



An ILO Post Conflict Decent Work Programme for Lebanon

Report of the September 2006
Multi-disciplinary Mission to Lebanon

INTERNATIONAL LABOUR ORGANIZATION
REGIONAL OFFICE FOR ARAB STATES
Beirut - Lebanon

PREFACE

The following post-crisis multidisciplinary rapid needs assessment in Lebanon was undertaken during the period 12-21 September 2006 by an ILO team of thirteen experts from the Regional Office for Arab States and several technical departments of ILO Headquarters. The names and specialties of the mission members are listed at Annex (6).

The main purpose of this mission, which was fielded after the cessation of hostilities between Israel and Lebanon, was to assess the impact of the recent conflict on livelihoods and the labour market in Lebanon. This resulted in decent work deficits that will yield both immediate and long term effects on Lebanese society and the economy leading to increased poverty, vulnerability, and loss of employment and income earning opportunities.

Notwithstanding the scarcity of labour related data, this rapid needs assessment was undertaken with a view to arriving at a coherent ILO decent work programme of technical assistance to highlight the social dimension of the recovery and reconstruction programmes. To this effect the mission suggests certain short term interventions to provide immediate response to the most pressing needs, as well as medium and long term interventions to cope with the lasting impact of the conflict.

The mission findings are based on information gathered through a review of available data; field visits to main cities and towns affected by the conflict in the South and southern suburbs of Beirut; and consultations with a large number of ministers and government officials, employers' and workers' organizations. Meetings and consultations were also conducted with local authorities in the South and NGOs. In addition, the mission held consultations with the UN and international agencies based in Lebanon including UNDP, UNHCR, ESCWA, World Bank and the European Union mission. A complete list of interlocutors is presented at Annex (5). Consultations and in-depth discussions with all stakeholders were very instrumental in capturing the country priorities and generating the present conclusions and recommendations.

On behalf of all mission members, I would like to extend appreciation and gratitude to H.E. the Prime Minister Mr. Fouad Siniora and the members of his Cabinet and other government officials with whom the mission had the opportunity to meet and exchange views despite their extremely busy schedules. Special thanks are due to H.E. the Minister of Labour Mr. Trad Hamadeh, the president of the Association of Lebanese Industrialists, Mr. Fadi Abboud and to the president of the General Confederation of Lebanese Trade Unions, Mr. Ghassan Ghosn for their support to the mission, their openness and frankness in expressing their concerns.

It is hoped that this report will contribute to the efforts of the Lebanese authorities as well as the friends of Lebanon in overcoming the labour and employment related difficulties posed by the latest conflict. Bridging the decent work deficits require national policies and programmes to improve working conditions, create more jobs and income earning opportunities, enhance social protection and strengthen social dialogue.

In this connection I would like to express sincere thanks to the ILO Director General, Mr. Juan Somavia, who took the initiative and approved a special allocation to cover the initial cost of the ILO technical assistance programme “Post Conflict Decent Work Country Programme for Lebanon” and hope that the donors community will contribute the necessary resources to launch and sustain this programme.

Finally, I would like to thank my colleagues the members of this mission for their dedication and professionalism.

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Beirut, October 2006

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INTRODUCTION

Lebanon is strategically located within the Arab region and is endowed with a multi-cultural population renowned for its diversity, creativity and spirit of entrepreneurship. It is a country rich in human resources, which represent its most important asset. Lebanon, which extends beyond its geographic borders through the important presence of emigrants and the vast interests and networks developed over decades in different regions of the world, has traditionally held a distinctive standing in the Arab world.

The Israeli offensive on Lebanon, which, after the capturing of two Israeli soldiers by Hezbollah on July 12th, 2006, continued relentlessly for 34 days and was followed by a further three weeks of a crippling air and sea blockade, has caused immense destruction to the lives, livelihoods and infrastructure of the Lebanese people. The hostilities have claimed over 1,100 civilian lives in Lebanon, left more than 4,000 people wounded, and displaced more than a quarter of the Lebanese population (approximately one million people).

Since the cessation of hostilities, established through UN Security Council Resolution 1701, an estimated 800,000 internally displaced people have returned to their areas of residence, in addition to an estimated 150,000 from outside the country. Around 60-70% of returned individuals are currently occupying inhabitable houses. The offensive has led to the destruction of 30,000 housing and commercial units¹, mainly in the South, the Bekaa, and the Beirut suburbs.

The scale and the scope of the damage to the infrastructure have also been great. Direct bombardments have targeted all infrastructure sectors from transport, to electricity, telecommunications, water, nutrition, health and education, directly affecting the livelihoods of hundreds of thousands of Lebanese citizens. In addition to several airport runways, 137 roads have been damaged and 107 bridges and overpasses have been damaged or destroyed.² The immense scale of destruction has resulted in massive losses to the country's monetary, fiscal, and economic situation.

The total cost of restoring the country's homes, schools, hospitals, roads, bridges and other infrastructure destroyed after the 34 days of bombing is estimated by the Council for Development and Reconstruction (CDR) at USD 3.6 billion (see Table 1).

The following rapid assessment of the post-conflict situation was made by a multi-disciplinary group of ILO experts who were fielded to Lebanon during 12-21 September 2006. The results highlighted here below are the product of visits undertaken to government authorities, employers' and workers' organizations, and civil society, in addition to field visits to the destroyed Beirut suburbs, Sidon, Tyre, and Nabatieh.

¹ Order of Engineers.

² Council for Development and Reconstruction.

I- MISSION CONTEXT

A. PRE-WAR SITUATION



The Political Framework

Lebanon has been a theatre of intense political and socio-economic cultural exchanges throughout its history. Cohesion has been one of the most challenging issues for the people and leaders of Lebanon in the past few decades. A brutal 15-year civil war erupted in April 1975, which saw Syrian troops deploying in the country the following year, and Israeli invasion and occupation of the South, first in 1978, and then again in 1982. A Charter of National Reconciliation, known as the Taef Accord, was brokered in 1989, bringing the civil war to an end in October 1990, however, Israeli occupation of South Lebanon continued until May 2000. Following the Israeli retreat, the political environment remained highly volatile, and the assassination of former Prime Minister Rafic Hariri in a massive explosion in downtown Beirut on 14th February 2005 led to mass rallies and protests in the streets of Beirut. Consequently, Syrian troops withdrew in April 2005, after a 29-year military presence in Lebanon. Reconciliation and national unity have remained the overarching concern for Lebanon, and form part of the political, economic and social processes, having a direct effect on matters of governance, employment, civil society, the economy, the fight against poverty and the environment.

