


HIGHLIGHTS

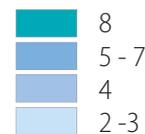
- Progress in the livelihoods sector remain slow and far of target – results reported varying between 2% and 10% of the targets, nearly halfway through the year.
- Over US\$ 600,000 additional income provided by the sector to 3,187 beneficiaries.
- New areas of work of the sector – support to Micro, Small, Medium Enterprises, Cooperatives, Business Training – remain underdeveloped but are starting to show results.
- Space to operate remains restrictive –the pledge-not-to-work that refugees are now required to sign coming in addition to a reluctance to grant work permits to Syrians: the total number of Syrians formally working in Lebanon was 1,568 as end of 2014.
- Stricter implementation of procedure related to foreign labour is leading to lack of labour in certain sectors traditionally relying on Syrian workforce, notably agriculture: the Agricultural Syndicates Exporters to petition General Security requesting the removal of the restrictions.
- The situation of Palestine Refugee from Syria is even direr, with less than 5% able to rely on work as source of income. The support provided by the sector to Palestine Refugees is extremely limited, with less than 100 individuals reached in total.
- The recent REACH-OCHA-UNICEF assessment on community vulnerability showing than 90% of Lebanese living in the most vulnerable areas reported increase of unemployment in the last 6 months.


FUNDING
(in Million \$)

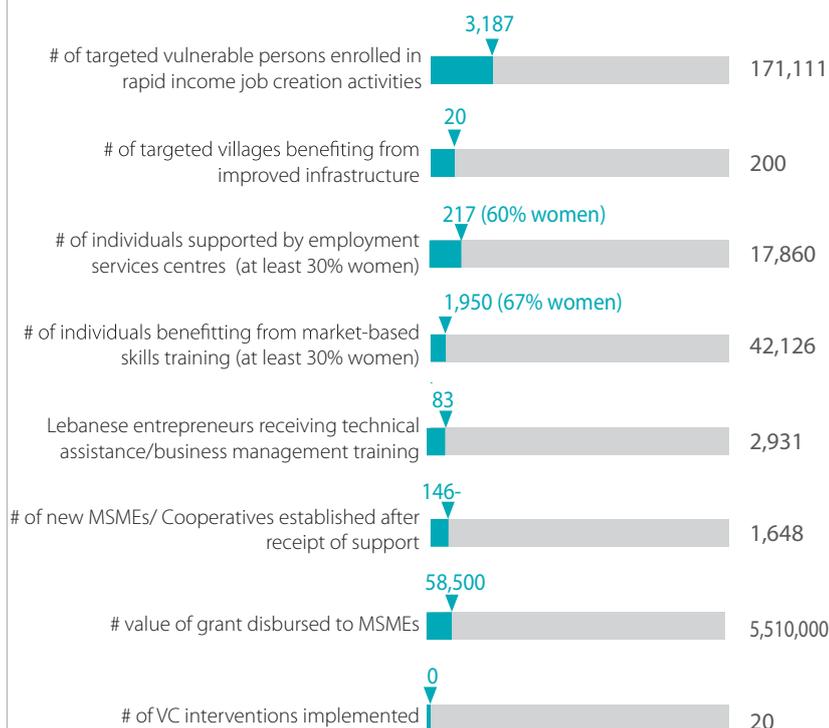
PEOPLE
(In Need/Target)

