source of income. They have the agricultural skills but unable to put them to work, either due to lack of opportunities or involvement with children upbringing. Women in urban areas have not worked previously, mainly because

husbands wouldn't allow them or just busy raising their children. However, when asked about possible support, majority, or at least 80% of the women expressed interest in taking courses in, sewing & tailoring, beauty, and food processing as the skills acquired enable them to work from home and target small number of customers, working at their own pace and helping their husbands with income.

Access to Employment: temporary in absence of livelihoods support

Majority of male participants interviewed were frustrated and demotivated, continuously trying to look for any type of work without clear direction and guidance. They go to the nearest towns, Saida, and Beirut in search for daily work, and if lucky end up with a day work. Some rely on word of mouth, referrals from their friends or family members as to who is employing, but as it is daily or seasonal work, they cannot rely fully on it so go on daily basis to urban spots looking for work. Majority indicated that the work is always temporary, and they work one day and then 10 days no work. They are rather involved in low-paid, low-skilled daily jobs to sustain their living. The type of daily work is mostly in the construction or as porters regardless of the sector. Those located in the rural areas have further options, working on seasonal basis in agriculture. However, all such work is temporary, and with the current economic situation, the construction sector is slowing down and agriculture remains the only source, but offering more opportunities in summer than winter. The daily wages range between 25,000-35,000 L.L/day and many reported not getting paid the full amount or in installments. It is important to mention that the minimal wage in Lebanon is 1,100,000 L.L/month. Thus they are unable to secure a continuous cash flow to pay the rent, transport for their children to school and education.

Another important issue that came up is the lack of guidance and technical support for those people with regards to employability, namely orienting as to the training provider and available jobs. They have not been enrolled in any training programs offered across the regions, and the only training course provided was sewing for women, offered by Caritas. But they did not receive any kits and given that they lacked linkages with markets, there was no opportunity to put such skills to practice and thus remained dormant. Some were not aware of other courses provided by other organizations such as NRC or Moasat, but had high recall of Caritas as it was coupled with relief assistance (shelter and food).

These women have not worked before in Syria, thus possess basic skills when it comes to income generation. They were fully engaged in children upbringing and had it not been for the worsened economic situation, they would not think of employment. Yet, they face rejection from their husbands to find work as it is against their culture. So unless it is operated from home, they could not engage in any income generating activities. There were some exceptions in rural regions where women were working in agriculture but unless the situation was very critical and children were of older age, their husbands would not let them work. While there was not an opportunity to meet the youth population, some indicated that none of organizations is helping their children, who are actively seeking jobs, in

guiding them as to where to look for work, and what courses or trainings they would require to improve their skills and increase their chances for employment.

The high cost of renewing permits, lack of opportunities, and discrimination are major challenges facing Syrian and Palestinian refugees in their daily lives, and in their job search. They claim wages are very minimal and more often they do not get paid the right amount or none at all, and they face discrimination in that employers do not want to hire Syrians or that they treat them unfairly. Thus they try to look for opportunities than enable them to work at their own expense, and avoid the hassle of getting employed with the package that comes with it. When asked about potential ideas for setting up their own businesses, if granted financial and technical support, majority indicated they would work in what they know best and that is agriculture. They all face difficulties in setting up their own businesses as they have no money to invest and cannot acquire loans due to their legal status in the country. Some suggested to rent land and either set up plastic greenhouses, or plant with different crop varieties. In urban areas male participants suggested the opening of small grocery shops to supply their neighborhoods. Women, on the other hand, suggested the ideas based on work-from-home, namely sewing or food processing, as long as it does not entail them getting out of the home and looking for work.

7.3. POTENTIAL FOR EMPLOYMENT AND SELF-EMPLOYMENT

Based on the various labor market studies conducted in the last couple of years, in 2016 and 2017 such as the GIZ Labor Market Assessment, and considering the current and future economic performance of the country, and the Southern region in specific, Agriculture and food industry sectors are important pillars and offer significant opportunities for employment and self-employment, in addition to the emerging rural tourism sector.

The Agro-food sector in Lebanon does not contribute to the country's GDP in the same way other sectors do such as construction, around 3% of the country's GDP and 32.1 % of the industrial sector output in Lebanon.²⁴ Yet, the sector is crucial for Lebanese economic growth first due to contribution to rural economy and its potential in creating economic opportunities for rural communities in general and women in specific thus improving livelihoods of the local communities.