Lebanon's performance in governance, which is central to the development process, has been mixed; whereas Lebanon is a democracy with a free and transparent political process with open public institutions, the quality of public administration is generally regarded as poor. A lack of reliable statistical data collection and dissemination further compounds governance deficiencies in Lebanon. The ability of Lebanon to meet its economic challenges and to develop a dynamic, cohesive economy undeniably depends on the quality of its institutions. In fact, institutional rehabilitation and capacity strengthening is a most pressing challenge. In the post-Taef period, success stories of public institutions have been few and attributable to the presence of forward-thinking individuals and not the institutional capacities. Thus reform of public administration continues to be one of the main challenges that has faced every government in Lebanon over several decades.

Macro-economic Overview

Prior to the Israeli offensive, the economy of Lebanon, fuelled by a strong and sustained reconstruction programme since the early 1990s, recovered quickly. The high economic growth of the first half of the nineties tapered off to stagnation at the turn of the century, gradually recovering to 5% and 6% in 2003 and 2004 respectively. Inflation remained at a very low level throughout the past ten years. Despite an impressive reduction in deficit in recent years, following the implementation of the VAT and the Paris II Agreement, the burden placed on the public budget by the reconstruction resulted in a budget deficit of 17% of GDP and public debt to GDP of 165% in 2004.

Despite this achievement, Lebanon was facing huge challenges, requiring a comprehensive reform programme, including reshaping its economic policy, if the country is to regain a leading role in the region, and the confidence of the international community. These challenges include a relatively rapidly increasing population, which places considerable strain on a faltering employment market, education and health system, and the provision of basic social services to the Lebanese people. In order to address these challenges and to ensure a gradually increasing GDP growth, the Government proposed a Medium-Term Reform Plan for Lebanon prior to the Israeli offensive. The Social Agenda put forth reforms to be implemented in health, education, social safety nets, pension, and the National Social Security Fund. The primary objectives of the reform programme were to (1) modernize the economy and stimulate growth; (2) create employment while improving social indicators and social assistance packages targeting the poor; and (3) Achieve economic stabilization to place Lebanon's large public debt on a downward path in order to eliminate a major source of vulnerability.

Prior to July 2006, the Government was able to raise revenues, decrease primary expenditures, and improve the public deficit and the primary surplus. In fact, the primary surplus more than quadrupled during the first half of 2006, as compared to the first half of 2005. The improvement in the primary surplus in the first half of 2006 was due to increased efforts to raise revenues, through enhancing collection and regularizing transfers from public entities and utilities. The revenues were US\$2.70 million for the first half of 2006, which marks a 15% increase compared to the first half of 2005. Not only did the government enhance revenues, but it also controlled expenditure through better management, particularly of non-interest expenditures³. The public debt at the end of 2005 was reduced from US\$40 billion to US\$38.5 billion⁴. It was also estimated that the GDP growth rate would remain at the 6% level by the end of 2006, taking into consideration the 1.6 million tourists who were expected to visit Lebanon by the end of the year, and an estimate of US\$2 billion in revenues from the tourism industry alone in 2006.⁵

The Lebanese Labour Market

The resident Lebanese population, estimated at 3.75 million, has a young age structure with approximately 37.4% under 20 years of age. The labour force, at roughly 1.2 million, is estimated to be approximately 50% of the working age population (15-64 years). This essentially means that whilst two thirds of the resident Lebanese population is of working age, only one third is actually working. Although the labour force participation rate has increased since 1997, it remains low when compared to OECD countries. This continuing trend is primarily due to the weak participation of women in the labour force (although there may be a certain degree of undeclared participation of women in agriculture and other informal sector activities). From 1997 to 2004, female participation in the labour force increased by less than one percentage point (from 21.7% to 22.3%)⁶.

³ "Impact of the July Offensive on the Public Finances in 2006: Brief Preliminary Report", Ministry of Finance, 30 August 2006.

⁴ Idem.

⁵ Ministry of Tourism, 15 June 2006.

⁶ Living conditions national survey, Central Administration of Statistics, 2004.

In general, economies in the Arab region are characterized by rapid population growth and relatively low but growing labour force participation rates amongst youth in particular. Data for Lebanon, however, show that the proportion of young women and men aged 15-19 years who enter the labour force in Lebanon had decreased from 21.6% in 1997 to 16.5% in 2004. Longer periods of time spent in education may account for this decline although, on the downside, there is an ongoing trend of high rates of emigration of young, educated Lebanese.

The employment-to-population ratio was 35.7% in 2004⁷, as compared to 31.1% in 1997⁸. This ratio is relatively weak, compared to an average ratio of 47.8% for the Middle East and an average ratio ranging from 45% to 60.9% in developed countries, implying a particularly high rate of economic dependency in Lebanon.

The majority of workers in Lebanon are employed in services (37.4%) and trade (22.1%) (Table 2). Industry accounts for a further 15% of employment, 8.7% of construction, and 7.6% of agriculture. Regarding the status of employment, salaried workers represent 62% of workers, of which 48.9% are permanent workers and 13.1% are non-permanent workers. Permanent employment has in fact increased from 46.1% in 1997 to 48.9% in 2004.⁹ At the same time, the proportion of the self-employed has increased, and that of formal sector employees and of contributing family workers has decreased. The public sector accounted for 12.9% of the Lebanese labour force in 2004 (Table 5).

Significant differences prevail in the nature of men and women's participation in the labour force. Women are mainly employed in the services sector and are permanent salaried workers. In general, the proportion of women employed as salaried workers has increased since 1997 (72.5% in 1997 to 83.3% in 2004)¹⁰. However, it is noteworthy that the women employers represent only 1.1% of the workforce, as compared to 6.4% for men. Self-employed women are estimated at just 10.1% as compared to 33.9% for men.

