



**LEBANON RECOVERY FUND  
PROJECT DOCUMENT COVER SHEET**

<b>Participating UN Organisation:</b> ILO, FAO, and UNIDO and UNDP	<b>Sector:</b> Socio-Economic Recovery
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<b>Programme/Project Title:</b> Local Socio-Economic Recovery in war-affected areas of South Lebanon  <b>Programme/Project Number:</b>	<b>Programme/Project Location:</b> Southern Lebanon (Bintjbeil Caza, Tyre UN Office)
<b>Programme/Project Description:</b> Following the Lebanese Government requested assistance from the UN System this project delivers a unique multidisciplinary approach, jointly implemented by the International Labour Organization (ILO), Food and Agriculture Organization (FAO) , United Nations Industrial Development Organization (UNIDO), Economic and Social Commission for Western Asia (ESCWA) and United Nations Development Programme (UNDP) to restoring livelihoods through income generation and restoring small and medium scale business entities with a specific target on the most disadvantaged.  The project aims at both rapidly implementing socio-economic recovery activities and enhancing the capacities of institutions at the community level in identifying, prioritizing and implementing socio-economic activities in an autonomous manner. This project will also build the capacities of municipalities to play a leading facilitative role in the development of strategically planned, locally-driven, partnership approaches to rebuilding livelihoods. To sustain this capacity, the project will build on the existing UNDP ART Gold Regional and Municipal Working Groups and further capacitate the local stakeholders to network with similar entities both at sub-regional and regional level.	<b>Total Programme/Project Cost:</b> <b>LRF:</b> US\$ 1,183,108 <b>ILO seed funds:</b> US\$ 115,000 <b>Government Input:</b> US\$ 500,000 (in-kind through the MoSA Social Development Centers staff and infrastructure) <b>Total:</b> US\$ 1,298,108  <b>Programme/Project Duration:</b> 10 months
<b>Development Goal and Key Immediate Objectives:</b> <b>Development Objective:</b> Promote social equity and local stakeholders empowerment through local employment recovery and livelihood opportunities projects in of war-affected Bintjbeil municipalities.  <b>Immediate Objectives:</b> <ul style="list-style-type: none"> <li>▪ Contribute to the local economic recovery of Bintjbeil caza through the rapid implementation of integrated socio-economic activities (with a focus on micro and small enterprise recovery, employment and income generation revival).</li> <li>▪ Enhance implementation capacities of local stakeholders (municipalities, private and civil society stakeholders) in identifying and providing direct services to recover sustainable livelihoods.</li> </ul>	

## Outputs and Key Activities:

The main outputs and activities foreseen by the project are :

i) Local socio-economic recovery strategies established and integrated livelihoods recovery projects implemented by community actors; ii) Selected beneficiaries (most vulnerable population, micro enterprises, women business associations.) receive concrete skills and financial support (through ILO grants or loans from existing microfinance organizations) to recover socio-economic activities iii) Strategic economic sectors, enterprises, and Micro Finance Institutions are recovered and capacitated; iv) Local NGOs working with disabled people have been capacitated and specific integrated programs (skills, access to finance, entrepreneurship recovery) have been provided to the disabled people; v) Comprehensive mapping of stakeholders and economic sectors specificities at local level executed and local key stakeholders identified in collaboration with UNDP ART Gold R&MWGs and UN Hub office; vi) Local stakeholders have enhanced capacities in networking with caza/municipalities, public and private and social recovery service providers in collaboration with UNDP ART Gold R&MWGs vii) Local stakeholders have enhanced capacities in socio-economic project prioritisation and project-cycle skills and are enabled to run and monitor livelihoods recovery process viii) Social Development Centers of the MoSA will be capacitated at mainstreaming Social concerns within Local Socio-Economic Recovery programs; ix) Local forums identified activities for local livelihoods recovery; x) Local community actors have enhanced capacities in strategizing, drafting basic project proposal, and implementation capacities are more effective; xi) ILO, FAO, ESCWA, UNIDO and UNDP have successfully integrated a joint approach to be replicated elsewhere; xii) Delivering to relevant local stakeholders, a Local Socio-Economic Recovery and Development FAO, UNIDO, UNDP and ILO training programme to develop and strengthen their capacities to identify the key needs, opportunities and socio-economic gaps as well as design, lobby, implement and monitor local projects; xiii) The project will train local stakeholders at facilitating local appraisal of competitive advantages for several key sectors or sub-sectors in their area. xiv) Providing seed funds to implement key Local Socio-Economic and Livelihoods Recovery initiatives. xv) Providing multidisciplinary technical assistance for the implementation and the monitoring of Local Socio-Economic Recovery and Development initiatives.

More information in the Logical Framework can be found

Sector Review Date: \_\_\_\_\_

Sector Working Group Review Date: \_\_\_\_\_

Steering Committee Approval Date: \_\_\_\_\_

On behalf of:

