

## LEBANON RECOVERY FUND (LRF)

### SEMI-ANNUAL PROJECT NARRATIVE PROGRESS REPORT

#### REPORT COVER PAGE

**Recipient UN Organization:**

International Labour Organization

**Report Number: II****Project Number:**

LRF-5  
(LEB/07/01M/UND)

**Project Title:**

Local Socio-Economic Recovery in War-Affected Areas in South Lebanon

**Reporting Period:**

1 January 2008 to 31 December 2008

**Project Budget:**

US\$ 1,298,108  
(LRF: US\$1,183,108; ILO: \$115,000)

**List Implementing Partners:**

- Ministries of Social Affairs (Social Development Centres), Labour, Interior & Municipalities, Agriculture and Industry
- Municipalities
- Non-governmental organizations: Association of Lebanese Industrialists, General Confederation of Lebanese Workers, syndicates, cooperatives, micro-finance institutions

**Project Coverage/Scope:**

South Lebanon (Bint Jbeil)

**Abbreviations and acronyms:**

*AUB: American University of Beirut*  
*BDS: Business Development Services*  
*BMT: Business Management Training*  
*LSER: Local Socio-Economic Recovery*  
*MoSA: Ministry of Social Affairs*  
*PVCA: Participative Value Chain Analysis*  
*SDC: Social Development Center*  
*SME: Small and Medium Enterprises*  
*TDIM: Territorial Diagnosis and Institutional Mapping*  
*ToT: Training of Trainers*

**Project Duration:**

*1 August 2007 to 31 December 2008*

## **I. PURPOSE**

Through a participative, integrated, bottom-up approach, the project aims at rapidly implementing socio-economic recovery activities and enhancing the capacities of institutions at the community level. It is working in coordination with local public, private and civil society institutions and the UNDP ART Gold Regional and Municipal Working Groups to build the economic and planning capacities of local communities. The purpose is to enable local communities to play a leading facilitative role in the development of strategically planned, locally-driven and locally implemented livelihoods recovery projects for the Bint Jbeil caza.

The expected outcomes of the project are:

- Enhanced implementation capacities of local stakeholders (public, private and civil society stakeholders) in identifying and providing direct services to recover sustainable livelihoods.
- Contribute to the local economic recovery of Bint Jbeil caza through the rapid implementation of integrated socio-economic activities (with a focus on micro and small enterprise recovery, employment and income generation revival).

The project principally targets:

- Quick impact recovery projects, in partnership and cooperation with governmental and non-governmental institutions, within the framework of national priorities.
- Each project approved for funding is part of a Government-approved priority for recovery activities, based on and formulated in consultation with concerned line ministries and beneficiary communities and, to the extent possible, donors and other national stakeholders;
- Projects are nationally executed by implementing partners, under the overall ownership and leadership of the Government, to ensure sustainability of results through capacity building;
- Funding and implementation are undertaken with special attention to transparency and accountability, as well as prompt delivery and efficient utilization of donor funds.

The main implementing partners were selected on the basis of their local knowledge and involvement in the Olive Oil and Beekeeping sectors and their experience in local socio-economic development of Bint Jbeil. They include:

- The Syndicate of Agricultural Laborers and the Labor Union for the Syndicates of the Employees and Laborers of South Lebanon were subcontracted to distribute olive oil storage devices and cultivate thyme.
- The Cooperative Union was subcontracted to implement the rehabilitation of olive plantations and cultivate thyme.
- The Regional Cooperative Union in South Lebanon was subcontracted to implement the rehabilitation of olive plantations.
- The Agricultural Cooperative Union of Bint Jbeil was subcontracted to implement the “Distribution of Olive Oil Trimming Tool Kits” project and cultivate thyme.
- The Ministry of Agriculture was selected as a main partner in the PVCA workshop.

