



2023

Target

10.400

LEB PRS PRL

30 70

30 70

The 2nd guarter dashboard summarizes the progress made by partners involved in the Lebanon Crisis Response Plan and highlights trends affecting people in need. The Livelihoods Sector in Lebanon is working to: OUTCOME 1) Stimulate local economic growth and market systems to foster income-generating opportunities and decent and safe employment; OUTCOME 2) Improve workforce employability; OUTCOME 3): Strengthen policy development and enabling environment for job creation.



\*A total of 11,018 beneficiaries are not segregated by cohort





# 🗩 Analysis

### Breakdown by age and gender



#### Multi-sectoral situation update:

The economic situation in Lebanon continued to deteriorate during the second quarter of 2023, leading to a significant decline in purchasing power for families. In June 2023, the annual inflation rate reached a record high of 260 per cent compared to June 2022, the highest level since comparable records began in 2018. The cost of living, as measured by the Survival Minimum Expenditure Basket (SMEB) covering food, essential goods and services, reached LBP 24,925,064 in May 2023 (down slightly from LBP 27,214,894 in April, but an overall increase from earlier in the year). The food SMEB increased by 94 per cent between January and May 2023. The average price of bottled water in Lebanon during the first six months of 2023 amounts to a 1,400 per cent increase in Lebanese pound and 135 per cent increase in USD value when compared to the price in January 2021. The price of trucked water increased by over 1,500 per cent (15-fold) in Lebanese pounds and over 350 per cent in USD value during the same period.

In April and May 2023, a series of raids and arrests were conducted by the Lebanese Armed Forces (LAF) leading to the deportation of displaced Syrians. These events created anxiety amongst the displaced community, coinciding with the implementation of restrictive measures by various municipalities, leading to families reducing their movements and access to services. This represented an overall reduction in the protection space in Lebanon. Disturb-

ingly, gender-based violence is on the rise across all areas of Lebanon. Reports indicate an increase in sexual violence and harassment, particularly in workplaces such as farms, agricultural sites, and domestic housework employment. Additionally, child marriage, a continuous violation of child rights, has seen a concerning shift in the age of forced marriages, with girls as young as 12-13 being subjected to early marriages. Gender disparities persist in the labour market, with women and girls being underrepresented in cash-for-work opportunities and facing limited employment opportunities overall. Inter-communal relations in Lebanon have reached their lowest point since 2017. The UNDP-ARK perception survey from March 2023 reveals that 46 per cent of respondents reported negative inter-communal relations, compared to 34 per cent in April 2022 and 21 per cent in July 2018. The main drivers of tension include competition for lower-skilled jobs and access to vital services such as electricity, healthcare, and waste management.





# 1. Analysis and acheivements of the sector at the output level

# Output 1.1- MSMEs strengthened to enable decent job reten tion/creation, boost productivity and competitiveness:

By the end of the second quarter of 2023, partners achieved remarkable progress in supporting businesses, surpassing the target of 8,000 businesses by assisting a total of 8,265. These supported businesses types are as follows: 55 per cent are micro businesses, 41 per cent are small businesses, 3 per cent are solo businesses, and nearly 2 per cent are cooperatives and start-ups. Female entrepreneurs own 45 per cent of these businesses. The relatively high percentage of female beneficiaries is attributed to programs specifically designed for women economic empowerment.Geographically, the highest concentration of supported businesses was observed in the Beirut and Mount Lebanon (BML) region, accounting for 35 per cent of the total, followed by Bekaa with 31 per cent, the South with 24 per cent, and the North with 9 per cent. In terms of support provided, similar to quarter one, 91 per cent of the assistance was in the form of financial services, emphasizing the need of capital for business growth, an additional 7 per cent of the support was provided through cash grants (an average of USD 5,000). When further investigating the factors to increasing the implementation of this approach, partners highlighted that it is not necessarily a shift in the way businesses are supported, but that there are early signs of a revitalization in financial services provision to businesses, addressing the gap left by the crisis in the banking sector. However, in order to sustain this momentum, it is crucial to secure a blended finance approach and secure loan capital in fresh USD. By linking services and incorporating strategic plans, partners ensured a cohesive and effective approach to empower and enable businesses for continued growth and success. In parallel, the partners conducted business management trainings, benefiting 6,136 individuals. Among the trainees, 57 per cent were females, and 37 per cent were males 1. Notably, 3 per cent of the beneficiaries were persons with disabilities. Age-wise distribution revealed that 23 per cent of the trainees were young people between the ages of 15 and 24, while the majority, comprising 74 per cent, were above 24 years old.