*Signature*

*Date*

*Name/Title*

ILO

Ministry of Labour

Ministry of Social Affairs

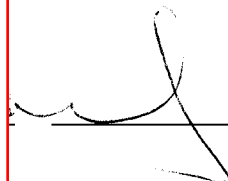
Chair, LRF SC

NADA AL-NASHIF

REGIONAL DIRECTOR

Hassan Akif El-Sabeh

Acting Minister of Labour



## 2. LOGICAL FRAMEWORK

Objectives	Measurable indicators	Means of verification	Important assumptions
<b>Development Objective:</b> Promote social equity and local stakeholders empowerment through local employment recovery and livelihood opportunities projects in communities of war-affected areas of South Lebanon	<ul style="list-style-type: none"> <li>- Number of local (public, Private and civil society ) stakeholders trained in Local Socio-Economic recovery Methodology.</li> <li>- Number of infrastructure rehabilitated and socio-economic projects implemented with the support and supervision of local stakeholders</li> <li>- Number of municipal projects funded and facilitated through the project and external sources</li> <li>- Number of vulnerable households which regained their main source of income.</li> <li>- Number of grants allocated to local entrepreneurs</li> <li>- Number of local micro-finance institutions supported by the project</li> <li>- Number of municipal sub-projects approved</li> <li>- Number of entrepreneurial activities supported with recovered livelihoods</li> </ul>	<ul style="list-style-type: none"> <li>• Project Advisory Group</li> <li>• Mid-term review report</li> <li>• M&amp;E reports</li> <li>• Gender Assessments</li> <li>• Project progress reports</li> <li>• Municipality reports</li> <li>• (Mosa), Municipal Social Development Centres Reports</li> </ul>	The security situation in the country improves or remains stable allowing project activities to be implemented as scheduled
<b>Immediate Objectives:</b> 1. Enhance implementation capacities of local stakeholders (municipalities, private and civil society stakeholders) in identifying and providing direct services to recover sustainable livelihoods. 2. Contribute to the local economic recovery of Bintjbeil caza through the rapid implementation of integrated socio-economic activities (micro and small enterprise recovery, employment and income generation revival).	1. Evaluation report of the Local Socio-Economic recovery Methodology training 2. Number of municipalities supported for livelihoods projects of public interest 2. Number of grants provided to community socio-economic rehabilitation (ex. community farms, cooperative production units, community markets) 2. Number of livelihoods recovered for the most vulnerable	<ul style="list-style-type: none"> <li>• Project progress reports</li> <li>• Supervision reports</li> <li>• M&amp;E reports</li> <li>• Training reports</li> <li>• Municipality reports</li> <li>• (Mosa), Municipal Social Development Centres Reports</li> </ul>	<ul style="list-style-type: none"> <li>- Stability of key-institutions and staff involved in the project throughout the project period</li> <li>-Movement and work in all Mohafazas should not be restricted.</li> </ul>
<b>Outputs:</b> Output 1.1.:Comprehensive mapping of stakeholders and economic sectors specificities at local level executed and local key stakeholders identified (in collaboration with UNDP ART Gold program) Output 1.2:Local stakeholders have enhanced capacities in networking with caza/municipalities, public and private and social recovery service providers (in collaboration with UNDP ART Gold program) Output 1.3:Local stakeholders have enhanced capacities in socio-economic project prioritisation and project-cycle skills and are enabled to design, lobby, run and monitor livelihoods recovery process (in collaboration with UNDP ART Gold program) Output 1.4.: Social Development Centers of the MoSA will be capacitated at mainstreaming Social concerns within Local Socio-Economic Recovery programs Output 1.5. LESR methodology integrated and synergized with FAO, UNIDO and UNDP methodologies, fully adapted to the local context, and ready to be replicated elsewhere.	1. Evaluation report of the Local Socio-Economic recovery Methodology training 1. Number of municipalities who presented livelihoods projects of public interest under a consultative process 2. Number of municipalities supported for livelihoods projects of public interest 2. Number of grants provided to community socio-economic rehabilitation (ex. community farms, cooperative production units, community markets) 2. Number of livelihoods recovered for the most vulnerable 2. Numbers of integrated projects implemented by ILO, FAO, UNDP, ESCWA and UNIDO	<ul style="list-style-type: none"> <li>• Project progress reports</li> <li>• Supervision reports</li> <li>• M&amp;E reports</li> <li>• Training reports</li> <li>• Municipality reports</li> <li>• (Mosa), Municipal Social Development Centres Reports</li> <li>• Survey of households incomes</li> </ul>	<ul style="list-style-type: none"> <li>- Stability of key-institutions and staff involved in the project throughout the project period</li> <li>-Movement and work in all Mohafazas should not be restricted.</li> </ul>