In 2006, the number of persons with disability of working age is estimated at 33,923 of which 27,086 are capable of working but only 7,052 are actually working¹¹. This proportion is weak mainly because the relevant labour legislation is not applied and the employer assumes that persons with disability are unable to work. For Lebanese people with disabilities, access to education and vocational training is limited, the support required is unavailable, and there is little or no infrastructure for physical access to the workplace.

Whilst the rate of child labour amongst 10-14 year olds had decreased from 2.8% in 1997 to 2.1% in 2004¹², the CAS estimates that in the 10-17 year old age bracket there were 31,716 working children in Lebanon in 1996, and in the 9-18 year old age

⁷ Ibid.

⁸ Living conditions national survey, Central Administration of Statistics, 1997.

⁹ Living conditions national survey, Central Administration of Statistics, 2004.

¹⁰ Living conditions national survey, Central Administration of Statistics, 2004.

¹¹ Lebanese Physically Handicapped Union.

¹² Living conditions national survey, Central Administration of Statistics, 2004.

bracket there were 36,287 working children in 2004-5¹³. As the surveys exclude certain categories of children, such as those under 9 years of age, those in certain informal activities (mainly domestic child labour), and children in the Palestinian refugee camps, the actual number of working children would in reality be much higher. For instance, a survey of child labour in tobacco plantations¹⁴ indicates that 25,000 children are involved in South Lebanon alone. In 2004-5, 11.6% of working children were to be found in the governorate of South Lebanon and 6.6% in Nabatieh. They work in handicrafts, retail trade, operation and installation of machinery, agriculture (mainly tobacco plantations), and in various other economic activities requiring few or no skills.

Micro, small and medium sized enterprises (MSMEs) have historically been one of the most important sources of employment and income in Lebanon, and are expected to continue to be central to the provision of livelihoods and sustainable employment opportunities for the various population segments most in need of support (such as women, ex-detainees, unemployed youth, disabled persons). According to the CAS (see Table 4), more than 80% of companies in Lebanon and specifically in Nabatieh, Bekaa and the South are micro enterprises providing more than 80% of job opportunities. Some of the main impediments to rapid growth and improvement of small enterprises in conflict-affected countries have always been the absence of a conducive legal and regulatory framework geared towards entrepreneurship development, the lack of required business start-up capital, the deficiency in the provision of basic business management skills, the absence of an effective service infrastructure. Lebanon is no exception and these deficiencies, which pre-dated the last war, remain a challenge to overcome in the aftermath of the massive destruction and losses incurred in the conflict. It is of particular importance to ensure the provision of the aforementioned services in order to assist enterprises to become sustainable and also to expand and achieve economies of scale in a context like Lebanon, often characterized by macroeconomic instability, lack of physical and social infrastructure, limited access to financial services and markets, recurrent tension, lack of trust and a growing informal sector that is characterized by poor working conditions, and lack of security, rights and representation.

The rate of unemployment was estimated at 8% in 2004 (Table 3)¹⁵. Unemployment is particularly acute amongst Lebanese youth, aged 15-24, with young women having been far more adversely affected than young men. Most of the unemployed aged 20-24 have completed their education at university level, an increasingly common phenomenon over the past few years. Youth unemployment in Lebanon is estimated to be as high as the average for the Arab region (roughly 26%), the highest of all regions. Determinants of youth unemployment emanate both from the demand and supply sides. On the demand side, a scarcity of entry-level opportunities for young people in the productive sectors stems from factors including economic instability and the deterioration of macroeconomic conditions (inflation, budget deficit and public debt); and the recruitment practices of employers, who frequently resort to personal

¹³ Population and Housing Survey, Central Administration of Statistics, Ministry of Social Affairs and UNDP Beirut, 1996; and Living conditions national survey, Central Administration of Statistics, 2004.

¹⁴ "Child Labor on Tobacco Plantations: A Rapid Assessment", Consultation and Research Institute and ILO, 2002.

¹⁵ Living conditions national survey, Central Administration of Statistics, 2004. Other sources estimate the rate of unemployment to be up to 10%. Much of the data on the Lebanese labour market and unemployment, particularly of youth, is either non-existent, scant or outdated and should be used with caution.

contacts, thereby reinforcing the perception of a lack of opportunity. On the supply side, the most important factors are the population movements of Lebanese and foreigners both in and out of Lebanon; and the gap between the skills of the new entrants to the labour force (professional training and high level of education) and the labour market needs, as well as a reluctance of Lebanese youth to accept low-skilled jobs due to the low wages and unattractive working conditions. The lack of an effective guidance and orientation system and few internship opportunities offered by employers for gaining work experience also play a role. This situation has led to a mismatch between the demand for and the supply of labour.

The high level of unemployment in the country, coupled with the challenging socio-economic situation, unsatisfactory living conditions, and limited access to basic social services, is encouraging Lebanese, and particularly people in the 25-45 age bracket, to emigrate to countries of the Gulf Cooperation Council, Europe, and North America, where they can find more attractive job opportunities and better living conditions. This growing exodus, which highlights the need for the urgent development of a social security unemployment insurance scheme, is aggravated by the fact that 25.4% of the people who emigrate for reasons of employment hold university degrees, resulting in a serious brain-drain of educated Lebanese youth.

On the other hand, the presence of foreign workers in Lebanon is quite substantial. They are predominantly nationals of other Arab countries (particularly Syria and Egypt), the Far East and Africa. The majority of foreign migrant workers are unskilled, performing strenuous, labour-intensive and often dangerous jobs that do not require specific educational or skills qualifications. They are frequently either illiterate, or have less than elementary education. They mainly work seasonally or intermittently in the construction and agricultural sectors or in the domestic service sector, accepting low wages, and are excluded from social security schemes. Poor governance has created severe distortions in the labour market, such that migrant labour is not usually in the realm of competition with Lebanese labour. The latter has higher educational levels than foreign labour. More importantly, and in light of the current living conditions in Lebanon, the Lebanese labour force cannot accept the wage levels on offer to the foreign workers. The paltry US \$200 per month minimum wage is in real terms lower today than it was in 1990, despite rising costs of living. It is generally regarded as a completely unrealistic wage floor that would keep a single income household well below the poverty line. Yet it is acceptable to many unskilled migrant workers. Even if Lebanese workers were able to receive higher wages for the same occupations performed by foreign labour, the value system currently dominant in Lebanese society tends to cause job seekers to scorn these occupations, preferring to emigrate or otherwise remain unemployed.

