The 3rd quarter 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.

**2021 Sector funding status**
As of 30 September

- Required $199 M
- Total received (since Jan-21) $50.8 M (25.5%)
- Total carry over (from 2020) $34 M (17.1%)
- Funding Gap $114.2 M (57.4%)

**2021 Population figures by cohort**
- 114,525 Lebanese (individuals in need)
  - 53% of population reached
  - 50,951 targeted
  - 25,985 female
  - 24,966 male
- 77,987 Displaced Syrians (individuals in need)
  - 51% of population reached
  - 36,538 targeted
  - 17,904 female
  - 18,634 male
- 2,953 Palestinian Refugees from Syria (individuals in need)
  - 11% of population reached
  - 1,364 targeted
  - 668 female
  - 696 male
- 6,896 Palestinian Refugees in Lebanon (individuals in need)
  - 62% of population reached
  - 3,183 targeted
  - 1,560 male
  - 1,623 female

**Key achievements**
- # of MSMEs/Cooperatives supported through cash & in-kind grants: 2,684 / 3,000
- # of new Lebanese MSMEs established: 47 / 1,050
- # of individuals employed through public infrastructure, environmental and productive assets: 19,378 / 15,000 *
- USD value invested in infrastructure rehabilitation, environmental and productive assets: 2.48m / 168.75m
- # of individuals benefitting from market-based skills training: 12,098 / 10,000 *
- # of individuals benefitting from internships, on-the-job training or apprenticeship programmes: 7,196 / 2,000 *
- # of individuals supported to access employment through career guidance, coaching, or individual follow-up services: 4,972 / 7,000
- # of targeted job seekers supported to start their own business: 1,936 / 2,000
- # of decent work regulations amended and/or proposed approved by the government: 0 / 3
- # of awareness-raising/advocacy material on labour regulations and decent work developed: 0 / 4

**Outcomes**

<table>
<thead>
<tr>
<th>Outcome</th>
<th>LCRP 2016 Baseline</th>
<th>Jan - Sep 2021 Current</th>
<th>2021 Target</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>SYR</td>
<td>LEB</td>
<td>PRS</td>
</tr>
<tr>
<td>OUTCOME 1: Total number of jobs created/maintained</td>
<td>494</td>
<td>12,109</td>
<td>2,235</td>
</tr>
<tr>
<td>OUTCOME 2: # of job seekers placed into jobs</td>
<td>N/A</td>
<td>1,078</td>
<td>500</td>
</tr>
<tr>
<td>OUTCOME 2: # of targeted vulnerable persons engaged in home-based income generation</td>
<td>N/A</td>
<td>1,308</td>
<td>500</td>
</tr>
<tr>
<td>OUTCOME 3: Ranking of doing business**</td>
<td>Rank 126</td>
<td>143</td>
<td>120</td>
</tr>
</tbody>
</table>

*Target overachieved. To be revised by the Sector for the 2022 strategy.
**Source: World Bank
1. Key achievements of the sector at the output level

The financial and economic crises continue to disrupt the country’s businesses, leading to job losses and an overall worsening of the economy. Despite the current challenges, Livelihoods Sector partners have continued providing livelihoods assistance to vulnerable groups in Lebanon. The support to Micro-, Small and Medium-sized Enterprises (MSMEs) and cooperatives has been especially prioritized under the Sector in Q3 as they play an important role for employment retention and re-employment of vulnerable Lebanese and Syrians, as well as for the provision of basic services.

In Q3 under Output 1.1, Livelihoods Sector partners provided cash and in-kind grants to 2,684 Lebanese MSMEs and cooperatives against a target of 3,000, with the aim of helping them to sustain their operations and protect their workers. In addition, 47 Lebanese MSMEs (out of 1,050 targeted) have been established and continue to be functional six months after receiving the support from Sector partners. Wage subsidies and emergency cash grants to informal or self-employed workers, financial support to improve manufacturing, optimize storage and transportation processes, as well as digitization efforts are some examples of employment support measures provided by the sector partners. In addition to cash grants, partners offered business support packages that included business development, training, and mentoring services with the aim to improve cost-effectiveness and help the businesses to better cope with the crises. By end of Q3, 4,188 entrepreneurs and employees benefited from business management training, and among those receiving the support 13% are youth1. Due to the fuel crisis, increased prices on public transportation and roadblocks, remote modalities continue to be utilized to facilitate training sessions, coaching, and awareness raising sessions.

As for Output 1.2, Sector partners reported 84 interventions within value chains in Q3 overachieving the target of 20. This is the result of implementing smaller components of complete value chain interventions such as supporting livestock farmers within the dairy value chain. Despite this achievement, work is still needed to guide partners towards more complementarity to ensure that complete value chains are being supported.

