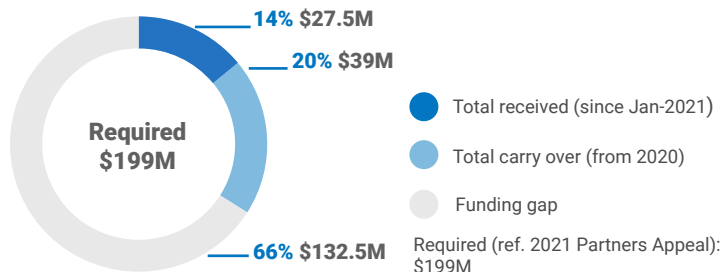




The 1st quarter dashboard summarizes the progress made by partners involved in the Lebanon Crisis Response Plan and highlights trends affecting people in need. The Livihoods Sector in Lebanon is working to: OUTCOME 1) Stimulate local economic growth and market systems to foster income-generating opportunities 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

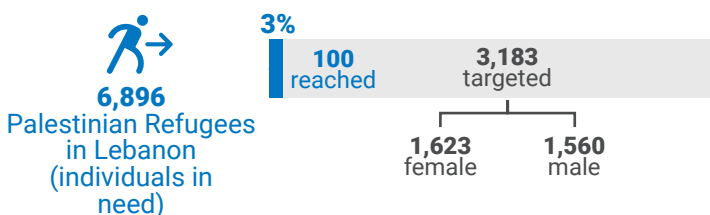
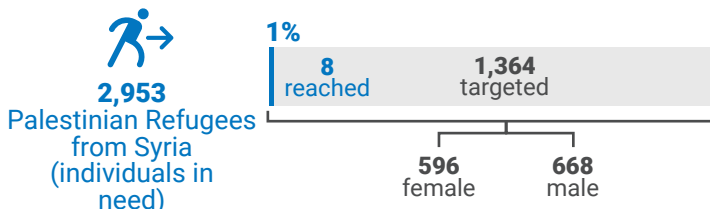
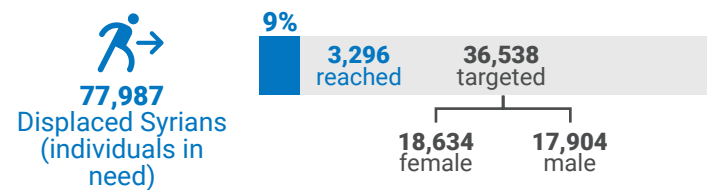
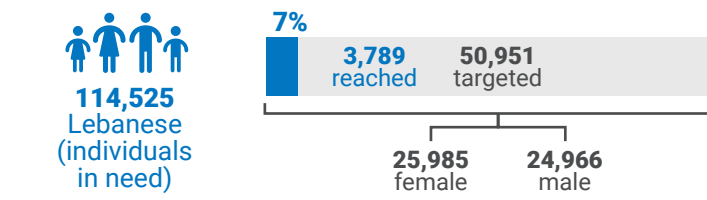
As of 31 March