B. THE IMPACT OF THE WAR ON LEBANESE LIVELIHOODS AND THE LABOUR MARKET

The districts in South Lebanon, the Bekaa, and Beirut's southern suburbs, which were the hardest hit areas throughout the conflict, yielded the highest incidences of poverty in the country, even prior to the war. Loss of life, loss of crops and livelihoods, destruction or damage of housing, displacement, and support to family members have aggravated the living conditions of the most vulnerable segments of the population, namely women-headed households, the elderly, orphans, and the disabled, in addition to unskilled labour, farmers and those employed in the informal sector. Around 15% of those injured during the conflict will be permanently disabled, and the number of women-headed households in the war-affected areas is on the rise. Moreover, with the advent of the war and the extended embargo, the transfer of money to the country decreased substantially thus depriving a large number of families dependent on remittances from their primary source of financial assistance.



Whilst the precise impact of the war on the labour force has not been recorded at this stage, initial assessments of direct and indirect losses resulting from the war and blockade indicate that the Lebanese labour market situation looks particularly bleak. Cohorts of workers were unable to work during the war period¹⁶, and hundreds of thousands emigrated or were displaced internally, leaving behind their jobs or businesses. Many of the returnees following the cessation of

hostilities are likely to have re-engaged in some form of income-generating economic activity but, on the other hand, thousands of employees have been dismissed from their jobs largely due to damages incurred to factories, enterprises and land. In addition, many micro and small entrepreneurs suffered from the conflict, as businesses and commercial enterprises were either physically damaged or have become dysfunctional due to the loss of capital and assets. Thousands of small and medium enterprises, which form the backbone of the Lebanese economy, were completely destroyed, partially damaged or sustained major operational losses. Concurrently, farmers and agriculturalists, primarily from the South and the Bekaa regions, lost their sources of income and livelihoods due to damages to farmlands, livestock, poultry and agro-processing industries, to the presence of mines and other unexploded ordnances (UXOs) – especially cluster bomblets – in fields, to missing out on harvests, particularly in the tobacco, olive, and citrus plantations, and to being unable to market their products due to road closures, unavailability of fuel, and to the

¹⁶ The Chairman of the Association of Lebanese Industrialists informed the mission that as many as 120,000 people joined the pool of unemployed during the war.

security situation. Approximately 5,000 fishermen and their families¹⁷ lost their livelihoods as a result of the war, the sea blockade, damaged ports from the North to the South of the country, the oil spill from the partially destroyed Jiyeh power station, and damages to fishing boats. Furthermore, tens of thousands of seasonal workers, especially in the tourism industry, were immediately laid off, as demand for their services effectively disappeared. The knock-on effects of the sharp economic downturn resulting from the war and blockade are likely to continue to filter through to the labour market, adversely impacting employment.

An initial ILO desk assessment of the loss of employment, using the ‘ILO Trends Labour Force Model’ (see technical note at Annex 2), estimates the persisting change in employment that would correspond to a given change in GDP (economic growth or decline) in Lebanon. The model estimates that if there were an overall 3.2% fall in GDP in 2006, as predicted by the International Monetary Fund¹⁸, approximately 18,500 regular jobs would be lost; whilst an overall 5.5% decline in GDP – a greater fall, based on government estimates¹⁹ – would result in 32,000 job losses. This would represent a 1.5 - 2.5% decline in the rate of employment in 2006, and an estimated increase in the rate of unemployment by up to 3 percentage points. These are of course somewhat crude estimates that do not – it should be borne in mind – take into account the inevitable reduction in income resulting from increased rates of underemployment and a greater tendency towards informal sector activity. It is imperative to collect proper statistical information on what is really happening in the labour market, particularly through conducting field surveys²⁰.



Industrial Sector

The industrial sector, which accounted for roughly 15% of employment of the Lebanese workforce prior to the war (Table 2), has sustained severe damages, both directly and indirectly. In terms of physical assets, preliminary assessments indicate that approximately 142 industrial enterprises have suffered complete and/or partial damage²¹, over 900 medium-sized enterprises (including factories, markets, farms) and 2,800 small enterprises have suffered extensive damage²². At least 31 factories in South Lebanon, the Bekaa, and the Beirut suburbs have been completely or partially destroyed. The Association of Lebanese Industrialists (ALIND) estimates that some 2,000 workers had lost their jobs as a result of the companies they worked for being

¹⁷ “Setting the stage for long term reconstruction: The national early recovery process”. The Government of Lebanon, Stockholm Conference for Lebanon’s Early Recovery, 31 August 2006.

¹⁸ International Monetary Fund (IMF), World Economic Outlook, September 2006.

¹⁹ Statements from the government since the cessation of hostilities have predicted an overall GDP decline in 2006 in the range of 5-6%. This was reiterated to the mission by H.E. the Prime Minister, Fouad Siniora. The average of these figures, a GDP loss of 5.5%, is used to calculate the upper boundary employment loss estimate.

²⁰ The ILO is currently engaged in enhanced collection of labour market data in Lebanon; see section 2: Decent Work Challenges and ILO Response, Labour Market Information.

²¹ Association of Lebanese Industrialists.

²² Higher Relief Commission, Daily Situation Report, Lebanon Under Siege, Presidency of the Council of Ministers, 19 September 2006.

completely wiped out²³. In addition, during the blockade, many factories were unable to bring in the raw materials and fuel shipments needed for production. At the same time, numerous manufacturers could not deliver orders which were ready for shipment, resulting in increased stocks and inventory, and loss of markets.