- The Ministry of Social Affairs, through its Social Development Centre in Bint Jbeil, was subcontracted to implement the “Vocational Training for Disabled People” project.
- The Hicham Fahes Institute for Vocational Training was subcontracted to implement the “Vocational Training for Disabled People” project.
- The Al Majmoua Lebanese Association for Development was subcontracted to execute the Business Management Training and microfinance components. Al Majmoua provided Business Management Training to entrepreneurs and established new micro-credit lines.
- The Cooperative of Agriculture and Beekeeping in Maroun Ar-Ras, the Cooperative of Tobacco Planting and its Productivity Enhancement in the South, the Rmeich Cooperative for Agricultural and Livestock Development and the Municipalities of Ayta Ac-chaab and Ein Ibl were subcontracted to cultivate Thyme.
- The Jihad Al Binaa Development Association was subcontracted to conduct the training of specialized beekeepers.
- Instituto per la Cooperazione Universitaria (ICU) was subcontracted to conduct the training of new beekeepers.
- The Lebanese Association for Development, Rehabilitation and Care (LADRC) was subcontracted to increase the beekeeping pastures by planting 6000 trees in the villages of Bint Jbeil caza.

## **II. RESOURCES**

### ***Financial Resources:***

In addition to the contribution received from the Lebanon Recovery Fund, the ILO contributed an amount of US\$115,000 to start up activities in July 2007.

### **Budget revision**

A budget revision was requested to allocate sufficient resources for the recruitment of project personnel, in compliance with ILO rules and regulations.

### ***Human Resources:***

National staff includes one National Project Coordinator, one Disability Specialist, two Community Mobilizers, one SME and Microfinance Specialist, one Administrative/ Finance Assistant and one Driver. International staff include one Local Socio-Economic Recovery Specialist.

## **III. IMPLEMENTATION AND MONITORING ARRANGEMENTS**

The project is being implemented in coordination with relevant line ministries, employers’ and workers’ organizations, civil society, municipalities, cooperatives and the donor community in Lebanon. ILO is responsible for the appropriate use of the recovery

funds. In accordance with its administrative rules and regulations, the ILO assumes responsibility for the recruitment of project personnel, contractual arrangements, technical assistance, backstopping and project supervision, procurement of equipment, monitoring and reporting. The project set up a Project Management Unit (PMU) responsible for the day-to-day implementation and coordination activities. The PMU, which is based in the UN Hub in Tyre, ensures the day-to-day project operations and makes any amendments necessary to the project's activities.

The procurement of goods and services were done in accordance with ILO rules and regulations:

- When the amount of purchase of goods and services was less than US\$20,000 and above US\$200, three quotations were sought to validate the selection of the supplier.
- Whenever a single purchase of goods or services exceeded US\$20,000, tenders from at least three suppliers were sought and justification sent to PROCUREMENT for approval.

To guarantee the quality and quick delivery of projects, monitoring mechanisms were set up and include:

- Establishment of a monitoring system covering all ongoing projects and including baseline data, indicators, geographic locations and number of beneficiaries.
- Conducting field visits to observe and monitor the progress of work by implementing partners.
- Drafting reports to document the observations, achievements, progress and problems faced by implementing partners.
- Compiling all data gathered about each project into one comprehensive evaluation report to extract lessons learned and future recommendations.

#### **IV. RESULTS**

Since its inception in August 2007, the project utilizes a participatory approach to address the local socio-economic needs of the Bint Jbeil caza. This approach relies on the active involvement of local stakeholders involved in the Olive Oil and Beekeeping sectors to design and implement recovery projects.

During the period under review, a two-week workshop for the Beekeeping sector was organized in South Lebanon (February 2008), involving more than fifty local stakeholders from the private, public and civil society sectors. Diagnoses of the strengths and weaknesses of the four components in the value chain of honey production (e.g. productivity, marketing, strengthening of supporting institutions, training and capacity development initiatives) were carried out. Based on this analysis, the participants proposed and agreed on several inter-related projects covering the identified needs (e.g. organization of the sector, training, marketing, access to credit).

The project partnered with local and international institutions to implement local economic recovery initiatives in Bint Jbeil caza as prioritized by the local stakeholders in the Olive Oil and the Beekeeping PVCA workshops.

Moreover, in response to the recommendations of the PVCA Beekeeping workshop in South Lebanon (February 2008), a Local Beekeeping Forum was established. This Forum continues to meet regularly to conduct assessments, propose projects, provide technical and operational advice and present development guidelines for the sector. Beekeeping projects are being implemented under the supervision of the Forum.