2021 Population reached



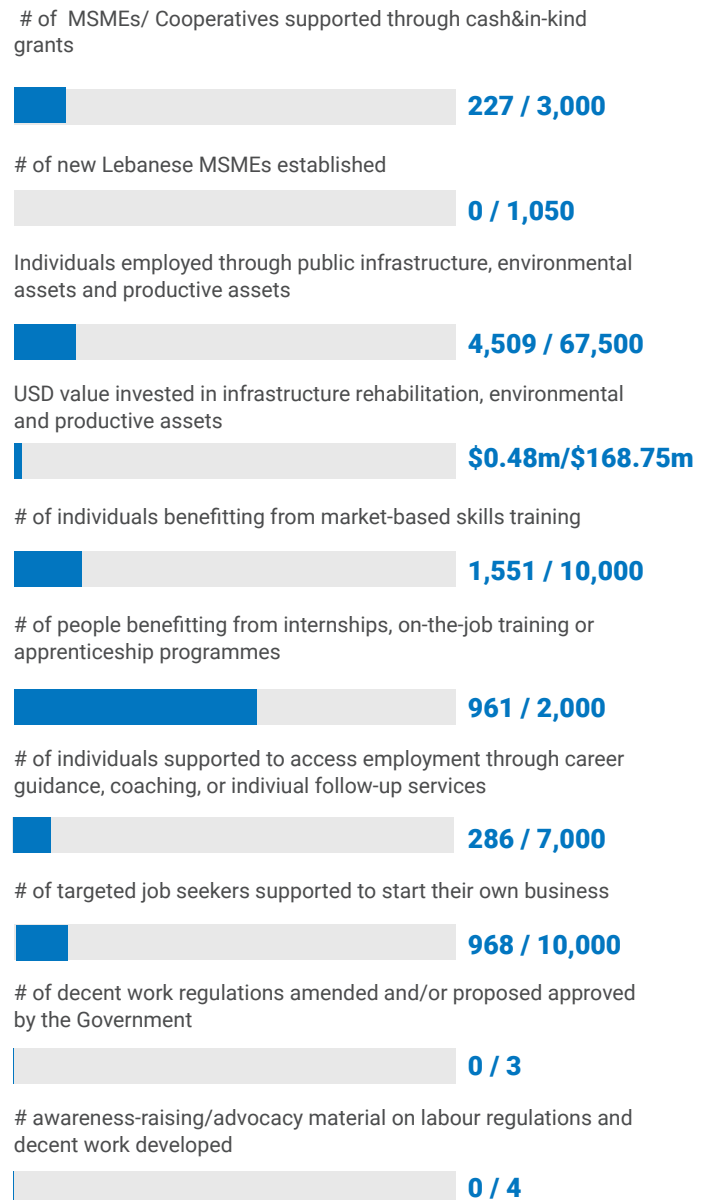
2021 Population figures by cohort



Out of 10,635 individuals reached, 3,442 individuals were not disaggregated by cohorts. This relates to outcome indicator 2 and output indicator 2 (individuals supported to start their own businesses and individuals accessing jobs after completion of employability programmes).

Progress against targets

Key achievements



Outcomes

	LCRP 2016 Baseline	Jan- March 2021	2021 Target SYR LEB PRS PRL			
OUTCOME 1: total number of jobs created / maintained*	494	0	2,235			
OUTCOME 2: # of job seekers placed into jobs*	N/A	53	500	1400	30	70
# of targeted vulnerable persons engaged in home-based income generation *	N/A	914	500	1400	30	70
OUTCOME 3: ranking of doing business**	Rank 126	143	120			

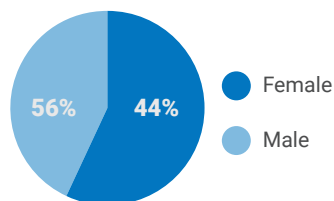
*Source: Activity info **Source: World Bank



Breakdown by age and gender

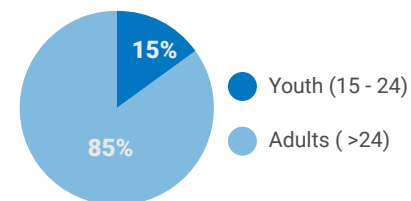
2,199

men and woman supported to access employment



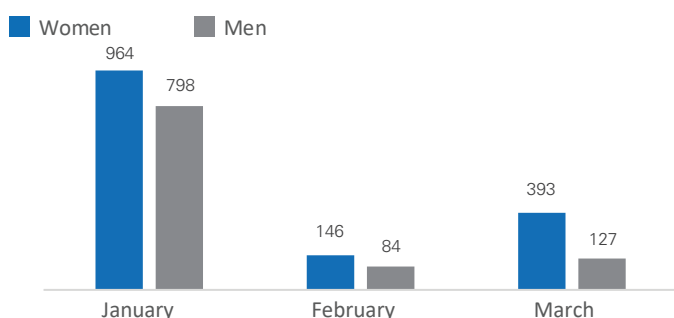
1,243

entrepreneurs benefitted from business management training

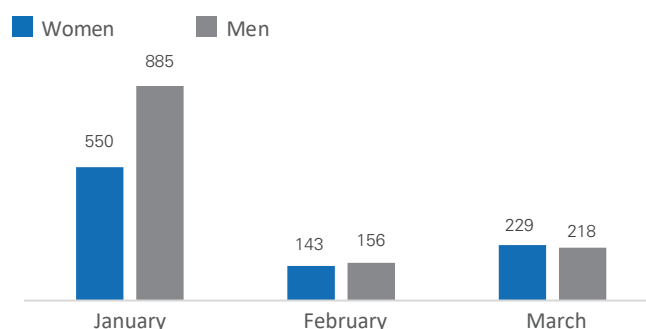


Analysis

Number of beneficiaries trained on career guidance, awareness raising sessions, job matching, and workbased learning opportunities by gender per month (2021)