<p>Output 2.1: Local forums rapidly identified activities for rapid local livelihoods recovery</p> <p>Output 2.2: Implementation strategy established and integrated micro projects for livelihoods recovery implemented by community actors</p> <p>Output 2.3: Selected beneficiaries (most vulnerable population, micro enterprises, women business associations...) receive concrete skills and financial support (also through existing microfinance organizations) to recover socio-economic activities.</p> <p>Output 2.4. Locally selected strategic economic sectors, enterprises, and Micro Finance Institutions are recovered and capacited; key socio-economic infrastructures and vocational skills are identified.</p> <p>Output 2.5. Local NGOs working with disabled people have been capacitated and specific integrated programs (skills, access to finance, entrepreneurship recovery) have been provided to the disabled people</p>			
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<p><b>Activities</b></p> <p>1.1.1. Based on the existing UN Hub and ART Gold assessment, strengthening and further development of the Territorial Socio-Economic Diagnosis and Institutional Mapping of local South caza socio-economic actors (in partnership with the MoSA and a National University)</p> <p>1.1.2. The UN Hub and ART Gold Regional and Municipal Working Groups facilitate presentation and socialization of the project to the local Caza and municipalities targeted by the project</p> <p>1.2.1 and 1.3.1. Building on existing ART Gold Regional and Municipal Working Groups, proceed Rapid Local Appraisal of Socio-Economic Competitive Advantages trainings at the caza and Municipality level with (public, private (ALIND) and civil society stakeholders) conducted by ILO , which eventually lead to provide local project/sectoral proposals ideas</p> <p>1.2.2. and 1.3.2. ILO, UNIDO, UNDP, ESCWA and/or FAO proceed a Participative analysis training of the local competitive advantages at the sectoral level , which eventually lead to the development of local project/sectoral proposals</p> <p>13.3. Promotion of local socio-economic recovery strategies and projects to national and international institutions (promoted in collaboration with the UN hub office and ART Gold Regional and Municipal Working Groups)</p> <p>1.4.1. Decentralized Social Development Centers of MoSA participate to the training activities mentioned above 1.2.1. and 1.2.2. and able to integrate vulnerable concerns within Local Socio-Economic Recovery strategies.</p> <p>1.4.2. Capacity building of Social Development Centers to collect, analyze through focus group meetings the main social problems and opportunities, as well as diffuse it to local and national authorities (in collaboration with the UNHCR and UN Hub)</p> <p>1.5.1. Conceptualization of the integration of UNIDO, FAO, ESCWA and UNDP methodologies within a LSER framework</p> <p>1.5.2. Successful local integrated projects will be documented and replication guidelines prepared</p> <p>1.5.3. For replication purposes, during the last three months of the project, a Territorial Socio-Economic Diagnosis and an Institutional Mapping will be undertaken in other regions (in partnership the UN Hub, UNDP ART Gold, the MoSA and a National University)</p> <p>2.1.1. Involvement of Local communities in participative forums, where they further develop the recommendations identified during the training at the caza and municipality levels (activities 1.2.1. and 1.3.1.) leading to rapid community project proposals (in collaboration with UNDP ART Gold Regional and Municipal Working Groups).</p> <p>2.1.2. Development of a rapid community socio-economic recovery plan by a community Local forum (in collaboration with UNDP ART Gold Regional and Municipal Working Groups).</p>	<p><b>Inputs</b></p> <p>1. Training workshops targeting partner organizations</p> <p>1. FAO and UNIDO Training</p> <p>1. Sub-contracts</p> <p>1. National Project Coordinator</p> <p>1. Nat'l Disability Specialist</p> <p>1. Int'l Consultants</p> <p>1. National Consultants</p>	<p>Project progress reports</p> <ul style="list-style-type: none"> <li>• Supervision reports</li> <li>• M&amp;E reports</li> <li>• Training reports</li> <li>• Municipality reports</li> <li>• (Mosa), Municipal Social Development Centres Reports</li> <li>• Survey of households incomes</li> <li>• Micro Finance institutions reports</li> </ul>	<p>- Stability of key-institutions and staff involved in the project throughout the project period</p> <p>-Movement and work in all Mohafazas should not be restricted.</p>
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<p>2.2.1. Local stakeholders implement an integrated socio-economic recovery income with the support of decentralized MoSA Social Centres and supported as mentioned in activity 2.4.1.</p> <p>2.3.1. Communities recover rapid Income Generating Activities through a multi-disciplinary support package including business management training, grants and social activities.</p> <p>2.3.2. Micro and Small entrepreneurs access business management training, grants and/or micro loans to restart or expand their business</p> <p>2.3.3. Provision of a training on business association and some funds to Non-farm and agro-processing Cooperatives of young women in order to expand their activities</p> <p>2.3.4. Replication of on-going ILO/ESCWA joint agro-processing project in relevant areas.</p> <p>2.3.5. Identification of key social projects or social infrastructures to be recovered at the community level</p> <p>2.4.1. Identification of upgrading vocational skills and management training needs for local construction contractors and construction workers</p> <p>2.4.2. Identification of key economic infrastructures as rural market, irrigation canals to be rehabilitated by local workers</p> <p>2.4.3. One local Micro Finance institutions upgrade their financial services to local entrepreneurs through Capacity Building and provision of funds</p> <p>2.4.4. FAO, UNIDO, UNDP, ESCWA and ILO provide an integrated support package to local key sectors (provision of training, technologies and business guidance).</p> <p>2.5.1. Capacity building of Local Social Development Centers of MoSA, NGOs and private institutions through their involvement in Local Socio-Economic Recovery training and guidance from the project disability specialist</p> <p>2.5.2. Recovery of Income Generating Activities for Local disabled through access to adapted skills training, business management training grants and/or micro loans</p>	<p>2. National Project Coordinator 2. Nat'l Disability Specialist 2. Int'l Consultants 2. National Consultants (including FAO and UNIDO consultants)</p>	
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### 3. Programme/Project Justification

#### 3.1 Background

Between 12 July and 14 August 2006, large-scale hostilities broke out in Lebanon nationwide. On the Lebanese side, the conflict resulted in more than 1,187 deaths, 4,398 injuries and large-scale destruction of infrastructure, disruption of essential services and the displacement of an estimated one million people. In the wake of UN Resolution 1701, a ceasefire came into effect on 14 August 2006, allowing for the return home of a large majority of the displaced persons. The rural and agricultural setting, particularly in the South, was one of the hardest-hit by the war.

It is estimated that the industrial and commercial sector (including the informal sector) recovery needs \$US 380 million to recover and that Agriculture and Irrigation recovery needs \$US 210 million. However the direct support on Livelihoods was identified as a major gap in the recovery process.

Since 12 July 2006, a series of assessments have been made both at the macro and micro levels. A consolidated government assessment was provided on November 21, 2006. In addition, at the macro level, two detailed assessments carried out by UNDP and ILO will support the current proposal:

- ☐ The impact of the conflict on micro, small and medium enterprises in Lebanon
- ☐ The impact of the war on Household Living Standards in Lebanon

It is now estimated that as many as 30,000 persons have lost their jobs or their livelihoods have been seriously affected<sup>1</sup> (mainly in fisheries, industry, agriculture and services). The affected population requires some direct financial support to kick-start their business and get back to work. To prepare local socio-economic recovery plans and projects, this project will further develop and analyze the existing local socio-economic assessments produced by the UN Hub in Bintjbeil caza.

At the community level, a detailed municipal damage and needs assessment has been completed for more that 50 locations in conflict impacted areas in BintJbeil Caza. This information has just been made available to the municipalities and its use will be of central importance in the implementation of this project; for both targeting and baseline for impact assessment. Moreover, the ongoing joint ILO/ESCWA project on “*Employment creation and income generation through the development of micro and small agro-industries in BintJbeil Caza*” started in 2005 and is currently providing relevant lessons learned and replication guidelines.

The responsibility of re-establishing livelihoods is an issue which requires an integrated, multidisciplinary, participative and systematic response. Using a rapid and comprehensive participative approach including the social, cultural, political and Socio-Economic dimensions of livelihoods, this project will support local stakeholders (public, private and civil society actors) to identify, plan, implement and monitor socio-economic recovery projects. Based on the local needs and opportunities, integrated activities will provide income

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<sup>1</sup> Recovery, Reconstruction and Reform “International Conference for Support to Lebanon” 25 January 2007 Paris, p.5. However, accurate figures are not currently available. Previously, Government the estimated that (i) Unemployment rate doubled and exceeds 20% (ii) Permanent migration of highly educated and skilled labour (exceeding 100,000). (iii) Further impoverishment of areas and regions affected by the war (see Government Update, November 21, 2006).

recovery, skills and financial support to the most disadvantaged. To guarantee the smooth implementation of the above mentioned participative approach, ILO will involve the Regional and Municipal Working Groups set up by the UNDP ART Gold program. **To guarantee the integration of the most vulnerable within the programme (e.g. women, children, youth, and people with disabilities), project will work closely with the Social Development Centers of the Ministry of Social Affairs and local stakeholders (including UNDP ART Gold R&MWGs) to facilitate a multi-cross screening of potential beneficiaries.**

In order to deliver a multidisciplinary approach, this project will be jointly implemented by the International Labour Organization (ILO), the Food and Agriculture Organization (FAO), the United Nations Industrial Development Organization (UNIDO), Economic and Social Commission for Western Asia (ESCWA) and United Nations Development Programme (UNDP).