The sector has received different types of support over the years, though at varying levels, from both national and international donors for further enhancing growth and encouraging investment as means to promote overall economic development. Among the main organization is Development Alternative International (DAI) that worked on value chain approach. With funds from USAID, they worked with farmers and different stakeholders on developing and growing avocado value chain as alternative to citrus that is declining in terms of market share. They provided technical assistance

²⁴ Agro Industry Fact Book, Sectors in Focus, Investment and Development authority of Lebanon, www.idal.gov.lb

and financial support to invest in avocado plantations. Taking it on from there, local farmers are now more turning to avocados and investing having seen the market returns. In the coming years, the focus of the government and international community will be on value chain development and technical support to access new export markets, substitute imports to, and build the skills of the current workforce to improve quality of production and achieve competitive advantage.

In fact, UNDP is currently in the phase of finalizing value chain assessments of the Thyme and Freekeh agricultural products. The aim is to design interventions based on the potential of such products, relevance to the regions, and the identified bottlenecks that require support to exploit the full potential of both chains. For both value chains, the interventions will center on upgrading production and management processes, improving the quality of production through demonstration plots, and providing on the job training for farmers and workers for increasing productivity. Interventions will be based in Southern regions, namely Nabatieh, & Marjeyoun regions. In Jezzine, UNDP is in process of designing cold storage and food processing namely for apples and stone fruits grown in the region. This will be done in partnership with the Union of Jezzine municipalities, and will also include set-up of service center for farmers, to ensure product quality from farm to markets.

Aside from the value chains abovementioned, opportunities also exist within the avocado and cherimoya value chains, mainly due to presence of high market potential, relatively higher market prices than similar fruits, and the presence of donor support in further developing such value chains. Whereas citrus products are native to the Southern region and traditionally grown in these areas, their markets have been declining due to competition and higher costs of production. Avocados on the other side require lower investments, have higher demand especially from hospitality industry (restaurants and caterers) and fetch higher market prices (3000L.L/kg wholesale price as opposed to 500 L.L/kg for citrus). Floriculture is another sector with potential for growth if provided right support. Roses are grown for ornamental purposes and processing, distillates as rosewater to be used in oriental sweets and other traditional sweets. In Nabatieh region, an annual flower exhibition is organized, at the wholesale market premises, with more than 12,000 visitors and over 50 nurseries exhibiting. The municipality sees a great potential and plans to organize two times a year to provide more opportunities for exhibitors to sell their products.

With regards to the food processing, traditional products have higher potential for income generation and job creation in both regions. Zaatar mixes, honey, and dairy are stars in this sector and potential is already recognized, with the help of the food start-ups and the cooperatives engaged in their production. The production and value addition process also provides another opportunity for income generation through rural tourism. Good Thymes, a start-up company specialized in zaatar mixes, is organizing tourism activities, inviting people to visit their premises, join in zaatar picking, and enjoy the local flavors of the region. Basatin Baanoub, another start-up company, organizes olive picking and study tours for children and adults to get to know the various products and how they are made. Both are located in regions with high potential for rural tourism, attracting interest of other actors to join, namely Souk El Tayyeb that is planning to open guest houses in the Nabatieh region starting

with one in Zefta this year. Alongside are the cooperatives that traditionally produce Mouneh and dairy products serving the local communities around them.

Import substitution holds further opportunities for reducing cost of production and filling in the gaps existing within certain value chains. This is true for oriental sweets manufacturers who reported soaring prices of dairy products imported, such as butter and cheese, and which could be locally substituted if provided the proper support and linkages. Al Baba sweets is already sourcing cheese from factory in Nabatieh but still importing butter. Pine nuts are sourced locally from Jezzine also. Such an example shows the potential for further promoting linkages along the value chain, providing a win-win situation for enterprises and actors along the chain.

For other sectors, such as environment, opportunities exist mostly in urban areas in Saida regions, within the landscape and public space management. The Municipality of Saida presented plans to rehabilitate public green spaces within Saida and will require human resources for creating unit that can work on landscaping maintenance and support for all the places. Other opportunities may exist within the maintenance and renewable energy. However, with the issuance of the new decree by Ministry of Labor, opportunities may not be widely available for the refugees, thus limited to landscaping and maintenance of green spaces.