With regard to the component on small and medium enterprise (SME) development, three local microfinance institutions (ADR, Al Majmoua and Ameen) participated in a Training of Trainers workshop on Business Management Training. The workshop (held from 2 to 13 June 2008) was attended by 15 trainees/trainers representing the three microfinance institutions and other related stakeholders, such as the Ministry of Industry, Chamber of Commerce, Beekeeping Union, Union of Cooperatives and entrepreneurs involved in the targeted sectors.

Al Majmoua Lebanese Association for Development was identified as the main implementing partner. It implemented a project of US\$ 160,889, of which US\$ 130,000 were spent on micro-credit loans to 104 small entrepreneurs. The remaining funds were invested in providing Business Management Training to 145 beneficiaries in the thyme, handicrafts, beekeeping and construction sectors. The project also supported Al Majmoua by providing office equipment that enabled the organization to open a new branch in Bint Jbeil, effectively extending geographic coverage of its microfinance services.

In its continuous efforts to integrate people with disabilities in the interventions, the project also conducted two specialized vocational training workshop for these beneficiaries. The project also provided a grant/loan/business management training package to eight trainees willing to either start or improve their business, after each candidate was screened and approved by Al Majmoua.

The results of project interventions up to December 2008 are as follows:

- **270 vulnerable households** regained their main source of income.
- **One local economic forum** created for the Beekeeping sector.
- **One local economic recovery strategy** developed through a participatory process for each targeted economic sector (Olive Oil and Beekeeping).
- **248 permanent jobs** and **184 temporary jobs** created.
- **Eight grants** for future activities have been allocated to local entrepreneurs.
- **104 loans** already provided, with 80-100 loans anticipated in the near future.
- **Six public, 43 private and 32 civil institutions** trained in PVCA methodology
- **Two municipal sub-projects** approved.
- **40 people with disabilities** have received a combination of skills and Business Management Training.
- **34 villages** from Bint Jbeil caza reached.
- **996 direct beneficiaries** were targeted.

### **Output 1.1: Comprehensive mapping of stakeholders and economic sectors**

- The American University of Beirut (AUB) developed the Territorial Socio-Economic Diagnosis and Institutional Mapping (TDIM) document of the key economic sectors in South Lebanon, after being subcontracted by ILO.
- Through a participatory approach, three main sectors of intervention were identified: Olive Oil, Livestock and Beekeeping. Interventions were concentrated in the Olive Oil and Beekeeping sectors.

### **Outputs 1.2 & 1.3: Enhancing local stakeholders' capacities in networking**

- A Participative Value Chain Analysis (PVCA) training workshop at the caza and municipality levels was conducted by the ILO for the Beekeeping sector, where priorities were identified and project ideas developed.
- After the PVCA workshop for the Beekeeping sector, a Local Beekeeping Forum was organized by ILO, which continues meeting regularly to facilitate coordination and networking among concerned stakeholders.
- Four pilot interventions in the Beekeeping sector are currently being implemented.
- With ILO support, the AUB:
  - Collected basic data and performed an institutional mapping and territorial diagnosis in preparation for project implementation.
  - Compiled and designed one booklet each for the Olive Oil and Beekeeping sectors, which detailed the findings of the associated PVCA workshop.

### **Output 1.4: Building the capacities of Social Development Centers of MoSA to mainstream social concerns**

- ILO coordinated with the SDC of Bint Jbeil caza to collect data for the people with disabilities component of the LSER project.
- The SDC was also selected as an implementing partner for the vocational training component for people with disabilities.

### **Output 1.5: Integration of LSER methodology with FAO, UNIDO and UNDP methodologies**

- The PVCA workshops' findings for targeted sectors were communicated to FAO, UNDP and UNIDO.
- ILO regularly coordinated with UNDP and FAO to avoid duplication of activities and synergize interventions.

### **Output 2.1: Identification of activities for rapid local livelihoods recovery**

- The Local Beekeeping Forum is assisting local stakeholders in designing, implementing, and monitoring the projects executed in the Beekeeping sector. Efforts are made to

institutionalize this forum to guarantee its sustainability after completion of project activities.