This project proposal takes into consideration socio-economic assessments and recovery initiatives adopted by the Lebanese Government, its partners, the UN Country Team, and non-governmental organizations. Particular reference will be made to the Social Action Plan whose main objectives are to: (i) alleviate poverty and improve the quality of education and health indicators; (ii) improve the efficiency of public social spending and keep it at an appropriate and sustainable level; and (iii) reduce regional disparities in development indicators through a proper distribution of investment and other resources and encourage investment and other job-creating activities in the more deprived areas. The Social Action Plan, together with the comprehensive medium-term social development strategy, are geared towards setting up the socio-economic foundation for the country to restart its progress towards sustainable growth and development. Moreover, an inter-ministerial committee for social policy, comprised of the Ministries of Health, Social Affairs, Labour, Education, Economy and Trade, and Finance, was formed with a view to setting overall sector strategies and priorities, as well as monitoring and evaluating the implementation of social strategies. To that end and within its mandate, the project will contribute towards:

- ☐ Building local capacities to identify, design, implement and monitor key socio-economic projects opportunities and needs.
- ☐ Restoring minimum capacity in terms of technical and business management skills, basic social services and income generating activities, as well as facilitating access to financial services for the most vulnerable.
- ☐

In line with the Government's request, this project will focus on creating jobs and restoring livelihoods, providing social support for poor and vulnerable groups at the community level, and implementing local development initiatives for poverty reduction and sustainable development. It will play a key role in empowering the conflict-affected communities through the integration of humanitarian and development assistance and the rehabilitation/revitalization of the productive capacities of the country.

### **3.2 Reasons for UN technical assistance**

Following the conflict, the Lebanese Government requested assistance from the UN System in the reconstruction of damaged infrastructure, socio-economic recovery and resettlement of displaced persons. This project delivers a unique multidisciplinary approach, jointly implemented by the International Labour Organization (ILO), Food and Agriculture Organization (FAO) and United Nations Industrial Development Organization (UNIDO),



Economic and Social Commission for Western Asia (ESCWA) and United Nations Development Programme (UNDP), to restoring livelihoods through income generation and restoring small and medium scale business entities with a specific target on the most disadvantaged.

### **ILO**

Within its mandate on the promotion of decent work opportunities, the ILO undertook a post-crisis multidisciplinary rapid needs assessment mission to Lebanon. It was carried out in September 2006 by an ILO team from the Regional Office for Arab States and several technical departments at ILO Headquarters. This needs assessment focused on the impact of the recent conflict on livelihoods and the labour market in Lebanon, and facilitated to define a socio-economic recovery strategy as well as highlighting and implementing some short- and long-term interventions at the policy and operational levels. At the policy level, ILO, in collaboration with UNDP and the Central Administration of Statistics, conducted two surveys:

- ☐ Conflict of 2006 and small and medium enterprises in Lebanon: assessing impact and roadmap to recovery.
- ☐ The impact of the war on Household Living Standards in Lebanon (carried out by UNDP and the Central Administration of Statistics); field sample survey

At the operational level, the ILO in collaboration with ESCWA is successfully implementing a project entitled "Employment Creation and Income Generation through the Development of Micro and Small Agro-Industries in South Lebanon". This project focuses on the cultivation of thyme in the villages of Debel and Bint Jbeil. It targets farmers, including women and youth, who gain hands-on experience in modern processing and packaging of thyme constituting an income generation opportunity for them.

The ILO has been working in post-conflict recovery in several countries. In the early nineties, ILO's Local Economic Recovery (LER) and Local Economic Development (LED) approaches were developed in Central America within the framework of the inter-agency programme PRODERE. The approach has proven to be effective in providing an immediate response to the needs of conflict-affected countries to create employment, rebuild communities and achieve reconciliation. The ILO is therefore having, both at headquarters and field level, practical and theoretical knowledge in recovering and creating sustainable livelihoods in the aftermath of a crisis. Moreover, ILO specialists have developed expertise in various technical areas like vocational training and enterprise development for conflict-affected populations, labour-based rehabilitation of infrastructures, creation of SMEs and cooperatives. Operational Manuals on LER, LED, Recovery's Need assessment, Rapid Labour market survey, Community Based Training, Emergency Employment Services Centres and several other practical tools have been tested in the past years and can be used for supporting job recovery/creation. In Lebanon the ILO has also undertaken in collaboration with ALIND an assessment of the small business environment highlighting specific problem areas in diverse regulatory spheres.

### **UNDP, FAO, ESCWA and UNIDO**

During the joint South Lebanon mission of ILO and UNDP ART Gold conducted in May 2007, **both agencies agreed that within this project, ILO will involve the Regional and Municipal Working Groups set up by the UNDP ART Gold program**, more specifically: i) ILO will use UNDP ART Gold initial local assessment to further identify and develop recovery strategies and projects, ii) ILO will further capacitate ART Gold Regional and

Municipal working groups to implement local economic recovery projects, iii) ILO will involve UNDP ART Gold Regional and Municipal working into the monitoring of its local projects. Moreover, within the framework of this project it was identified that ILO project can also provide a support package of ILO tools and expertise to assist RWG and MWG to implement their projects: e.g. SIYB and Get Ahead entrepreneurship Training, Technical Assistance to existing Micro Finance Institutions.