The abovementioned sectors provide various opportunities, be it through investment, employment as well as self-employment opportunities for all populations, regardless of nationalities. However, looking at the current status of the targeted population, support is required in terms of skills capacity building for taking full advantage of such opportunities. For those with existing skills, especially in agriculture, higher technical skills are needed as well as training on new skills in agriculture are required. Technical trainings in agriculture such as gardening, fertilization weeding, pruning, grafting, and harvesting are required, while food hygiene & processing, and hospitality are mostly required for women interested in catering and rural tourism, both refugees and Lebanese. This helps ensure that businesses do not incur loss or an increase in cost due to mishandling or not performing the right tasks. Accompanying technical skills are digital & financial literacy and entrepreneurship skills that are essential for all, regardless of the educational background of the beneficiaries. They are important in enabling them to set-up and run their own businesses, and will help them in the future should they wish to be employed. While not particularly highlighted as more important than technical skills, interviewed enterprises and stakeholders view them as equally important. Most of the challenges highlighted in employee turnover and recruitment is due to significant gap in the soft skills of the candidates/employees. They also indicated that the future is all about connectivity and automation and thus candidates need to be able to have minimum basic management skills and ability to work digitally.

8. CONCLUSION & RECOMMENDATIONS

Findings from the assessment reveal the need to develop an integrated approach in addressing the employability needs of vulnerable Lebanese, Syrian and Palestinians in Southern Lebanon. This would be through promoting skills acquisition and build-up for the unemployed people, and supporting selected enterprises in the regions through various business development or technical services. This would have a positive impact on the economy as a whole and improve the livelihoods of this vulnerable-population. Employment opportunities exist in the agro-food, and landscaping related services mostly for men, as well as Food and Hospitality for both genders. However, refugees and host communities are in need of improving their skills and acquiring new ones that improve their access to work and help them establish their own businesses. Such skills are technical specific to different sub-sectors in the agro-food and rural tourism, as well as general related to financial & digital literacy, and entrepreneurship skills common for all sectors. The section below provides a better picture of how to translate such findings into program design and highlights recommendations for future livelihoods interventions.

8.1. TRANSLATING FINDINGS INTO PROGRAM DESIGN

Designing a program that targets both host and refugee communities is not an easy task, especially when it comes to creating income generating opportunities, whether employment or self-employment. Building up skills of such communities is a key yet approach to such build-up differs across those communities.

The starting point is to have more of a sectorial approach, focusing on specific sectors, namely the **Agro-food and Tourism sectors**, and designing the interventions as per the needs of the target group. The Agro-food sector is multi-dimensional and includes agriculture and food processing, while Tourism sector includes rural tourism, and hospitality. Both have the highest potential for job creation in the region for the short and long term.

There are niche opportunities within each sub-sector that can be sought after to develop, given their labor -intensive nature and potential for private sector to expand and absorb more labor.

Agro-food sector opportunities

When it comes to market demand in Southern region, **Avocados, Cherimoya** and other fruits are in higher demand and fetch higher prices than citrus or vegetables. Thus adopting a **value chain approach** for intervention is desirable. Avocado value chain is growing at a faster pace, given the higher return on investment, relatively higher local market prices, potential for export, and donors' support in upgrading the chain. It is rational to design programs focusing on promoting the chain, yet this requires large investments or budgets, for technical upgrading of the chain and inclusion of the targeted beneficiaries, and this may be beyond the PU-AMI organization's allocated budget.

However, it is recommended to work on upgrading the technical skills of the value chain actors, mainly the workers of both nationalities, providing on the job-training in **Fertilization, Planting, Weeding, & Harvesting**. This would be a win-win situation, whereby farmers reduce harvest losses due to bad handling and increase their productivity as result of improved farming practices. For Workers, this will help them sharpen their skills, which would be put into use across all crops, more potential for working either on their own, or with farmers.