Among the challenges is the possible duplication of the services to some businesses especially those located in vulnerable areas where there is a large focus of organizations (such as Burj Hammoud of Beirut), as such, and therefore leveraging the coordination among the partners to avoid duplication remains a high priority to the sector. Ensuring complementarity with other sectors is also a key priority, as it enhances the efficiency and effectiveness of support efforts, fostering a more cohesive and impactful approach overall while ensuring inclusivity by involving persons with disabilities and catering to the needs of young and women entrepreneurs. This collaboration includes the Food Security and Agriculture Sector where Livelihoods sector partners with plans to work with cooperatives are advised to consult and coordinate with the FSAS.

# Output 1.2- Competitive integrated value chains strengthened and upgraded:

The number of interventions within value chains stood at 49 (as in quarter one of the year). Partners stated that results will be reported in the upcoming quarter noting that the activities under this output require time to be concluded. Furthermore, through the regular follow up on partners' reporting the sector has identified several projects that have value chain components. Consequently, these partners were provided with guidance on the correct reporting pathways. Worth noting that most of these interventions have labour intensive components which target the socio-economic vulnerable groups in the community, such as those related to reclamation of agricultural lands or construction of processing factories. On the other hand, the end beneficiaries of these projects are left with access to resources which would increase their productivity and quality of production. For example, potato farmers gaining access to a storage and processing facility.

# Output 1.3- Vulnerable men and women have access to temporary employment in productive public infrastructure and environmental assets that have a local economic impact:

By the end of quarter two, a total of 10,768 individuals participated in labor-intensive programs that not only provide temporary income from daily work but also access to new skills, which accounted for 27 per cent of the target of 40,000 beneficiaries. Among the participants, 62 per cent were males, while 38 per cent were females. In terms of nationality, most beneficiaries were Lebanese (62%), followed by displaced Syrians (36%). In terms of geographical distribution, 68 per cent of the interventions were implemented in the North followed by 13 per cent in Bekaa and 10 per cent in BML. The beneficiaries of activities undertaken by the sector covered three asset improvement types: environmental such as solid waste collection and reforestation (44%), infrastructure such as the rehabilitation of storm water canals (53%). In addition to the economic benefit from the cash-for-work activities, these projects contribute to defusing inter- and intra- communal tensions resulting from the local authorities' inability to provide services that are covered by these projects (rehabilitation of sidewalks or storm water canals for example). Notably, although women's involvement in labour intensive activities is still low, women's participation was higher in projects supporting environmental assets, constituting 34 per cent of the beneficiaries in that category (total 4,754), in comparison, the percentage of female participants in infrastructure assets was slightly lower at 28 per cent (total 5,739). The sector's commitment to inclusivity is evident through the introduction of indicators to monitor the participation of persons with disabilities, aiming to ensure their representation and access to labor-intensive programs. In total, 266 persons with disabilities were reported to have taken part in labor-intensive activities, with 33.5 per cent participating in public infrastructure assets and 66.5 per cent engaging in environmental assets.

To enhance the effectiveness of these programs, the sector recommended to integrate cash for work within sustainable projects through linking it to medium-term development goals. This could be achieved through implementing projects that provide direct support to municipalities to deliver basic services (such as solid waste management and wastewater management). Another effort that the sector continued to focus on was highlighting these activities interconnections with other sectors, such as Protection. GBV and Social Stability. Moreover, improving gender sensitivity is essential, requiring additional efforts to promote the participation of women by the provision of childcare. The restrictive measures this quarter had an impact on the level of participation of displaced Syrians in the programs as their mobility was hindered, moreover, the interference of the local authorities in the selection criteria and the process presented a challenge to partners. To this end, partners were recommended to 1) implement the activities in the vicinity of the participants places of residence to limit mobility



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requirements and 2) disseminate messages and guidance from the protection sector on how to deal with cases of detention.

# Output 2.1-Vulnerable men and women have strengthened and appropriate technical skills to match the needs of the job market:

As of the end of the second guarter, market-based skills training, also known as vocational training, has benefited 7,201 individuals (46% of target 15,000). These were distributed between 58 per cent females and 42 per cent males, demonstrating a balanced gender distribution. In terms of nationality, 58 per cent were Lebanese, 39 per cent were displaced Syrians, and 3 per cent were Palestine refugees from Lebanon (PRL). Geographically, the majority of the training was delivered in the Bekaa region (46%) followed by the North (38%), and the remaining participants evenly distributed between the South and BML regions. To enhance effectiveness, it is important for activities to be complemented by other components such as work-based learning and to be linked with other sector outcomes such as support to businesses where beneficiaries can support businesses with the labour hand. Additionally, there is a need to identify the existing and the needed resources and services to effectively develop future plans. This includes, but is not limited to, thorough market-based needs assessments on both the labour demand and the labour supply scales. Partners stated that market assessments are often conducted rapidly, with limitations and without comprehensive coverage mainly due to limited funding. As a result, the topics of the trainings provided may not always align with the broader market needs, indicating a potential mismatch between the training offerings and the requirements of the market as a whole . For this, the sector will continue to advocate for national level labour market needs assessments.