**ILO will update UNDP, FAO, ESCWA and UNIDO on the main socio-economic needs and gaps in Bintjbeil caza and will refer its beneficiaries to relevant FAO, UNDP, ESCWA and UNIDO trainings or projects inputs (e.g. Basic Farmer training, Agro-processing technical assistance...).**

More specific details of the partnership among ILO and UNDP, FAO, ESCWA and UNIDO will be determined during the inception phase of the project (first month) and reflected in the project inception report. An Interagency Agreement will formalize the partnerships, and define responsibilities and financial requirements.

**UNIDO, in line with its mandate focusing on promoting sustainable industrial development**, has responded positively to this requested and is working actively within the UNCT. It co-chairs the Sectoral Working Group (SWG) on Industry and contributes to the SWG on agriculture and the inter-sectoral thematic on economic recovery.

UNIDO's has extensive experience in the country through its Integrated Programme "*Enhancing the competitiveness of the Lebanese industry and its integration in the global market*". It has also worldwide experience in post-crises projects implementation, for instance, in Iraq, Sudan, Afghanistan, Indonesia, etc. In these projects, the organization has consistently shown that it can provide effective means and realistic prospects for the rehabilitation of destroyed agro-industrial infrastructure, employment creation, improvement of household income levels, and poverty reduction.

UNIDO participated in the Stockholm Conference for Lebanon's early recovery. In line with the priorities highlighted in this conference, UNIDO financed a preparatory assistance under the Project XP/LEB/06/004 –

### **3.3 Project approach**

The Local Socio-Economic Recovery project aims at both rapidly implementing socio-economic recovery activities and enhancing the capacities of institutions at the community level in identifying, prioritizing and implementing socio-economic activities in an autonomous manner. This project will also build local capacities to play a leading facilitative role in the development of strategically planned, locally-driven, partnership approaches to rebuilding livelihoods.

The project will adopt an overall participative approach which consists of facilitating the identification of local priorities geared towards socio-economic recovery and sustainable development to be implemented directly by the local stakeholders at the community level (including the public and the private sectors, and civil society). To guarantee the integration of the most vulnerable within the programme (e.g. women, children, youth, and people with disabilities), project will work closely with the Social Development Centers of the Ministry of Social Affairs and local stakeholders to facilitate a multi-cross screening of potential beneficiaries. Moreover, ILO will take advantage of the HANDICAP International Ngo list of handicapped people and UNDP internally displaced persons reintegration information.

The project will pay particular special attention to the objectives highlighted in the Government's Social Action Plan, namely on alleviating poverty and reducing local disparities through the proper distribution of investments and resources and encouraging investment and other job-creating activities in the more deprived communities.

Moreover, and in addition to the recommendations of the recently completed survey on "The 2006 Impact of the Conflict on Micro and Small \ Enterprises in Lebanon", the project will adopt an inclusive livelihoods approach. **To better illustrate the strategy, ILO prepared a graphic (annex 2)**, which provides a complementary timeline to the points developed below.

The overall strategy will be achieved by providing rapid impact interventions meanwhile strengthening local stakeholders' capacity, specifically by :

### **A. Rapid Impact Interventions**

A.1. Delivering to municipalities (and other relevant local stakeholders), a rapid Local Socio-Economic Recovery training programme to develop and strengthen the stakeholders capacities to identify the key needs, opportunities, socio-economic gaps as well as to design, lobby, implement and monitor local socio-economic recovery strategies and projects. ILO will involve the UNDP ART Gold Regional and Municipal Working Groups, as well as will involve UN Hub and UN agencies to guarantee synergies and quick delivery.

*Paragraph A.1. refer to graphic's point 2:* Indeed, the 2 weeks "*Rapid Local Appraisal of Local Socio-Economic Competitive Advantages*" workshop involving local public(e.g MoSA SDC), private (e.g. local cooperatives, ALIND...),and civil society stakeholders will eventually provide consensus and local socio-economic recovery project/sectorial proposals ideas and plans.

A.2. Providing seed funds to implement key local Socio-Economic Recovery initiatives

*Paragraph A.2. refer to graph's point 3:* Indeed, the project will involve communities in participative forums, where local stakeholders will further develop the recommendations identified during the training at the local level leading to rapid community project proposals.

**Next, ILO will provide a 10 days ILO "Start and Improve Your Business Training (SYIB)" to community beneficiaries. As an immediate follow up to the SYIB training, vulnerable micro-entrepreneurs will receive grants and tools to facilitate the quick recovery of their income generating activities.**

In parallel, ILO will capacitate and provide support to existing local Micro Finance Institutions (MFIs, e.g. ADR, Al Majmoua, Ameen...). Indeed ILO will support MFIs to develop new tools (e.g. micro-leasing), provide credit lines to support the expansion of existing Micro-Enterprises in the area the most affected by the conflict.

A specific Vocational Training program for the disabled will be implemented in collaboration with specialized local Public and Private institutions. (*graph's point 4.1.*).

### **B. Interventions for scaling up of the project**

During the implementation of the above mentioned activities, the ILO will support local communities to identify key other complementary activities to be implemented in the scaling up phase of the project:

B.1. Identification of Vocational Training needs (*graph's point 4*) :

- ♦ Identification of main Technical Skills needed e.g. for future Good Agricultural

Practices Training with FAO.

- ♦ Identification of Agro-Processing training / technology transfer e.g. for future activities as per UNIDO methodologies.

B.2. Identification of Employment Intensive Infrastructure Rehabilitation (*graph's point 5*) :

- ♦ Identification of Rehabilitation of Economic Infrastructure by ILO (e.g. Rural Market)

**In order to guarantee a quick delivery and impact of the programme, ILO will provide and finance with its own funds a multidisciplinary technical assistance team for the first 6 months of the implementation and the monitoring of Local Socio-Economic Recovery initiatives.**

This project will provide complementary outputs to the FAO and UNIDO LRF proposals. Moreover, to maximize synergies, collaboration with other programmes of national or international institutions will be explored.