Another potential intervention for income generation for refugee communities is **agriculture grants provision**, especially in rural regions. Based on selection criteria to be set by the organization, PU-AMI can provide small grants, of up to **5000 US\$**, for refugees for renting a small plot of land and planting it with fruit and vegetable products which could be sold either to small retailers, or directly to refugees through special farmer markets. The grants should also be coupled with on-the –job training on good agriculture practices, so as to have good yield and improved farming skills. The same concept can be adapted for urban areas, introducing grants for urban gardens, either at home on rooftop of buildings. Seeds and inputs can be provided to women to plant vegetables, and coupled with training on good production. This will improve food security and the surplus can be sold at the nearest markets, so more income and better food security for the families. If more than one family is residing in the building, the rooftop can be shared among them. A similar experience was carried out by Food and Agriculture Organization (FAO) in collaboration with Hariri Foundation back in 2005, where rooftops of old Saida buildings have been transformed to urban gardens, allowing vulnerable women to acquire their needs of the vegetables and sell the surplus thus good income for the family. The project was deemed successful and sustainable due to the close follow-up and monitoring from the foundation was crucial for its sustainability, and thus same approach should be adopted to ensure success of such activity.

Landscaping is another sub-sector that can be targeted, especially in **Saida**, given the interest of the Municipality to work on rehabilitation of public green spaces. Such project would require labor with gardening and maintenance skills. The landscape sub-sector is considered eligible for foreign labor, and thus PU-AMI can target refugee communities, namely youth and men, through hand-on training on **gardening and public space maintenance skills**, linking them to municipality for employment. It is also recommended to also include team building and communication in the training as it helps to build better links within the group and motivate them to work together in the future, taking on similar projects.

The Food Industry sub-sector provides opportunities for both Syrian and Lebanese communities and for both genders as well, in Saida, Nabatieh, and Jezzine districts. Majority of the actors in the sector are **small and medium enterprises (SMEs)** that are currently working with limited capacity yet can grow and expand if provided with proper support. It is best to have such support tailored to the needs of the enterprises, **business coaching or training on specific skills** to improve overall management and skills of labor as well. **Food Handling, Food Safety, & Cooking (assisting in preparation, planning)** seem to be the topics mostly in demand, and ones that will also have

positive spill-over onto other related sectors such as healthcare (in nutrition kitchens, hospitals, catering).

In both cases, assessment of individual enterprises should be carried out and plan set for each to work on implementation. Such enterprises, if supported, would provide more job opportunities for both communities, even if at varying levels.

Tourism & Hospitality Sector

Hospitality and Rural tourism sub-sectors present potential opportunities for income generation and can be seen as entry points for PU-AMI to develop interventions targeting both communities. In urban regions such as Saida, supporting traditional food industries can help first to maintain artisan industries that make up the identity of the region. This applies to oriental sweets industry that is slowly wilting and is in need of revival. Supporting oriental sweets manufacturers in improving their operations and reviving food traditions can help integrate them within the overall tourism strategy envisioned for the region. This could be either in marketing support, or import substitution through linkages to local food suppliers, or training small female groups on producing traditional sweets that are in demand but not currently produced by those oriental sweets shops, thus linking them to market.

In Nabatieh, rural tourism presents opportunities, given the current focus of the government on promoting rural tourism, and the consumer trend in discovering new regions along with corresponding food products. Thus, interventions can target skills build-up of labor for future, namely in hospitality such as guest house management, tourism route development and promoting local products manufactured by women groups.

Hospitality also involves catering and servicing in relation to food sector. This is considered a major entry point for program design, targeting women in specific, regardless of the nationality. Support in that sector should follow a combined approach of grants provision and technical support. Different options can be pursued, depending on the regions and the targeted beneficiaries. The idea is mainly to equip the women beneficiaries with the necessary skills and tools to cater to specific consumer segments, namely children and elderly.

For children, existing women cooperatives and potential women groups can be linked to schools providing two shifts to children. They can either provide **ready meals or snacks for children, specially refugees as most often they are undernourished**. Establishing network among these women and the schools will help also to provide additional income to women as they can cook from home (in case of refugees) or in community kitchens, or cooperative centers and can employ additional labor when demand is high. Similar trainings should be provided on child nutrition, food handling, food safety, and cooking. **The same approach can also be adopted for catering to elderly**. Women, be it in Palestinian or refugee camps or others can be trained and linked to either elderly houses, or older couples residing at home but are in need of daily meals not provided elsewhere. Network can be established where each woman or women groups can cater to two or

three couples, in a consistent manner, and building customer database eventually. Or they can provide basic services to working couples, preparation of food items, saving cooking and preparation time, and getting money in return for services. Trainings on food safety and handling is also required, to ensure safety and quality to customers.