# Output 2.2-Career guidance, awareness raising sessions, job matching, and work-based learning opportunities offered to female and male job seekers:

To enrich the learning experience of beneficiaries, partners implemented work-based learning initiatives that combined theoretical knowledge with practical application. In the second quarter of 2023, these efforts reached a total of 2,603 beneficiaries (target 9,000). Among the beneficiaries, 56 per cent were Lebanese, 38 per cent were Syrians, and 6 per cent were PRL. Gender-wise, 62 per cent of the beneficiaries were females, while 38 per cent were males. Additionally, 3 per cent of the beneficiaries were caregivers responsible for children engaged in labor, emphasizing the need to provide support and opportunities for this vulnerable group in an attempt to eliminate the need to send their children to work.

In addition to the work-based learning initiatives, partners extended support to 7,795 beneficiaries, comprising 59.4 per cent females and 40.6 per cent males, by providing career guidance and employment services. Finally, 1,676 beneficiaries (57% females and 43% males) were provided with sensitization on labour laws, decent work, and minimum standards (target: 15,000). This service aims to equip the beneficiaries with the needed knowledge and skills to identify their career paths and find employment opportunities.

#### Output 3.1-GoL supported to approve decrees/regulations/awareness-raising material on decent work conditions

Sector partners were not able to achieve any progress under the work with the Governmet of Lebanon (GoL) on decrees and regulations due to the continuing governmental gridlock, and the work

done on awareness-raising material was limited to those used with individual beneficiaries. The sector continues to follow up with the key agencies who have constant collaboration with the GoL, such as ILO, to ensure capturing any progress made.

# Output 3.2-Policies, strategies and plans supporting job creation, MSMEs and livelihoods developed to improve the business eco-system:

By the end of the second quarter, the number of surveys reported by the sector partners reached six. One survey was conducted by ILO that focussed on skills anticipation compiled analysis report focusing on the labour market skills gaps and challenges in the healthcare, public infrastructure, and printing and publishing sectors. The report reflected on the impact of the current multifaceted crisis on these sectors and emphasized the need for improved coordination, communication, and reform in TVET, and highlights the challenges and opportunities facing the labour market in Lebanon. The second was an evidence-based understanding of MSMEs in a crisis economy capturing their coping strategies and the way forward.

### **Referral trends**

By the end of the second quarter, 1,172 referrals were reported to the Livelihoods sector by 20 partner organizations most of which work under the Protection sector. Similar to quarter one the distribution of referrals across governorates showed that the Bekaa region received the highest share at 30 per cent, while Nabatieh had the lowest share at only 0.4 per cent.

Regarding the status of the referrals, 32.8 per cent were acknowledged (a 24% increase from quarter one), 31 per cent were accepted (an increase of 32% from quarter one), and 13.2 per cent of the referrals were not accepted (a decrease of 16% in rejection of referrals compared to quarter one ). The main reason for the rejection of most referrals was the failure to meet the eligibility criteria for the services, accounting for 82.6 per cent of the non-accepted referrals. The progress in both the numbers of referrals but also in the number of acknowledged and accepted referrals could be attributed to the sector's continuous efforts to promote and introduce the referral system among the sector partners as well as the partners of the other sectors. In fact, as per the sector's plan to enhance the referral process and ensure effective communication between partners, a training session on the Inter-Agency referral platform was conducted for 37 participants from different organizations. Going forward, the sector will continue to closely collaborate with partners to ensure that the information on the Inter-Agency service mapping remains accurate and up-to-date, streamlining the referral process for beneficiaries.

#### Mainstreaming activities

During the second quarter, the Livelihoods sector continued focusing on enhancing data collection and reporting on persons with disabilities who participated in its activities. Consultations continued with the child protection sub-sector to address children's engagement in the labor market where a draft of guiding questions to help the Livelihoods partners in better identifying and targeting caregivers of children engaged in labor was developed and shared with both Livelihoods and Child protection partners for review. In the upcoming quarter, conflict sensitivity and "do no harm" trainings are planned, with invitations extended to Livelihoods partners for participation. These trainings aim to enhance the





sector's approach to conflict-sensitive programming and minimizing negative impacts. Furthermore, Livelihoods partners actively participated in two training sessions organized by the Environment Task Force. The trainings focused on Natural Resources Management and Solid Waste Management, directly relevant to the cash-for-work activities undertaken by the sector. This collaborative effort underscores the commitment of Livelihoods partners to

## 2. Key Challanges of the Sector

During the second quarter, partners faced several challenges, primarily related to the impact of the restrictive measures related to labour on displaced Syrians where in April 2023, the Ministry of Labor was tasked to monitor and report on employment within the permitted sectors. At the sub-national level, in April, municipalities/mayors took actions such as publishing circulars related to the requirement of valid residencies. Partners stated that these measures adversely affected the participation of displaced Syrian, resulting in increased dropouts from activities and heightened tensions among diverse groups who already have historically high levels of competition over job opportunities and resources.