### **C. CRITERIAS of DISBURSEMENT:**

To guarantee a participative and quick identification of priorities for economic recovery, ILO will deliver a rapid Local Socio-Economic Recovery (LSER) training program to local public, private and civil society stakeholders including UNDP ART Gold Regional and Municipal Working Groups. In addition, a 2-week “*Rapid Local Appraisal of Local Socio-Economic Competitive Advantages*” participative workshop involving local stakeholders will eventually provide consensus on strategies and objectives for socio-economic recovery.

Based on the training programmes offered, the local stakeholders will prioritize actions for socio-economic recovery on the basis of the following criteria:

- Impact of the conflict on the economic activity considered
- Most affected and vulnerable stakeholders directly benefiting from the activity
- The activity is realistic and viable and produces visible results
- The activity is suitable for immediate implementation
- Local Stakeholders are involved in the implementation and monitoring of the activity

### **D. MECHANISMS of DISBURSEMENT :**

Following the consensual identification of priority for economic recovery including UNDP ART Gold Regional and Municipal Working Groups, the ILO will facilitate the implementation of the selected activity by using the following disbursement mechanism:

#### **1. Sub-Contracts**

As a result of the LSER training and the provision of technical assistance to local partners, the ILO will subcontract local stakeholders' institutions, such as municipalities, cooperatives, local NGOs and local private institutions. At the same time, UNDP ART Gold Municipal Groups will be involved in the monitoring of these projects. Local subcontractors will report

to ILO in conformity with ILO policy and procedures. Sub-Contracts will allow ILO to involve and supervise qualified local institutions into the implementation of strategic economic sectors recovery activities (e.g. recovery of integrated economic aspects of a specific sector and multi-services cooperative as provision of production tools, marketing and packaging services, infrastructures, cooperative association guidance for women, business guidance and networking).

## 2. Trainings

Direct ILO implementation of the Business Management Trainings of entrepreneurs (10 days ILO “*Start and Improve Your Business*” training (SIYB)) and Local Economic Recovery Trainings. At the request of FAO, UNDP and other UN agencies, ILO will involve UN partners/beneficiaries within ILO trainings. Moreover, ILO will identify key local training needs and when necessary will complement its own training package by referring its beneficiaries to FAO Good Agriculture Practices trainings and to UNIDO Agro-Processing Trainings.

## 3. Grants

Provision of grants to Micro and Small Entrepreneurs through Municipal/Local forums. Further to ILO LSER training, Municipal/Local forums (including UNDP ART Gold Working Groups) will be assisted to identify, prioritize and select a cluster of Municipal Micro-Enterprises, Cooperatives and beneficiaries in a consensual way. A condition of fund disbursement, each selected group of beneficiaries will attend an ILO *SIYB* training and will have to submit a Business Plan to the Municipal Forum and ILO by. Vulnerable micro-entrepreneurs and cooperatives will then receive grants and tools to facilitate the quick recovery of their income generating activities. Local institutions will report to ILO in conformity with ILO policy and procedures.

## 4. Micro-Finance

ILO undertook an overall assessment of the policy and regulatory environment of Micro Finance Institutions (MFIs) in Lebanon. Further consultations have also been made in Beirut and in the South with three MFIs: Ameen, Al Majmoua and ADR (for information, ILO has some ongoing Vocational Training Activities with ADR in Bintjbeil Caza). Distribution of loans will go through an existing Micro Finance Institution working in the South. With the support of ILO, the selected MFI will receive Technical Assistance from ILO to provide upgraded financial services to the community which it serves, mainly Micro-Small Entrepreneurs and Cooperatives. Indeed, ILO will support the MFI to introduce micro-leasing, a financial product which reduces credit risk while eliminating the collateral burden and will provide credit lines to support the expansion of entrepreneurs affected by the conflict. In addition of the general criteria mentioned above in point A, the MFI will target i) Micro-Entrepreneurs who were affected by the conflict but who already recovered their activities and want to expand their activities (e.g. Small construction enterprises), ii) Micro-Entrepreneurs who lost their assets during the war and have difficulties to back a loan contracted before the war. An ILO Business Management Training (SIYB) will contribute to select and upgrade the skills of Micro-Entrepreneurs and Cooperative beneficiaries.

### 3.4 Targeted beneficiaries and project sites

The main findings of the 2006 ILO-UNDP assessment ‘*Conflict Impact on Micro and Small Enterprises (MSE)*’ highlighted that 80.5% of entrepreneurs are males, while in the South it

has the highest share of female entrepreneurs (25%), mainly because of a higher number of female headed households derived from the war (i.e. widows) and that only 27% entrepreneurs were below 35 years, for the following reasons:

- The ultimate beneficiaries will be i) women-headed households, ii) young people, iii) people with disabilities, and iv) micro entrepreneurs highly affected by the conflict (particular attention will also be given to young women), iv) local production units. The Social Development Centers of the MOSA will establish a list of the most vulnerable, .

To select the localities ILO will take into account the impact of the conflict, the lack of livelihood assistance, the presence of FAO, UNIDO ESCWA and UNDP projects, as well as the Social Development Centers of the Ministry of Social Affairs presents in the caza that would be covered by the project.

### **3.5 Expected outcomes**

The two main outcomes of this project are:

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

### **3.6 Contribution towards the attainment of the MDGs**

The project will have a direct contribution to the attainment of the MDGs in the country. The Goals that will be focused on are:

Goal 1 *“Eradicate extreme poverty and hunger” through its activities promoting income-generating activities and employment*. The project will specifically tackle the two following challenges mentioned in the MDGs 2003 Lebanon Report:

1. Stimulating Socio-Economic growth that generates employment opportunities and incomes as a pre-requisite for poverty reduction.
2. The limited job opportunities and increasing unemployment, especially among the youth and those who are first-time job seekers.

Goal 3 *“Promote gender equality and empower women through the association of women in all project activities and decision-making”*.

### **3.7 Timeline of the activities**

The project will be implemented over a period of 10 months. A preliminary project work plan can be found in Annex 1. The steps of implementation are presented in the graphic (annex 2). As mentioned, this work plan is only indicative and will be revised and completed during the inception phase of the project.