Agriculture



A rough estimate²⁴ shows that the Israeli attacks and military operations affected the agricultural sector in Lebanon to varying degrees: 70% of the land in the South was affected, 60% of farmers in the Bekaa, and 25% in the North and Mount Lebanon. Notably, those areas worst affected employed larger proportions of their populations in agricultural activities than the national aggregate: 11.7% of employed persons in Southern Lebanon were employed in the agricultural sector, 20.7% in Nabatieh, and 20.2% in the Bekaa, compared to just 7.5% of employed persons engaged in agriculture in Lebanon as a whole (Table 2). An estimated 40,000 farmers have been affected. The war has devastated thousands of hectares of orchards by fire, destroyed and burnt potato plantations and several hundreds of hectares of greenhouses (for vegetable and flower production), killed and injured thousands of livestock, poultry and honey beehives, and damaged agricultural infrastructure such as agricultural roads, nurseries, machineries, refrigerators, buildings, farms, and agro-processing factories. Moreover, the war took place at the peak of the fruit harvest. As a result, the citrus fruits harvest has been lost for this year due to lack of irrigation at the blossom time. Other fruit trees such as apple and olive trees and bananas need immediate irrigation to save the harvest. It is also estimated that 60% to 70% of tobacco production, on which some Southern regions of Lebanon are highly dependent, has been disrupted by the bombardments. The war took place during the tobacco harvest, resulting in half of the crop having been harvested and stored at homes of farmers, many of which were subsequently fully or partially damaged, whilst the other half was left un-harvested after farmers fled from their lands.

Fishing was also heavily disrupted. In addition to the damages to the ports of Tyre, Sidon, and Ouzai (with 400 boats destroyed in addition to fishing nets and accessories²⁵), fishing activity grounded to a halt due to insecurity, the oil spill following the destruction of the tanks of Jiyeh, the absence of fuel, transportation and export channels, and the sea blockade imposed by Israel.

Tourism and the Hospitality Sector

²³ See Rana Moussaoui, "Analysts see high unemployment in war's aftermath", printed in The Daily Star, Lebanon, Thursday August 31, 2006.

²⁴ "Setting the stage for long term reconstruction: The national early recovery process". The Government of Lebanon, Stockholm Conference for Lebanon's Early Recovery, 31 August 2006.

²⁵ Meeting with Mr. Ali Badran, Head of the newly established fishermen's cooperative in the South on 16/9/2006

The tourism industry, which normally accounts for 10-12% of GDP, was expected to witness a remarkable year in 2006 with an anticipated 1.6 million tourists²⁶. The Ministry of Tourism estimates direct and indirect losses to the tourism industry amounting to US\$ 2 billion from hotels, furnished apartments, restaurants, rental car businesses and travel agencies. Direct losses resulted from the war-affected areas, namely the South, the Bekaa, Akkar, the Beirut suburbs and the airport. The majority of the businesses that were hit directly in these areas were small businesses, including 59 cafés and restaurants, 36 swimming resorts, 12 travel agencies, 19 hotels and living accommodations, and 36 rental car businesses. Heavy indirect losses are affecting the entire tourism industry. Whilst larger hotels and resorts in Beirut and other cities were not directly hit, the war has led many businesses to revert to dismissing their employees due to cancellation of reservations, weddings and events they prepared for in light of high expectations for the summer of 2006. Many of them had carried out major renovation and investment before the war as they were expecting a flourishing summer. In addition, beach resorts have suffered from pollution of the sea caused by the oil spill in Jiyeh, forcing many to close down and/or dismiss their employees. Most of the estimated 30,000 seasonal jobs in the tourism industry have been seriously affected, and the Ministry of Tourism is predicting a three-year setback for the sector as a whole.

Notwithstanding the above, with efforts now being strongly exerted on the reconstruction of damaged areas, particularly in the South and in Beirut's southern suburbs, a potential has arisen for implementation of active labour market policies to increase job creation through, for instance, labour market intermediation, skills training/re-training, the adoption of employment-intensive investment approaches and local community and economic development, amongst others.

²⁶ Ministry of Tourism, 15 June 2006.

II- DECENT WORK CHALLENGES AND ILO RESPONSE

In the aftermath of a crisis there is an urgent need to re-establish conditions for people to earn an income and rebuild their livelihoods. Unfortunately, the social agenda and the employment dimension are not seriously considered as a priority within the recovery and reconstruction phase. However, the reconstruction in Lebanon must not be seen as a physical reconstruction of infrastructure that would automatically generate/re-establish jobs. On the contrary, the reconstruction should be seen as an opportunity to redress pre-existing and current challenges.



The ILO can contribute substantial value added in the current recovery and rehabilitation phase through an employment-focused response. This response aims to address the immediate short-term needs resulting from the recent hostilities and the long-term pre-existing needs of the Lebanese labour market.

The main challenges that were identified by the ILO are: A) employment promotion, B) social dialogue and labour market governance and C) social protection. It should be borne in mind that many of these challenges are interconnected as they relate to pre-existing needs and constraints. Attending to these decent work priorities will have a positive impact through creating jobs, reducing migration, reducing unemployment and improving productivity.

A. EMPLOYMENT PROMOTION

Strengthening Labour Market Information

In the absence of a proper Labour Force Survey having ever been conducted in Lebanon, labour market information is particularly weak. Prior to the war, some basic labour market data were collected in two multi-purpose Living Conditions National Household Surveys conducted by the Central Administration of Statistics (CAS) in 1997 and 2004 (in collaboration with UNDP). However, stand-alone multi-purpose surveys conducted several years apart are no substitute for regular, focused sex- segregated data collection activities targeting both the supply and demand sides of the labour market, through Labour Force Surveys (LFS) and establishment-based Labour Market Demand Surveys, respectively. These activities are necessary for policy-makers to be able to effectively monitor developments in the labour market and design informed and appropriate policy responses accordingly.