Additionally, the high transportation costs continued to hinder individuals' engagement in activities limiting their access to opportunities for development and empowerment (market- and work-based training) as well as income generation (cash-for-work). align their initiatives with environmental best practices, promoting sustainable livelihood interventions. Finally, a presentation of the UNDP ARK perception survey Wave XV was made in the National working group meeting held in May 2023. It focused on tensions drivers related to Livelihoods, such as competition over jobs. These presentations are meant to support the partners in analysis and prioritization of their activities and targets.

The low number of people reached through labor-intensive programs is still a concern, and partners noted that the fluctuations in the paid amounts among organizations in certain areas, despite falling within the sector's specified ranges created challenges and contributed to dropouts.

For MSMEs, the provision of in-kind support or seed funds did not always lead to sustainable income generation. Once organizations stopped coaching and supporting them, businesses experienced decreased productivity, highlighting the limited access to financial plans and necessary resources.

The lack of timely labor market assessments and their sharing among partners hindered effective planning and decision-making. Furthermore, the lack of facilities equipped to accommodate Persons with Disabilities or caregivers affected their participation, emphasizing the need for inclusive environments.

## 3. Mid -Year Review - Key Prorities/Adjustments for the Duration of 2023

The mid-year review process was carried out by the Livelihoods Sector through a discussion held with the core group (CG) on the sector priorities, gaps, and progress achieved based on the Q2 reporting and Q2 Funding Update.

In Q1, the Livelihood sector was funded by 17 per cent with \$42.5 million out of \$247.5M appeal. The funds from major donors have decreased with funds received in Q1 2023 being 27 per cent less compared to Q1 2022. The reduced funding has largely impacted partners' capacity to reach certain targets, mainly the ones related to labour-intensive programs and job retention and creation in targeted value chains. This is taking place in a context with an increased demand of livelihoods opportunities. Despite the anticipated challenges in reaching some targets, the sector agreed on maintaining the strategy, including the log frame, activities, targets, indicators, and data disaggregation, and did not propose any changes to outcomes and outputs.

However, the sector agreed to focus in the second half of 2023 on the following priorities: a) Labor intensive programs to help the most vulnerable populations to meet their basic needs, support local authorities in providing basic services, and mitigate tensions resulting from competition over jobs, b) support to businesses and cooperatives as it contributes to sustainable economic growth and c) Market- and work-based learning to increase workforce employability. The sector also identified in 2023 new programmatic priority areas for the support to businesses to respond to changing needs including the increased need to access financial resources with the huge demand for micro loans. In response to that, the sector will discuss as part of the 2024 planning process how to build more sustainable programming blending support with both loans and grants. In addition to these programmatic priorities, the sector also reviewed its annual workplan and agreed on the need to prioritize in Q3 the establishment of a task force to develop the guidelines for the "Formalization of businesses" in addition to actions related to the mainstreaming of protection, GBV, and environment. Furthermore, the Environmental Task Force will be working on a guidance note on environmentally friendly cash for work to better support the sector partners in mainstreaming and applying the Environmental Marker.



### 2023 2nd QUARTER SECTOR DASHBOARD **Livelihoods**



## **Partners by district**

The achievements described in this dashboard are the collective work of the following 45 organizations shown in this map:

Al Majmouaa, Near East Foundation, Plan International, RMF, SCI, Nawaya network, John Paul II Foundation, Michel Daher Social Foundation - MDSF, Fair Trade Lebanon, Bloom, SBT, ACTED, DRC, Tabitha-Dorcas, IOM, Mercy Corps, Salam LADC, SAFADI, Nusaned, AVSI, IRC, WVI, Leb Relief, ILO, COOPI, ACF Spain, AFDC, LRI, GVC, Jafra Foundation, ADRA, AMEL, Borderless, ISWA, NRC, UNICEF, URDA, YMCA, SIF, AICA, OXFAM, CESVI, UNIDO, Farah Social Foundation



Note: This map has been produced by UNDP based on maps and material provided by the Government of Lebanon for Inter Agency operational purposes. It does not constitute an official United Nations map. The designations employed and the presentation of material on this map do not imply the expression of any opinion whatsoever on the part of the Secretariat of the United Nations concerning the legal status of any country, territory, city or area or of its authorities, or concerning the delimitation of its frontiers or boundaries.

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