## 4. MANAGEMENT ARRANGEMENTS

### 4.1 Implementation modalities

The project will be implemented in line with existing institutional framework with the Ministry of Labour and the Ministry of Social Affairs as the main national counterparts. ILO will have the overall responsibility for the appropriate use of the recovery funds. In accordance with its administrative rules and regulations, the ILO will take responsibility for decisions regarding staff recruitment, contractual agreements, technical assistance, backstopping and project supervision, procurement of equipment, monitoring and reporting. In consultation with the Ministry of Social Affairs and Labor, the project will set-up a Project Management Unit (PMU) which will be responsible for the day-to-day implementation and coordination activities. **The PMU will be based in the UN Hub in Tyre and will organize weekly coordination meetings with UNDP, FAO and UNIDO projects.** The organizational and operational structure of the PMU will be designed to ensure that the project management team has the capacity to effectively conduct its day-to-day operations and to make any amendments necessary to the project's action/activity plans so as to ensure that consistent progress is made during the project implementation phase.

A National Project Coordinator (NPC) will be recruited by ILO to head the PMU. He/she will be responsible for the technical aspects of the project and the coordination of its activities in line with the counterparts' priorities and ensuring proper cooperation with other on-going programme. He/she will be assisted by international and national experts, community workers, and support field staff, to be recruited by the project. The international and national experts, community workers, and the support field staff will assist the NPC in the supervision of daily field operations, ensuring that all contractual obligations are met in the different project sites, follow up on progress made by each project component and make the necessary contacts and efforts to ensure implementation meets the targets set by the project.

Given the nature and complexity of the programme in managing activities that involve a number of different stakeholders (government ministries, local government bodies, entrepreneurs, rural communities and others) and the need to expand cooperation amongst them – a Project Advisory Committee (PAC) will be constituted. The main functions and responsibilities of the PAC will be to:

- ☐ Advise quarterly the project on strategic directions/decisions and support activities to be provided.
- ☐ Ensure the effective cooperation between all key stakeholders.
- ☐ Advise on the effectiveness of the ongoing activities, including any adjustments that need to be made to the annual work plan.

Members of the PAC will be constituted of the main stakeholders, including representatives from the Ministry of Social Affairs, the Ministry of Interior, the Ministry of Labour, the Ministry of Industry, the Ministry of Agriculture, the private sector represented by the Association of Lebanese Industrialists (ALIND), the Chambers of Commerce, Business Development Centers for the South of Lebanon, and Euro-Lebanese Center for Industrialized Modernization, and local production units and civil society, Trade Unions, ILO, FAO, UNIDO, UNDP, ART Gold coordinator. The project will enhance trust, inter-organizational co-ordination and cooperation through the use of stakeholders' workshops and PAC meetings. It will also seek to build on existing coordination initiatives aimed at strengthening Socio-Economic recovery in the region. This framework will support the involvement of all relevant stakeholders and will help to ensure national ownership and sustainability of the project.

## 4.2 Monitoring and evaluation

The project will be subject to monitoring, review, reporting and evaluation processes in line with the prevailing ILO policies and procedures. In particular,

- ❑ At the end of the first months of the project, the project will provide an inception report detailing a comprehensive work plan and any suggested changes to the activities envisaged to successfully achieve the project objective and outcomes.
- ❑ The NPC will prepare regular quarterly progress reports on project activities detailing progress achieved in terms of the scheduled programme of work, the problems and constraints emerging over the period, and recommendations for correcting them. In addition, a detailed workplan will be prepared identifying activities to be implemented for the following period. Each report will be sent to the donor, with copies being sent to the national counterparts for their information, review, and recommendations for any appropriate action that needs to be taken.
- ❑ As part of the standard monitoring activities of the organization, ILO technical staff and project consultants will undertake field visits to project sites and prepare technical reports detailing the project's progress, achievements/findings, and lessons learnt. These field reports will be made available, upon request, to the donor as well as to other collaborating projects and partners.
- ❑ During the last two months of the project, the project shall prepare and submit to the counterparts and to the donor an end of project report for review and approval. This final report will assess the extent to which the project's scheduled activities have been carried out, the outputs produced, and the progress made towards achieving the immediate, medium, and the expected longer term development objectives of the project. It will also make recommendations for any future follow-up actions that may help to support the sustainability of the project.
- ❑ In addition, the beneficiaries themselves will be involved in the monitoring of the project (which have been capacitated by the project).

In addition, the project will be subject to an independent mid-term evaluation after the actual project start date. The PAC meetings and the mid-term evaluation will analyze the results of the project and may recommend any complementary measures required to improve project performance and the achievement of the project's expected objectives. An independent final evaluation will also be undertaken at the end of the project.



## **5. Analysis of risks and assumptions**

### **5.1 Sustainability**

This project is designed to support the socio-economic recovery of selected war-affected areas of Southern Lebanon. A major focus is on the empowerment of the local stakeholders including, the private and the civil society in one caza of the South Governorate. Their determination to design, implement and monitor Local Socio-Economic Recovery and Development projects and succeed at creating sustainable jobs and enterprises as well as creating the appropriate Socio-Economic environment necessary for Socio-Economic development can be considered as the real driving force behind the project and the sustainability of its planned activities.

The project will adopt a holistic and participatory approach at all stages, involving all stakeholders at various levels, from planning, to implementation and monitoring of activities. Therefore, the project will be part and parcel of their current and planned activities, including, selection of activities, design of local Socio-Economic recovery strategy, monitoring of projects implementation, etc., thereby improving the project sustainability.

The alignment of the project with i) the UNDP Lebanon ART Gold program which is focusing on local development, ii) country strategies and iii) action plans regarding post-war plans ensures the commitment of the Government and other stakeholders to support and sustain the planned activities. The exchange of tools and methodologies with the mentioned programmes will facilitate synergies and best practices replications.

### **5.2 Risks**

The greatest risk would be that the volatile political and security situation in the country deteriorates, thereby impacting negatively project implementation. However, the Government and the international community are taking all necessary steps to help consolidate the peace process and promote Socio-Economic development in the country.

Apart from the political and security situation, no other critical factors are foreseen to negatively impact the project since the project was developed in close consultation with the authorities and development partners. Furthermore, representatives of beneficiaries will be involved in all decision-making processes at each stage of the implementation. These measures will minimize project risk and help to enhance ownership, trust, and sustainability.