Food preparations and servicing also present an opportunity for refugee women, as some are already involved in that, though in a basic manner. Food preparatory operations, such as peeling fruits, cutting vegetables, or stuffing could be carried out by the women, in accordance with the standards set by the catering companies or the individual household woman which saves time and effort for meal preparation. Trainings on food hygiene and preparation would be necessary for such groups of women, identifying the main preparatory operations needed by such catering companies or household families.

Regardless of the option that will be further developed by the organization, empowering beneficiaries with soft skills is necessary to ensure success and sustainability of the designed interventions. In terms of non-technical skills, financial literacy, digital literacy and entrepreneurship skills are required. These would not only strengthen the capacities of the trained individuals but also enable them to set up their own businesses, should they go for that option in the future. Additional skills can be targeted, based on the needs and the course of the project as well as potential opportunities that may arise during implementation.

Finally, it is recommended to have a hands-on approach across all the sectors under consideration. Theoretical training is necessary but the practical training is one that proved to be more effective, especially on the job training, or learning by doing. Its effect is more sustainable on the long term.

8.2. PARTNERING WITH LOCAL AUTHORITIES AND PRIVATE SECTOR FOR REFERRALS

Throughout this assessment, different organizations have been identified, which conduct different trainings but fall short of follow up and linkage to employment due to financial and human resource constraints. There is a gap between livelihood interventions and private sector: enterprises are often not engaged in the process and organizations are often involving private sector on needs basis. Mercy Corps is one exception, in that it provides support to both potential employers and candidates, creating the right environment for matching. Such approach can bring the private sector on board and be more open to cooperation. For that, PU-AMI should establish close linkages with the sampled enterprises and explore means of cooperation, starting with those that revealed expansion plans during the assessment: Souk El Tayyeb, Basatin Baanoub, Good Thymes, El Tayeb. These require support but are willing to cooperate for integrating youth and women in labor market. They are more small enterprises, but have more potential for growth if provided with market support or linkages to raw material supply. Should they grow, they will absorb more labor. Good Thymes for example does

not have an issue in marketing but is planning to expand in future to agro-tourism and would thus be in need of additional labor in guest house management and cooking. Basatin Baanoub are expanding but require business coaching support to accompany expansion and eventually more labor in agriculture as they have large olive orchards and beehives. It is important to create a win-win situation for the enterprises to partner and absorb more labor, thus providing business support on one side and linking to markets can help to absorb more labor, those trained by PU-AMI.

In parallel, linkages with local authorities, such as Saida and Nabatieh municipalities should be strengthened, given the opportunities presented for employment and self-employment opportunities. Saida Municipality expressed the need to train and employ landscape maintenance workers, refugees and Lebanese. Nabatieh Municipality expressed the willingness to cooperate on different levels: support the annual flower exhibition, build the skills of youth in agro-food sector to set-up own businesses, and support marketing of traditional products by cooperatives. In return, access to Monday Markets and wholesale market could be granted for those wishing to produce their own products and need an outlet for selling them, regardless of nationality. Such windows need to be further explored, as they are an opportunity for different youth and women to be engaged in income generating activities.

8.3. LINKING WITH ORGANIZATIONS OFFERING BEST IN DEMAND TRAINING TOPICS

Organizations currently implementing livelihoods interventions have been contacted for obtaining more insights on their work, and have better overview of the training programs provided, target beneficiaries, and follow-up services after the trainings. Among the organizations interviewed, Moasat, Souk El Tayyeb, and UNRWA seem to have the highest potential for provision of skills training, namely in food processing and hospitality. Others could be contacted for referrals, based on the needs assessment of the targeted beneficiaries.

Based on the sector that will be targeted within the future programs, training organizations can be identified to provide training on the various topics abovementioned. The selection of such organizations should be based first on the experience in the region, and second the closeness to the private sector. This is important as some beneficiaries may have the capacity to set-up their own businesses while others not. Those who cannot, should be linked to employment opportunities existing within private sector. Thus closeness to the private sector is one criteria that should be considered. Having private sector representatives as trainers is one option as they can employ people within their enterprise or link them to others in their network.