The war itself has undoubtedly had a major impact on Lebanese livelihoods and the labour market, and there is a pressing need to understand precisely what these developments have entailed, in order to be able to devise appropriate crisis response strategies. *To this end, ILO has undertaken to partner with UNDP in conducting a rapid livelihoods assessment, based on a sub-sample of the 2004 Living Conditions National Survey.* Work on this initiative is already well underway, with the ILO contributing technical inputs in the design and analysis of the livelihood component of this rapid assessment. The aim of this component is to measure the loss of livelihood as a result of the war on Lebanon in July/August 2006.

In the medium term, ILO plans to work with the CAS in order to strengthen the availability of labour market information in Lebanon through LFS and other targeted surveys. Prior to the onset of the war, discussions were underway between the CAS and ILO to start a regular LFS in Lebanon from 2007. Optimally, this would be conducted in quarterly or semi-annual rounds, but a decision on the exact frequency of the survey remained to be decided, pending finalization of the CAS's budget. ILO remains committed to providing the CAS technical assistance in designing the survey (methodology, sampling, questionnaire design), in preparation for their data collection in 2007. It is envisaged that a mission would be fielded to Lebanon from the ILO Bureau of Statistics (STAT) in Geneva at a mutually convenient time in the fourth quarter of 2006, to hold initial discussions with the CAS (and other concerned stakeholders), look at methodology and survey design, and establish modalities for ongoing technical assistance. There would also be LFS-related training courses at the ILO's International Training Centre in Turin, which concerned CAS officials could attend later this year, or some tailored in-country training could be provided.

Developing a National Employment Strategy

The level of unemployment and poverty in Lebanon is a threat to human dignity and consequently stability in the country. While urgent job creation is a priority in the current post war situation, improved labour market governance is of parallel importance for the medium and long term. There is a recognition that Lebanon has to reform public administration and update its regulatory framework in order for its economy to move forward and to be able to provide more and better jobs for the Lebanese people.

The government and the social partners agree that there is no coherent policy framework for employment. The Ministry of Labour's initiatives tend to be ad hoc, fragmented and temporary in nature. Additionally, the Ministry of Labour has been traditionally marginalized from all national social and economic policy making and is lacking in financial and human resources in order to be able to lead any crucial employment related policy making. Additionally, while the government undertakes steps to enhance the role of the private sector and undertake fiscal measures to support it in this post conflict era, it has to also be recognized that the issue of employment is the key ingredient to economic recovery and growth and that quality jobs will not be a mere residual benefit.²⁷ Indeed, employment is an issue of "common concern" for the projected recovery and stability in Lebanon.

²⁷ According to the Minister of Economy and Trade, some of the measures which are being considered are tax holidays, soft loans, creating an equity fund with the IFC and other private banks.

The current challenges in the immediate term are to maximize the social component of the reconstruction effort, whilst in the medium term a coherent strategy for employment should be developed. This strategy should address: (i) generating sufficient quality jobs especially for young people; (ii) improving the skills and productivity levels of the labour force to support greater competitiveness of Lebanese enterprises as required by global economic integration; (iii) while responding to the needs for increased labour market flexibility, ensuring that parallel measures for social protection are in place especially for those unemployed workers who cannot adapt to the changing circumstances and skill requirements, and (iv) improving compliance with international labour standards and upgrading labour administration with particular focus on monitoring and enforcing the labour law.

The strategy of the ILO is to address the employment challenges through developing a clear coherent framework for an employment strategy which would balance the need for sustainable economic growth with quality jobs. This employment strategy will aim to provide a vision for immediate employment creation which is paralleled with long term employment targets. The employment strategy will focus on key areas of concern such as promoting youth employment. In this context, some of the issues which the strategy will address are how to attract and retain more young men and women to the labour market, how to increase investment in human capital through better education and skills, and how to improve adaptability of enterprises and workers. The process of developing this employment strategy will be through a national consultation process which will ensure that the social partners' concerns are addressed and that the ensuing action plan is based on a tripartite consensus.

Enhancing Employment Services

Employment services build the essential bridge between job seekers and employment opportunities. These services can become quite crucial in post crisis situations when the needs of job seekers and employers become more urgent. In Lebanon, the National Employment office has a mandate to provide placement for job seekers, to collect labour market information related to current and prospective labour demand and supply and to liaise with training institutions in providing accelerated training for available jobs. There are 2 challenges for the Lebanese public employment services: The first is the weak capacity of the existing structure and second, is the limited geographic outreach which is limited to the cities of Beirut, Sidon and Tripoli.

As such among the main problems to be addressed is the lack of effective employment services in the regions that are affected by the conflict to link job seekers with income and employment opportunities, with skills upgrading and enterprise development support. Another problem is the limited capacity of local authorities to provide these services. And finally, while the rehabilitation and reconstruction efforts which are underway could be creating jobs, employment in itself is not a focus on the current efforts.

The ILO will adopt a short and long term strategy for enhancing public employment services in Lebanon. For the short term the ILO will create an integrated local

emergency employment assistance network that can become mechanisms able to contribute to:

- *Building essential bridges between job seekers and available employment opportunities;*
- *Delivering short cycle training programmes based on immediate labour demand;*
- *Providing links to micro-finance and other training opportunities.*

In the long term, these emergency employment service centres will be integrated within the national employment services structure and therefore their geographic coverage would have been expanded. A simultaneous long-term objective will be to enhance the overall capacity of the national employment services. This will be achieved through training of staff, developing on-line job matching services and coordinating, analyzing and disseminating labour market information and strengthening the National Employment Authority. In addition, the national employment services would have a role to play in the administering of any future unemployment benefits.