The provision of short-term employment through Cash-for-Work provides opportunities for vulnerable households with much needed cash assistance, while also seeking to build better relationships between displaced Syrians and Lebanese individuals through work that improves public services and infrastructure. These interventions are delivered under Output 1.3, and by Q3, 19,378 Syrians and Lebanese out of 15,000 targeted (34% women) have been engaged in income-generating activities, involving full-time and part-time employment. Due to the multiple crises’ impact on businesses, Sector partners are subsidizing wages through their Cash-for-Work activities to support job retention, and have currently reached 1,219 displaced Syrians and Lebanese (47% women) in 114 MSMEs.

To improve the labour market opportunities for vulnerable individuals, Livelihoods Sector partners are building the jobseekers’ capacities to facilitate their access to jobs under Outputs 2.1 and 2.2. In Q3, 12,098 women and men out of 10,000 targeted (60% female)

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1 Youth: 15 to 24. Non-youth: 25 and above.
2. Key challenges of the sector

The pressure on partners to implement cash and income-generating programs (EIIP, CFW, wage subsidies and emergency cash grants to businesses) is intensifying with the increasing vulnerabilities of both the host and refugee communities who view these activities as a source of income. This comes as a direct result of the devaluation of the Lebanese pound, increasing unemployment rates, depleting foreign exchange reserves and the high cost of imported food and fuel.

Within this context, it is challenging to strengthen MSMEs as they struggle to finance their minimum recovery and sustainability needs due to the limited liquidity of the financial sector, tight regulatory and monetary controls, and limited capacity of local financial institutions to meet capital and reserve requirements. In addition, the savings of business owners are diminishing, and more businesses are forced to close or lay off staff temporarily or permanently. Partners are seeking to find new measures to mitigate this challenge. For example, some partners have been supporting MSMEs to cover part of the costs of their loans (beneficiaries are not able to pay back loans).

Meanwhile, the lack of harmonization and coordination of modalities and transfer values for assistance in USD and Lebanese Pounds is also a key challenge. Some sector partners have already shifted the transfer value or currency of assistance which may exacerbate a sense of unfairness between those who receive assistance and those who do not, as well as between the beneficiaries of different organizations. This is of particular concern as tensions monitoring reveals that the primary reasons for inter-communal tensions are unemployment and competition over jobs. Increasing pressure is being put on partners by communities during livelihoods activities (especially cash-for-work) to include more individuals in activities, increase the daily wage or to shift currency into USD, sometimes leading to insecurity and heightened tensions.

Another challenge is that the agreed transfer value of Lebanese Pounds for cash-for-work assistance is no longer sufficient to meet basic needs (below the SMED). Partners therefore, advocate for need to adjust the national minimum wages. To mitigate this challenge, partners are increasingly using mixed modalities (e.g., combining cash-for-work with in-kind food assistance).

Internet and communication shortages are leading to delays, dropouts as well as inactive participation from beneficiaries who do not have appropriate conditions in their locations, such as overcrowded residences. These activities are also hindered by the supplying gaps of fuel and electricity needed to maintain operations. These limitations are particularly challenging for partners utilizing remote modalities. The increasing fuel price continues to drive high transportation costs, affecting activities that require field presence, creating challenges for partners to plan and budget for transportation costs. Therefore, for 2022 planning, the Sector has discussed the need to support beneficiaries with transportation cost either through organizing common transportation or topping up the assistance.

3. Key priorities for the following quarter

The worsening socio-economic conditions characterized by the sharp currency depreciation, record-level price increases and cuts in subsidized goods are having a compounded impact on households’ income and livelihoods. The lack of household income affects overall community resilience, as households are unable to purchase the necessary food and basic items, subsequently impacting the local markets. Therefore, supporting economic recovery and market systems are even more vital in the current context. Advocacy with donors is required to increase partners’ funding to continue and expand income-generating activities and cash grants to MSMEs, cooperatives and small-scale farmers, with a particular focus on women, elderly and youth, as the crises has a disproportionate impact on these groups. Key priorities identified by the Sector for the following quarter are summarized below.

**Immediate Response Priorities**

Scale-up interventions to contain the impact of the recent economic deterioration on livelihoods, including:

- Support a mechanism to set transfer values for CFW activities and work-based learning;
- Expand income-generating activities, such as cash-for-work schemes linked to rehabilitation works and labour-force support, especially in areas related to infrastructure and market access;
• Scale-up mainstreaming of female and people with disabilities in labour-intensive activities to enhance their access to livelihoods opportunities;
• Grants and loans to both rural and urban MSMEs, as well as to entrepreneurs and manufacturing businesses.

The Sector will update the Livelihoods Interactive dashboard (Link) in close collaboration with the partners, to map the provision and type of livelihoods activities that are being implemented across the country and to give partners the opportunity to identify gap areas. This tool, in combination with the interactive MSMEs and Cooperatives dashboard, supports partners to better target their livelihoods interventions, identify potential areas of collaboration with other sector partners to avoid duplication, and exchange knowledge of ongoing practices.
The achievements described in this dashboard are the collective work of the following 55 organizations:


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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