### **Output 2.2: Establishing the implementation strategy and implementation of integrated micro-projects**

- Following the PVCA workshops for the Olive Oil and Beekeeping sectors, the ILO facilitated the implementation of the following quick impact projects, which resulted in improved skills of beneficiaries and the creation of temporary and permanent jobs:
  - Olive Trees Trimming Toolkits' Distribution (increased productivity for 280 farmers)
  - Olive Plantations Rehabilitation (increased productivity and skills for 150 farmers)
  - Olive Oil Storing Devices' Distribution
  - Increasing Beekeeping Pastures in Bint Jbeil Caza (180 temporary jobs created)
  - Vocational training for people with disabilities (55 people trained and 18 permanent jobs created)
  - Increasing Beekeeping Pastures in Bint Jbeil by planting 120 *donoms* of thyme (90 permanent jobs created)
  - Training of New Beekeepers – Bint Jbeil Caza (40 permanent jobs created)
  - Training of Specialized Beekeepers– Bint Jbeil Caza (4 temporary jobs created)

### **Output 2.3: Delivering concrete skills and financial support to selected beneficiaries**

- Following the selection of Al Majmoua as the leading implementing partner for Business Management Training and micro-credit loans to entrepreneurs in Bint Jbeil, a series of focus groups were held in preparation for the Training of Trainers workshop. The purpose of these focus groups was to collect information about training gaps in targeted sectors, and included representatives of all relevant stakeholders.
- The Training of Trainers workshop was also held, and it included participants from various microfinance institutions.
- 104 small entrepreneurs benefited from an integrated package of business training and start-up loans.
- ILO supported Al Majmoua in opening a new branch in Bint Jbeil city. ILO provided basic office equipment and contributed in the staff salaries.
- Al Majmoua Business Development Services (BDS) trainers provided BMT to improve the business and managerial skills of beneficiaries, which encouraged business initiatives and eventually led to the provision of small loans. The Training of Entrepreneurs (ToE), which targeted people with disabilities, was provided by an Occupational Therapist / Business Management Trainer who adapted the training curriculum and methodology to fit this target population.

### **Output 2.4: Recovering and capacitating locally selected economic sectors; identification of key socio-economic infrastructures and vocational skills**

- A comprehensive list of economic infrastructure and technical vocational training services was identified during the two PVCA workshops.

### **Output 2.5: Capacitating and providing specific programs to local NGOs working with disabled people**

- Existing data on people with disabilities was analyzed, collected and compiled into a database following a series of meetings with several partners (e.g. INTERSOS, SDC, Hicham Fahes Institute for Vocational Training). The database was used to identify people with disabilities who were trained and subsequently considered for employment opportunities.
- In addition to the training on computer maintenance conducted by Bint Jbeil SDC, training on catering and food packaging was held with the Hicham Fahes Institute for Vocational Training.
- For the people with disabilities that completed the both vocational training and BMT, the ILO provided three grants for beneficiaries to start a new business and five grants for beneficiaries to improve an existing business.

### **Problems faced:**

#### 1. UN joint project integration

Integrated UN projects demand regular dialogue within the teams and with partner organizations. The pace of work in South Lebanon is fast and often offers limited opportunities for a systematic knowledge sharing and collaborative initiatives. However, the common location of key partners, i.e. UNDP and FAO and a number of existing collaborative initiatives favors regular information sharing, cost efficiencies and programmatic coherence.

#### 2. Capacity of local institutions

The conflict-affected South Lebanon region has suffered from weak local institutions in both the governmental and non-governmental sectors. There are a number of civil society organizations, universities and research organizations. Unfortunately, these organizations are operating with inadequate coordination arrangements and face competing demands for services, while having limited technical and organizing capacity. The ILO LSER Project has made significant efforts to involve these local partners in its programme planning, design, implementation and evaluation work and invested considerable resources in capacity development initiatives. There are also significant gaps in existing assessments and statistics for the agriculture sector.

#### 3. Vocational Training Infrastructure

The limitations of the vocational training infrastructure make it difficult to refer farmers and other workers in that direction to improve their technical skills. As regards other vocational training areas, the ILO will be launching soon a large project focusing on the development of vocational skills and relevant institutional support for the construction sector with special geographical emphasis in South Lebanon.



## **Lessons learned**

Community engagement requires significant time and energy, but this can pay significant dividends. When the ILO gains the trust of partners and community stakeholders, it can increase its engagement with national and local stakeholders' and impact on job creation and poverty reduction. The work undertaken involves a broad range of outcomes and a broad representation of local actors to reach these outcomes. While this initiative is aimed at creating more and better jobs and a stronger local community, there are other outcomes that are produced as well. Development in the LED sense is a participatory process, which strengthens social cohesion through local public-private partnerships, fosters skills development, provides institutional capacity building and lays the foundations for a sustainable development process.