Developing Employable Skills

Re-integration of the unemployed back into employment requires the possession of skills needed in the labour market. While the vocational training system in Lebanon has historically been weak, the government, with the assistance of the World Bank and other donors, initiated in 2000 a programme to upgrade the vocational education system in the country. This programme resulted in establishing and rehabilitating 16 vocational training schools, six of which are in the South. However, these schools, which are part of the formal educational sector, do not cater for the needs of the school drop outs or displaced older workers. Consequently, there is a need to have a *national programme for skill formation* to attend to the needs of those who are out of employment, especially target groups with a limited educational background and displaced workers who lost their jobs in the last war. Considering the urgency of the matter, this programme should be based on a modular approach in the development of employable skills by utilizing training opportunities available at the community level, such as special evening programmes to be run by vocational schools, training opportunities provided by the private sector and NGOs, and on-the-job training. This approach allows for accelerated skill formation for quick integration into the labour market. *This programme should be implemented in close collaboration with the National Employment Authority and therefore should be linked to the proposed emergency employment service centres.*

Supporting the Private Sector through SMEs and Cooperatives



The challenge of job creation has been emphasized by the last war especially in the southern suburbs of Beirut (Dahieh), the South of Lebanon and the Bekaa valley. The conflict witnessed in July-August 2006 imposed significant burdens on the country's economy which were mainly reflected in the migration of human resources, the destruction of

physical infrastructure, the inaccessibility of physical resources (roads, water, fertile soil...), as well as the decline in purchasing power. The narrow range of alternative economic activities limited to few service oriented enterprises and some light industries with outdated technology, poor working conditions and management practices, puts an additional serious load on the productivity and competitiveness of the existing economic endeavours.

Among the required measures to remedy this situation is job creation through the extension of assistance to the private sector -which remains the biggest employer (refer to table below reflecting figures for South Lebanon, Nabatieh and the Bekaa valley)- by encouraging the development of MSMEs and cooperatives; and safeguarding existing employment and income generating opportunities through the strengthening and securing of existing self-employment initiatives (in small enterprises and cooperatives).

MSMEs' production and labour absorptive capacity in the southern suburbs of Beirut, the South of Lebanon and the Bekaa valley seems quite constrained by a variety of structural factors such as increased competitive pressure from imported products, the quality and cost of labour input in general, the quality of management and entrepreneurial inputs, and the inefficient production methods. Other constraints which are shared by enterprises of various sizes are related to the prevalence of a difficult business environment which is characterized by a strict regulatory regime and complicated legal and administrative procedures, accessibility to financial support schemes, availability of business management support services at affordable prices and securing a market for the goods and services produced. These are longstanding problems which existed prior to the last war and got exacerbated in the post-conflict period. However, and in addition to this prevailing framework, a substantial number of enterprises and industries were totally destroyed and others were unable to import the necessary raw material and export their products and goods leading to major financial losses as a result of the blockade. Furthermore, workers and enterprise owners were unable to reach their work premises due to destroyed bridges and road cuts, and for those who could; they were faced with frequent and extended power cuts that led to the increased utilization of generators which proved to be a challenge in the absence of imported fuel. Consequently, and according to the Economic Support Centre's (ESC) first assessment report dated August 4, 2006, industries were running at 15% of their productive capacity during that period. This undoubtedly led to a substantial decrease in competitiveness, and subsequently the loss of a number of foreign markets, leading to financial distress and difficulty in securing the payments of workers' salaries. In light of the above, and based on the ESC's second assessment report dated August 29, 2006 the preliminary direct losses of the industrial sector amount to approximately USD220 million²⁸.

There are 9,036 establishments in the Caza of Tyre²⁹. A preliminary survey conducted by the Union of Tyre and Zahrani Municipalities indicates that approximately 1,035 or 11.5% of total establishments were affected by the war³⁰.

²⁸ Economic Support Center, Impact of Israeli Aggression on Lebanon, First Assessment 4/8/2006 and Second Assessment 29/8/2006

²⁹ Census of Buildings, Dwelling, and Establishments for South Lebanon and Nabatieh CAS 2004

³⁰ Meeting held on Saturday 15 September with Mr. Abdel Mohsen Al Hussaini, Head of Union of Tyre and Zahrani Municipalities.

This encompasses small damage, total destruction and loss of raw material and/or perishable products inflicted on garages, grocery shops, hairdressers, bookstores, butcheries etc.

A similar survey conducted by the Ministry of Labour in August 2006, revealed that establishments of various sizes (micro, small, medium and large) were directly hit by the war leading to losses in jobs and negatively affecting the livelihoods of the inhabitants of Dahieh, South Lebanon, and the Bekaa valley. A sample of these establishments is included in Table 6 (Annex 1).

Prior to the war on Lebanon, a number of agricultural and fisheries cooperatives in South Lebanon and the Bekaa valley (mainly agricultural in the latter), and an undetermined number of handicraft and small industry cooperatives were operational. The development of those existing cooperative enterprises especially at the small scale and the creation of new ones seem to be an appropriate way to contribute to the economic revitalization of that region because that type of organization not only provides jobs and revenue, but could also establish a firm base of human and material resources upon which further development is possible. Agriculture remains an important economic activity alongside trade and services in Nabatieh and the Bekaa. An estimated 20.7% of employed people in Nabatieh and 20.2% in the Bekaa work in the agricultural sector³¹ (See table 2). The last conflict had a substantial negative effect on this sector. Losses are roughly estimated at USD120 million³² and were mainly in terms of loss of export opportunities, of perished un-harvested plantations (tobacco, fruits, potatoes and others), and of destruction of irrigation infrastructure and greenhouses rendering soils infertile in addition to the presence of unexploded cluster bombs. In addition, agro-industrial enterprises operating mainly in the South and the Bekaa valley (honey, olive oil, rose water, jam etc...) suffered severe physical damages and loss of foreign markets.

Reactivating and developing existing cooperatives and establishing new ones in South Lebanon is a task that faces numerous constraints. Some of these constraints relate to the absence of an accurate assessment detailing the precise needs of existing cooperatives and newly established ones; while others are the result of the absence of an appropriate national cooperative development policy and legal regulatory framework and a comprehensive agricultural development programme for the South that will facilitate appropriate interventions in agricultural cooperatives. Finally, the unavailability of adequate financial and non-financial support schemes crucial for the development and sustainability of agricultural cooperatives with quality improvement of products and effective marketing is a considerable limiting factor.