PARTNERS
16 in Lebanon

partner per area

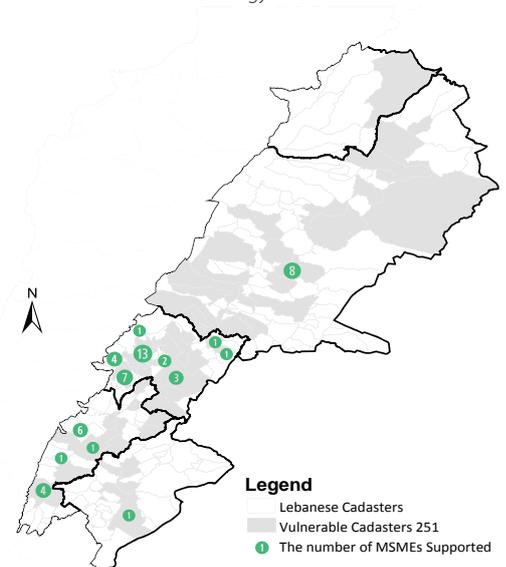

PROGRESS AGAINST 2015 TARGETS

January - June progress


Number of MSMEs Supported in Bekaa

Micro, Small, and Medium Enterprises Supported Through:

- Increased access to financial services.
- Start up cash grant.
- Start up in-kind grant.
- Technology transfer.





Situation analysis and change in context

The operational context of the livelihoods sector has drastically changed in the first half of 2015 compared to last year, primarily when it comes to the possibility for displaced Syrians to access work, following the directive issued by the General Security Directorate prohibiting Syrians registered as refugees with UNHCR from working. Those coming to work must be sponsored by a Lebanese employer, who has to arrange a work permit for them. This comes in a context where Syrians working in Lebanon were largely working informally, due to the reluctance of employers to formalize their situation, and where very few work permits for Syrians were issued by the Ministry of Labour (1,568 permits granted or renewed in 2014).

As a consequence, Syrians registered as refugees are increasingly at risk of being either barred from accessing work opportunities or pushed towards even more informal and exploitative labour. This is degrading an already vulnerable situation for Syrians. Recent assessments such as the REACH-OCHA-UNICEF community vulnerability assessment show that only 17% of respondents rely on regular employment, which indicates that in vulnerable communities, Syrians rely on higher risk jobs that provide less sustainable sources of income. The situation of Palestine Refugees for Syria is even more dramatic, less than 5% of them relying on work as a primary source of income, the other being primarily dependent on a decreasing assistance. Child labour as a negative coping mechanisms of displaced partners is becoming an increasing concern, with partners reporting a higher prevalence of child labour than in previous years.

Due to lack of funding, the livelihoods sector has been unable to reach a sufficient scale to alleviate this deteriorating situation, or to support key sectors and national systems in creating more employment and income generating opportunities up to the scale foreseen in the LCRP. Activities already implemented under RRP6 –rapid income generation, skills training- continued at the same pace as last year, but have declined in the last couple of months as some partners face funding gaps. Yet, the impact of these activities should not be underestimated in a context where other forms of assistance are decreasing. These activities are also generally very useful to support services of local institutions, such as cleaning/waste collection. It is also noteworthy that partners are increasingly providing skills training based on market demands, and not on preferences of beneficiaries. The new areas of work remain underdeveloped but are starting to show results, with the month of May marking a clear peak in support to Micro, Small, Medium Enterprises (84 supported in May-June compared to 62 in the first four months): 40 MSMEs have now accessed financial services, and 97 have been established after receiving a cash or in-kind grant. Business training for Lebanese entrepreneurs are also increasing up, while several value chains interventions are underway but will take more time to be concluded.

In terms of geographic coverage, livelihoods partners have continuously expanded their activities and are now working in 103 of the most vulnerable cadastres. However the Beirut Mount Lebanon area and more importantly the North governorate remain important gaps for the sector.

The sector is expecting more clarity on the government priorities for livelihoods from the inter-ministerial consultation process on livelihoods that has not yet been concluded. Other key challenges to address remain the outreach to Lebanese beneficiaries. Partners are using different approaches and methodology and the possibility to use government systems, notably through Social Development Centres and the National Poverty Targeting Programme, remain largely untapped due to lack of clear procedures to approach such institutions at local/national level. The sector is consolidating challenges faced by partners in order to solve this issue. This will also be crucial to providing short term income opportunities to Lebanese and alleviate the competition for jobs is the primary source of tensions between refugees and host communities.