Close collaboration with formal and informal community leaders ensures transparency in the distribution of benefits and encourages accountability among the community for its own development. As a result, it helps in identifying beneficiaries most in need of, and best able to use, their support.

Furthermore, an independent evaluation of the project was carried out by a team of external consultants, including an international and a national evaluator. The Lessons Learned drawn by the Independent Evaluation are summarized as follows:

- The geographical focus of project support to livelihood recovery and improvement should remain limited to Bint Jbeil caza.
- However, given the scope for replication of the project's approach, it should promote and support its use beyond Bint Jbeil caza, without becoming involved in implementation of livelihood interventions.
- Support implementation of interventions higher up the Olive Oil and Beekeeping value chains, to increase their competitiveness and therefore sustainability as well as the scope of impact.
- Support at least two more PVCAs if stakeholders agree that there is potential.
- Facilitate the establishment of a forum in the Olive Oil sector, as well others for separate value chains.
- Conduct more training for stakeholders to enable them to conduct PVCAs independently.
- Fully integrate microfinance and Business Management Training in the support to value chain development.
- Seek advice from a gender specialist to increase the number of women who benefit directly from interventions supported by the project and its partners.
- Continue assistance to people with disabilities, but provide advice and support to vocational training providers to enable them to include this group in ongoing courses.
- The project should have a longer time frame of at least two years. The planned duration of the current project is too short and this has reduced its success.

- Review the effectiveness of the PVCA methodology in identifying constraints on the competitiveness of the value chain as a whole.
- Explicitly include consideration of working conditions in the PVCA methodology, not simply for its own sake, but also as a way to enhance value chain competitiveness.
- Consider dropping Business Management Training as a pre-condition for loans, especially when people have business experience already.
- Design a database for monitoring of project implementation that allows for easier extraction of information for reports, including gender specific reporting.
- For new interventions, consider commissioning small baseline surveys of intended beneficiaries, so that impact can be assessed with greater certainty.
- Establish a governance structure for the project comprising a local and a national level Steering Committee.
- A comprehensive institutional and territorial mapping is likely to take too long to be of benefit to livelihood recovery projects. At the start of such projects, approaches such as informal consultations and workshops with stakeholders may suffice to collect enough information to take the most urgent strategic and implementation decisions and to ensure stakeholder participation.

## **Future Work Plan**

A second phase of the project was approved by the LRF. To ensure the continuity of the project activities between the end of the first phase and the beginning of the second phase, a three-month bridge (until 31 March 2009) was approved and financed by the ILO. Project sustainability relies on capacity building of local institutions, enabling them to design and raise the funds for the implementation of additional projects in Bint Jbeil. This participatory programming methodology will be replicated in other cazas and governorates nationwide. The strategy will analyze the potentialities of the Olive Oil and Beekeeping sectors on the Lebanese market.

A number of additional activities will be implemented in Bint Jbeil in the next three months. This will include:

- Production of Replication Guidelines, which will allow the successes of the LSER project to be replicated in other contexts
- Organization of a sustainability workshop to communicate and hand over Phase I project results to the local community, and the mark the formal inception of project Phase II.
- Training of Trainers (ToT) workshop in cooperative management will be offered to local cooperatives, in collaboration with the Directorate General of Cooperatives.
- The People with Disabilities Booklet will illustrate the experience of the LSER project in integrating this population in the market.

Strategic collaboration and project expansion:

- Expansion of project activities in Phase II to cover all the cazas of South Lebanon.
- Collaborate and coordinate with the “Skills Development, Employment Services and Local Economic Recovery for the Construction Sector” project through staff cost - sharing and utilisation of common premises.
- Pool resources from the ongoing projects in Lebanon to conduct a national ToT on Business Management Training.
- Disseminate Replication Guidelines and the People with Disabilities Booklet to local constituents and the international community at large.
- Disseminate findings of the Olive Oil and beekeeping sectors’ analysis to local constituents and the international community at large.
- Continue knowledge sharing and collaborative initiatives with UNDP Art Gold, FAO and UNIDO.