Moasat has its own catering facilities and is currently involved with a number of organizations such as ACTED and PU-AMI for training of beneficiaries on various food processing topics. They have the experience in provision of trainings and partnerships with different organizations thus a natural

partner for such interventions. Souk El Tayyeb has extensive experience in community kitchen set-up and operations as well as in management and operations of guesthouses. They have also been involved with international organizations and currently plan to recruit people for their new business in Nabatieh, thus can train and then recruit potential candidates. UNRWA, through its Employment Service Center, has a comparative advantage in that it has a large database of employers that recruit Palestinians and Syrian Palestinians, provides counseling and trainings to potential candidates, and matches job seekers with the employers. The organization is also in process of providing entrepreneurship support for people wishing to set-up their own businesses, thus a good opportunity for cooperation.

For the digital and other entrepreneurship skills, organizations such as Injaz & DOT could be considered as potential partners, as they have presence in the region and experience in working with vulnerable communities, equipping them with the right skills that enable them to think and come up with project ideas for their own businesses, as well as the digital tools that will help them land a job.

Regarding the remaining technical skills, agriculture, it is important to have private employers conduct the trainings, as they have experience and also linkages to the market.

Overall, it is important to identify a pool of training providers that have expertise in the required fields, and that can also provide tailored trainings, based on the identified demand. Additionally, the cooperation with these organizations can also facilitate the selection of top candidates that can be provided with incentives, financial or in-kind grants, that can help set-up their own businesses. Finally, it is important also to couple training with practice to make it more effective and to spread it over a longer duration, first to ensure comprehension and second to gradually create the transfer from learning to practice to employment.

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10. ANNEXES

ANNEX A: LIST OF STAKEHOLDERS CONTACTED FOR ASSESSMENT

No	Name of Organization	Contact Name	Position	Phone	Emails
Ministries & Governmental Organizations					
1	Ministry of Labor	Denise Dahrouj	Head of International Cooperation	03 017 364	ddahroug@hotmail.com
		Maryam Akoum	Head of Vocational Training	03 733 891	
2	Municipality of Saida	Kamel Kozbar	Municipal counsellor	03 236 634	
		Ibrahim Hariri	Municipal counsellor	03 377 788	
		Tarek Bizri	Humanitarian Coordinator	76 747160	bizritarek@gmail.com
3	Municipality of Nabatieh	Ahmad Kaheel	Mayor	03 713903	
4	Union of Municipalities of Jezzine	Khalil Harfouche	Head of Union	03 928518	
Quasi-Governmental Economic Institutions					
5	Chamber of commerce industry and agriculture in Saida and South	Rola Arouni	Head of Agriculture Section	07 720123 - Ext: 140	rola_arouni@hotmail.com
International Non-Governmental Organizations					
6	United Nations Relief and Works Agency (UNRWA)	Dr. Ibrahim Al-Khatib	Chief Area Officer	70 852 248	i.al-khatib@unrwa.org
		Omar Yassine	Employment Service Coordinator	70 724243	u.yassine@unrwa.org
		Huda Samara	OIC of the Communications Unit	961 1 830 400 ext. 5316	h.samra@unrwa.org
7	United Nations Development Programme (UNDP)	Jihad Jradi	Socio-Economic Officer	71 768 417	Jihad.jradi@undp.org
8	Action Against Hunger	Fouad Fakh	Food Security & Livelihoods Deputy Manager	03 727468	ffakh@lb.acfspain.org
9	CESVI	Milena Puglia	Livelihoods Program Manager		milena.puglia@cesvi-overseas.org
10	ACTED	MadhuMitha Madhavan	Economic Development Technical Coordinator		madhumitha.madhavan@acted.org
11	Mercy Corps	Laila Amine	FORSA Program Manager	81 718 444	lamine@mercy-corps.org
Local Non-Governmental Organizations					
12	SHIELD	Ayman El Rozz	Program coordinator	70 829 771	a_rozz@sheild-lb.org
13	Moassat	Houda Nakouzi	Manager	70 632811	Hoda.nakouzi@hotmail.com
14	Al-Rahma	Maha Kadoura	Director	81 723 330	frd@rahmacenter.org.lb
15	AVI	Ahmad Meshaal	Area Officer	03 485085	Mo3tasim-1@hotmail.com