## **6. Prior obligations and pre-requisite**

Before the start of the project, the national counterparts will be expected to provide a contribution including the necessary availability of local staff as MoSA Social Development Centres staff . They are also expected to make necessary budgetary provisions for: (i) selected national staff to participate in the project's activities and in-service or other training programs; and (ii) ensuring the maintenance of the equipment to be provided by the project.

## **7. Legal context**

The proposed project will be implemented in line with the Standard Basic Co-operation Agreement concluded between ILO and the Government of Lebanon. Standard UN agreement with FAO and UNIDO will be used.

## 8. THE PROGRAMME/PROJECT BUDGET

CATEGORY	ITEM	UNIT COST	NUMBER OF UNITS	TOTAL COST
<b>ILO Contribution:</b>				
<b>1. Personnel</b> Incl. staff and consultants	National Project Coordinator	\$6,291 per w/m	6 w/m	\$37,746
	National SME/MF Specialist	\$2,500 per w/m	6 w/m	\$15,000
	National Disability Specialist	\$2,500 per w/m	6 w/m	\$15,000
	Community Workers	-----	-----	\$20,188
	Administrative Assistant	\$2,767 per w/m	6 w/m	\$16,602
	Driver	\$1,744 per w/m	6 w/m	\$10,464
<b>Sub-total (ILO Contribution)</b>				<b>\$115,000</b>
<b>Contribution from Local Recovery Fund:</b>				
<b>1. Personnel</b> Incl. staff and consultants	International consultants	\$12,000 per w/m	4 w/m	\$48,000
	National consultants	-----	-----	\$30,000
	National Project Coordinator	\$6,291 per w/m	4 w/m	\$26,164
	National SME/MF Specialist	\$2,500 per w/m	4 w/m	\$10,000
	National Disability Specialist	\$2,500 per w/m	4 w/m	\$10,000
	Community Workers	-----	-----	\$13,500
	Administrative Assistant	\$2,767 per w/m	4 w/m	\$11,068
	Driver	\$1,744 per w/m	4 w/m	\$6,976
<b>2. Contracts</b> Incl. companies, professional services, grants	Sub-contracts			\$300,000
	Micro grants			\$300,000
<b>3. Training</b>	Revolving funds/ Micro-Finance			\$150,000
	Training for direct beneficiaries and partners			\$100,000
<b>4. Transport</b>	In-country travel			\$5,000
<b>5. Supplies and commodities</b>				
<b>6. Equipment</b>	Vehicle and office equipment			\$60,000

<b>7. Travel</b>	ILO mission costs				\$20,000
<b>8. Miscellaneous</b>					\$15,000
<b>9. Agency Management Support</b>	Programme support at 7%				\$77,400
<b><i>Sub-total (LRF Contribution)</i></b>					
<b>TOTAL PROJECT BUDGET</b>					<b>\$1,183,108</b>
					<b>\$1,298,108</b>

## Annex 1: Project indicative work plan

Immediate Objective/Output/Activity	Months				
	1-2	3-4	5-6	7-8	9-10
1. Enhance implementation capacities of local stakeholders (municipalities, private and civil society stakeholders) in identifying and providing direct services to recover sustainable livelihoods.					
Output 1.1.: Comprehensive mapping of stakeholders and economic sectors specificities at local level executed and local key stakeholders identified (in collaboration with UNDP ART Gold program)					
1.1.1. Based on the existing UN Hub and ART Golds assessment, strengthening and further development of the Territorial Socio-Economic Diagnosis and Institutional Mapping of local South caza socio-economic actors (in partnership with the MoSA and a National University)					
1.1.2. The UN Hub and ART Gold Regional and Municipal Working Groups facilitate presentation and socialization of the project to the local Caza and municipalities targeted by the project					
Output 1.2.: Local stakeholders have enhanced capacities in networking with caza/municipalities, public and private and social recovery service providers (in collaboration with UNDP ART Gold program)					
Output 1.3.: Local stakeholders have enhanced capacities in socio-economic project prioritisation and project-cycle skills and are enabled to design, lobby, run and monitor livelihoods recovery process (in collaboration with UNDP ART Gold program)					
1.2.1 and 1.3.1. Building on existing ART Gold Regional and Municipal Working Groups, proceed Rapid Local Appraisal of Socio-Economic Competitive Advantages trainings at the caza and Municipality level with (public, private (ALIND), and civil society stakeholders) conducted by ILO, which eventually lead to provide local project/sectorial proposals ideas					
1.2.2. and 1.3.2. ILO, UNIDO, UNDP, ESCWA and/or FAO proceed a Participative analysis training of the local competitive advantages at the sectorial level, which eventually lead to the development of local project/sectorial proposals					
13.3. Promotion of local socio-economic recovery strategies and projects to national and international institutions (promoted in collaboration with the UN hub office and ART Gold Regional and Municipal Working Groups)					
Output 1.4.: Social Development Centers of the MoSA will be capacitated at mainstreaming Social concerns within Local Socio-Economic Recovery programs					
P 1.4.1. Decentralized Social Development Centers of MoSA will participate to the training activities mentioned above 1.2.1. and 1.2.2. and will be capacitated at mainstreaming their concerns within Local Socio-Economic Recovery strategies.					
1.4.2. Capacity building of Social Development Centers to collect, analyze through focus group meetings the main social problems and opportunities, as well as diffuse it to local and national authorities (in collaboration with the UN Hubs)					
Output 1.5. LESR methodology integrated and synergized with FAO, UNIDO and UNDP methodologies, fully adapted to the local context, and ready to be replicated elsewhere.					
1.5.1. Conceptualization of the Integration of UNIDO, FAO, ESCWA and UNDP methodologies within a LSER framework					
1.5.2. Successful local integrated projects will be documented and replication guidelines prepared					





Annex 2: LSER Steps of implementation

Lebanon Recovery Fund  
"Local Socio-Economic Recovery in War-Affected Areas of South Lebanon" Proposed Timeline focusing on business development