Number of beneficiaries of market-based skills trainings by gender per month (2021)



1. Key achievements of the sector at the output level

The economic and financial crises as well as the impact of the COVID-19 outbreak continues to impact the sector in 2021 and cause challenges for MSMEs, cooperatives, and entrepreneurs. Businesses are struggling 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. Given that most owners of informal enterprises have no savings or other financial options, this is resulting in direct closure of businesses (temporarily or permanently) as well as loss of jobs and incomes.²

Therefore, strengthening MSMEs to enable growth and decent job creation is one of the areas that is particularly challenging for the Sector in 2021. Nevertheless, in Q1, Livelihoods Sector partners have supported around 227 MSMEs and cooperatives with cash and in-kind grants to sustain their operations and protect their workers. Wage subsidies and cash transfers to informal or self-employed workers, and financial support to digitization efforts and reskilling are some examples of employment support measures adopted so far. Moreover, to support businesses, Livelihoods Sector partners are providing business management and business development services such as marketing, bookkeeping, accounting, decent working conditions, procurement support and legal support to help increase efficiency, reduce costs and make the businesses more competitive. Some 1,243 entrepreneurs and employees (15% youth) were provided with training on business management and business development in Q1. During COVID-19, alternative measures were taken to hold training, coaching and/or awareness sessions remotely i.e., social media, online remote telecommuting, and WhatsApp, and, when possible, physical presence was limited to a restricted group of people respecting precautionary measures.

After the full lockdown measures were lifted in March, partners resumed the provision of short-term employment, with 4,509 displaced Syrians and Lebanese (31% women) accessing

income-generating activities, involving full-time and part-time employment, and were engaged in productive assets improvements and the maintenance and rehabilitation of public and agricultural infrastructure and forestry (cash for work). Access to short-term employment in the labour-intensive sector is an important means for creating temporary employment and income opportunities while providing social and economic infrastructure and services for local communities, this include rehabilitation and / or maintenance of canals, land, sewage systems, roads and sidewalks, public parks and playgrounds, reforestation, flood prevention and rainwater harvesting. Most importantly, the access to the income, even if temporary, helps to enhance the protection of the beneficiaries who with this income have better access to food and shelter.

To ensure that vulnerable women and men have soft and technical skills that match market demands, alternative measures were taken to hold trainings, coaching and/or awareness sessions remotely, and, when possible, physical presence was limited to a restricted group of people respecting precautionary measures. During the first quarter of 2021, around 1,551 individuals (59% female) benefited from market-based skills training, while around 286 individuals were provided with career guidance, coaching or individual follow-up services to improve their access to employment. Out of the people trained, around 968 individuals were supported to start their own businesses. On the job trainings i.e., apprenticeships and internships, were provided to some 961 women and men, once partners were able to resume their in-person activities.

In Q1, the Sector, in collaboration with the Food Security & Agriculture Sector, has developed a dashboard to map out the agricultural MSMEs and Cooperatives supported under the agriculture and food-processing market sectors for partners to use to better target their assistance.

²WFP (2020) *Assessing the Impact of the Economic and COVID-19 Crises in Lebanon*
<https://docs.wfp.org/api/documents/WFP-0000116784/download/>



2. Key challenges of the sector

During Q1, the Livelihoods Sector continued to face challenges due to the national COVID-19 lockdown measures. Livelihoods interventions were not exempted from movement restrictions, thus preventing partners from implementing interventions such as labour-intensive activities in environmental and productive sectors, i.e., cash for work activities, face-to-face soft-skills trainings, individual business coaching and mentoring activities.