16	Development action without borders (Nabaa)	Yasser Dawoud Ali Salam	Executive director Area officer	70 948 472 - 03 485 085	Cdp.b@nabaa-lb.org
17	Development for People and Nature Association (DPNA)	Jad Hasouna	Director	07 727 005	jadll@dpna-lb.org
18	Mashghal Al-Omm (Vocational training centre)	Wafaa Wehbi	Manager	70 841 899	omell@live.com
19	CCAA Organization	Widad Al-Sabaa	Fund Raiser	70 920 537	widadsabaa@ccaa-lb.org
20	Zakat Wa Sadaka	Ibrahim Makhoul	Executive Director	03 174112	Alzakat88@yahoo.com
21	Ahlouna	Rashid Hamtou	Executive Director	07 752 280 or 03 869721 or 71 877074	rashid.hamtou@ahlouna.org
22	Beyond Beirut	Nelly Abu Ghazaleh	Director	03 828141	
Small and Medium Enterprises					
23	Tawlet Saida/Souk El Tayyeb	Jad Hakawati	Saida Area Manager	07 733 899 or 81 707 240	info@tawletsaida.com
24	Tawlet Beirut	Ali Dorra	Operations Manager	76 039 031	ali@soukeltayeb.com
25	The Good Thymes	Fady Aziz	Founder	70 010410	fady@thegoodthymes.me
26	Basatin Baanoub	Yasmine Zahar	Founder	03 712170	yasmina@bassatinbaanoub.com
27	Al Baba Sweets	Aouni El Baba	General Manager	07 735226	Aounibaba@albaba-sweets.com
28	Al Baba Al Shahira Sweets	Mohamad El Baba	General Manager	03 838889	
29	Kanaan Sweets	Mohamad Shafi	Deputy General Manager	07 720271	
30	Bouchee Sweets	Marwan Ali Sous	General Manager	07 721497	
31	Al Sharq Sweets	Safi Siddik	General Manager		
32	Al Sultan Sweets	Youssef Jaber	General Manager	07 765759	
33	Al Tayyib Dairy	Hussein Ali Haidar	General Manager	71 392223	
34	Al Nassim Nursery	Abdallah Fahs	General Manager	03 903290	
35	Al Hammoud Nursery	Hadi Ali Hammoud	Deputy General Manager	03 558774	
36	Chebib Dairy- Al Markaz	Mahmoud Chebib	Owner	03 176413	
37	Women Processing Cooperative of Adchit	Helwa Mohamad Awad	President	03 896568	
38	Thimar El Rif Cooperative in Kfarsir	Joumana Dahwe	President	03 467907	
39	Women Processing Cooperative of Jibchit	Fatma Aliye Atwi	President	03 380194	
40	Abdelkarim Nursery and trading company	Hasan Tarhini	General Manager	03 290104	

ANNEX B: SURVEY FOR THE SAMPLED BUSINESSES

Business Questionnaire on Market Assessment for Saida & Nabatieh Districts

Name of the assessor:

Assessment date:

The interviewer should read this aloud.

Hello. My name is _____ with the Premiere Urgence Organization. I am conducting an assessment in the region for identifying the current needs identified by the private sector, such as needed skills within the labour market, especially among the small and medium enterprises in sectors that indicate growth potential. The research will help design interventions that contribute to the economic self-reliance, resilience and social stability of displacement-affected populations in Lebanon, specifically in Saida & Nabatieh districts.

I would therefore like to request your time to discuss a few questions I have prepared for you. The questionnaire should take no more than 30 minutes.

مرحبا. اسمي _____، مع منظمة الاغاثة. نقوم حاليا باجراء تقييم في المنطقة لتحديد الاحتياجات الحالية التي تم تحديدها من قبل القطاع الخاص، مثل المهارات المطلوبة في سوق العمل، وخاصة بين الشركات الصغيرة والمتوسطة في القطاعات التي تشير إلى إمكانات النمو. وهذه الدراسة ستساعد تصميم مشاريع التي تساهم في الاعتماد على الذات اقتصاديا والمرونة والاستقرار الاجتماعي للسكان المتضررين من النزوح في لبنان، وتحديدًا في قضاء صيدا والنبطية.

ولذلك، فإنني أود أن أطلب البعض من وقتك لمناقشة بعض الأسئلة أعددت لك على ما يزيد عن 30 دقيقة.

Enterprise Background

Enterprise Profile	
Name of the company اسم الشركة	
Name of the interviewee اسم الشخص المستجوب	
Position of the Interviewee & Years of Experience (Position and outside) المركز و سنوات من الخبرة	
Sector* القطاع الاقتصادي	
Year of establishment سنة التأسيس	
Company products منتجات الشركة/الزراعة/المشاكل	
Number of employees (full-time) (Gender) عدد الموظفين (بدوام كامل او جزئي) (الجنس)	

Market Environment	
1. Market Environment	
1.1 Which good/services are the most profitable or highest in demand? Any seasonal variation? ما هي المنتجات أو الخدمات الأكثر ربحية أو أعلى في الطلب؟ أي تفاوت موسمي؟	
1.2 Who are the main buyers and consumers of the goods/services you provide? <i>Where are they located?</i> من هم الزبائن؟ من اية مناطق؟	
Business to Business, Business to Consumers (examples)	

<p>1.3 How do you see the agro-food sector? Has there been any change in the last three years? How so? (probe for: more competition, Syrian Crisis, lack of access to markets, etc...) كيف تصف قطاع الزراعة/الصناعات الغذائية؟ هل حدث أي تغيير في السنوات الثلاث الماضية؟ كيف ذلك؟</p>
<p>1.4 How many other businesses provide the same service or goods in this neighbourhood? How is it different? كم من شركات أخرى تقدم نفس الخدمة أو المنتج في هذا الجوار؟</p>
<p>1.5 Where do you source your raw material from? (ask for raw material from farms or wholesales or traders, etc...). Has there been any change in the last three years? Would it be possible to provide contacts of one or 2 main suppliers?</p>
<p>1.6 What are the biggest challenges that you face in running this business? (Probe for: lack of Market information, financial access, government regulation, competition in market, security, lack of skilled labour, other issues to specify ما هي أكبر التحديات التي تواجهونها في العمل (عدم وجود معلومات السوق، الوصول إلى الخدمات المالية، وتنظيم الحكومة، والمنافسة في السوق، والأمن، ونقص العمالة الماهرة، وقضايا أخرى لتحديد)</p>
<p>2. Labor Utilization</p>
<p>2.1 What are the different types of employment positions at this business? How many employees for each position? ما هي أنواع مناصب الوظيفة في هذه المؤسسة؟ كم عدد الموظفين لكل وظيفة؟ ما هي جنسياتهم؟</p>
<p>2.2 Do you have high Employee turnover (employees resigning or leaving, by gender, if possible) هل لديك ارتفاع في معدل التغيير في الموظفين؟ (استقالة أو مغادرة، حسب نوع الجنس، إن أمكن)</p>
<p>2.3 How do you recruit for new employees in this business? Do you face any challenges in that? In what sense? كيف تتم عملية التوظيف في المؤسسة؟ ما هي التحديات الرئيسية التي تواجهها المؤسسة حالياً في تعيين موظفين جدد؟ (الفرق بين الجنسين)</p>
<p>2.4 What could be done to overcome challenges? (Probe for: training beneficiaries, linking to potential employees, grouping of beneficiaries into small businesses, others). If training, any particular topic? كيف الامكان التغلب على هذه التحديات؟(التدريب، الربط بسوق العمل، دعم تجمع للراغبين) هل برأيك التدريب المهني يشكل احد هذه الحلول؟ ما هي التدريبات اللازمة؟</p>
<p>3. Potential Cooperation</p>
<p>3.1 Do you plan to expand your business in the next few years? Such as which are the main opportunities that make you plan to expand? (or something similar) هل هناك خطة للتوسع في مجال العمل في السنوات القادمة؟</p>
<p>3.2 Have you worked/cooperated with local or international organization? In what way? Would you be willing to cooperate with PU? What can PU do to help your business advance? هل تعاونت مع منظمات دولية/ او جمعيات محلية التي تهتم بالتعليم والتدريب المهني وتأمين سبل العيش للفئات المهمشة في منطقتك؟ هل انت على استعداد للتعاون مع منظمة الاسعاف الاولي؟ في اي مجال؟</p>
<p>3.3 do you recommend any contact that might help us with the study? هل هناك منظمات او شركات مهمة يتوجب لقاؤه؟ هل بالمكان الحصول على ارقامهم؟</p>