Price increases of raw materials and essential equipment and mobility constraints continue to challenge the implementation of livelihoods interventions. Specifically, the devaluation of the Lebanese Pound and the hyper-inflation continues to affect the

purchasing power of the beneficiaries, triggering further discussions around how partners can ensure meaningful transfer value to beneficiaries, especially for cash for work. Sector partners have voiced concerns around beneficiaries, engaged in labour-intensive activities, demanding higher wages as subsidies are being removed on basic items. This contributes to the concerns about the potential security risks for partners operating in the field. Another challenge is the price increase on raw material and essential equipment, which is in USD, as cooperatives and MSMEs have restricted access to obtain the currency or limited financial resources to import inputs, tools, and raw materials.³

3. Key priorities for the following quarter

The impact of the movement restrictions during lockdown periods and the overall economic and financial crisis has had severe implications on employment and business activities. In Q2, the Livelihoods Sector will therefore continue to prioritize investment in 250 businesses across the key economic sectors⁴, considering the high share of businesses operating in survival mode. This will include improving access to both financial and non-financial support, coupled with business development and financial management training, digitalization and digital skills development, and market access. In Q2, several Livelihoods Sector partners are carrying out market assessments related to market functions and constraints to growth, supply and demand for products, and existing and potential linkages as well as opportunities for market support. These assessments will allow partners to better identify markets with potential for growth and that can advance sustainable economic growth.

The inter-sectoral collaboration on key value chains will remain a priority to strengthen coordination among actors supporting agricultural and agro-food cooperatives to ensure complementary interventions and avoid duplication. The mapping of agriculture cooperatives dashboard is therefore a useful tool to enhance

information sharing and coordination among the FSS and LH partners, and with the Directorate General of Cooperatives, and to avoid duplication of assistance towards the same cooperatives.

The Sector will continue to address immediate needs for income through access to short-term employment in labour intensive sectors, including public infrastructure and environmental assets improvements and agriculture activities, targeting 3,875 direct workers in Q2. In addition to addressing immediate needs amongst the vulnerable population, these interventions also contribute to medium-term stability by investing in the country's construction, agriculture and environmental sectors and supporting decent work standards which contribute to local economic development.

Access to employability activities and work-based learning opportunities, including apprenticeships and internships, will be provided by sector partners targeting to improve the technical skills of 2,500 individuals and providing 2,750 with work-based learning activities. It is important that partners continue to match the skills of individuals with the demand of the labour market through on-the-job trainings.

4. Mainstreaming of COVID-19

In 2021 and with the COVID-19 outbreak, Livelihoods Sector partners have shifted to digital livelihoods services, such as vocational and digital skills trainings and business development services. Partners now provide beneficiaries with IT devices and credit for internet. Sector partners continue to use a blended learning approach in areas where access to internet is possible. Physical activities are minimal and mostly relate to necessary practice and on-the-job training such as construction, agriculture, and environment. Important to mention is the Livelihoods Sector partners support to the COVID-19 response, by supporting MSMEs producing PPE items and for allowing the shift of those MSMEs from traditional tailoring to the production of PPE items.

While the mobility constraints suspended in-person activities, some partners under the Sector were able to provide wages to refugees and vulnerable Lebanese engaged in labour intensive and home-income generating activities. Labour-intensive activities, such as cash for work, are an important lifeline in ensuring income

for vulnerable populations. Therefore, the Sector has been advocating for the need to exempt labour-intensive activities from movement restrictions during prolonged periods of lockdown and to continue interventions through conditional cash transfers.

The devaluation of the Lebanese Pounds and hyperinflation decreases the purchasing power and the Sector therefore encourages partners to provide additional support to individuals engaged in livelihoods sector activities, especially in cash for work activities, with transportation, in-kind and / or food support.

³ILO (2020) Policy Brief: Rapid Diagnostic Assessment of Employment Impacts under COVID-19 in Lebanon https://www.ilo.org/wcmsp5/groups/public/-/ed_emp/documents/publication/wcms_754666.pdf

⁴The key sectors and sub sectors that have high potential for employment and income generation are industrial sectors, including agriculture and agro-food, pharmaceutical and medical equipment, manufacturing and construction, textile and furniture, and creative and cultural industries. These sectors are prioritized by the Ministry of Economy and Trade and Ministry of Industry.