The same situation applies to the fisheries cooperatives. As a result of the war, 667 fishermen from the port of Sarafand and Zahrani formed the fishermen's cooperative in the South in order to jointly face the difficult repercussions of the war. Members of this cooperative suffer from the lack of financial assistance from the government (members are ready to take a loan, if made available at low interest rates, in order to

³¹ UNDP/CAS Living Conditions Survey 2004, Percentage distribution of employed people (aged 15 and above) according to economic sector type and Mohafaza.

³² Economic Support Center, Impact of Israeli Aggression on Lebanon, Second Assessment 29/8/2006

buy a big boat to sail at large in order to fish in deeper waters increasing and diversifying their catch) and the absence of a national fish market³³.

As clearly stated by Prime Minister Siniora, “there will be no job creation if the private sector does not take any initiative; for them to do so, they expect to be given incentives”³⁴. Consequently, there is an urgent need to tackle the pre-existing problems of establishing a conducive business environment, facilitating access to financial schemes (soft loans, subsidy of interest rates, tax holidays, grace period for repayment), business services, information, foreign markets and infrastructure and strengthening the advocacy role of business associations and promoting public-private partnerships³⁵. The government is proposing a programme of incentives for the promotion of the private sector which focuses on three major components namely, tax incentives, facilitating access to long term and soft loans, promotional measures to support Lebanese exports³⁶. The proposed programme is expected to be discussed in detail for adoption prior to the Paris donor conference scheduled to be held at the beginning of 2007.

The above multi-faceted needs require an urgent response to improve the material welfare of people, restore their confidence, and facilitate their reintegration in the economic life which will undoubtedly contribute to the development of the conflict affected regions. Consequently, the response should focus on a comprehensive strategy to deal with the prevailing business environment and weaknesses of the institutional support, and to enhance local capacities through considerable institutional capacity building at the different levels in order to ensure sustainability.

To boost existing activities and facilitate entry of locals into a number of self-employment and other small scale enterprises and cooperatives, it is proposed to 1) launch a productivity improvement programme to upgrade MSEs so as to ensure their competitiveness and sustainability, enhance their labour absorptive capacity and safeguard and improve jobs and income in the sector; 2) build institutional capacities at the national, regional and community levels to provide technical assistance and needs based support services necessary for business development.

Maximizing the Employment Intensity of the Reconstruction Process

Beirut and South Lebanon witnessed severe damages of the roads, bridges and buildings. According to the Rapid Preliminary Damage Assessment carried out by EU and the Joint Research Centre (JRC), 1489 buildings, 535 road sections, 21 of the 29 bridges over Litani River and 545 cultivated fields were destroyed or damaged in South Lebanon. In South Beirut, damages and destruction mainly concentrate on buildings in the Dahieh district, where 326 residential buildings are either damaged or destroyed, of which 269 are located in the cadastral limit Haret Hreik. Estimate

³³ Meeting with Mr. Ali Badran, Head of the newly established fishermen’s cooperative in Sarafand on 16/9/2006

³⁴ Meeting with Prime Minister Fouad Siniora on 19/09/2006.

³⁵ It is important to note that the Ministry of Economy and Trade in collaboration with the European Union is Promoting the Creation of Start Ups as well as the growth of SMEs through the Integrated SME support programme. A 40 million Euro scheme will be used to guarantee loans available to SMEs and Start Ups on a no collateral basis.

³⁶ See Sabine Oueiss, “Government Programme of Incentives for the Promotion of the Private Sector”, printed in Al-Nahar newspaper, Lebanon 30 October 2006.

suggests that the number of civilians impacted due to the damages and destructions could amount to at least 30,000 for Beirut itself.

Key infrastructure such as roads and bridges sustained extensive and targeted damage from bombardments. According to the Government, about 60 bridges were damaged, accounting for one-fourth of the nation's bridges and interchanges. This has resulted in the disruption of the government and commercial sector's ability to provide aid, basic services and effective recovery operations. Additionally, the power and water supply systems, sewage, sanitation and waste disposal systems were also affected. In many parts of South Lebanon, the Bekaa Valley and Beirut, the systems do not function at all and residents have to rely on emergency supplies.

An employment intensive approach, adopting labour-based public works programmes could be seen as a powerful instrument to rebuild livelihoods and employment for the conflict-affected people. The main building blocks of such an approach cover broad use of locally available resources including labour, construction materials and tools, community participation in planning, design, implementation and maintenance of infrastructure works, development and involvement of local small and medium sized construction contractors, application of ILO relevant labour standards to handle wage rate, employment conditions such as procedure for hiring and dismissing, non-discrimination, occupational safety and health, etc. Its role is that of a safety net/social protection, which confers stabilization and/or transfer benefits to the population, while at the same time using the local labour to rebuild infrastructure for development.

Investment in housing and infrastructure is, to a large extent, controlled by the Government. They, therefore, could be assisted to use the investment as a tool not only to deliver physical outputs, but also to generate quality jobs and decent work conditions in efforts for recovery and reconstruction. Investment in public works with available technology options and hence their potential for employment creation and local economic development makes this a crucial area for actions or wider policy concerns.

The war-caused damages have severely affected the capacity of the local construction business community. Limited national capacity is available to guarantee appropriate standard settings, provide relevant quick skills and managerial training to reduce such negative risks and monitor the development process. They need support to seize the opportunity to participate in labour-based recovery works.

Immediate and short-term ILO interventions are proposed as the following:

- *Capacity building of local construction contractors: Technical training would be provided to local contractors to deal with the administration of employment-intensive works, including quantities and costing estimates, tendering and contracting, work management, labour issues, etc.*
- *For individuals who intend to become craftsmen or craftswomen, separate vocational training would be organized by adapting the training materials developed by the ILO/ASIST and the Government of Egypt (Arabic version of the materials is available).*

- *Producing guidelines on incorporating employment intensive approaches in the reconstruction efforts, which would assist the Government and other UN agencies in promoting the employment dimension in their response.*

B. SOCIAL DIALOGUE AND LABOUR MARKET GOVERNANCE

Foster Better Labour Market Governance

Both the Government and the social partners agree that challenges regarding employment and labour market governance that were longstanding issues became more prominent after the war. These relate to controversial matters such as labour law, wages, social security reform, migrant workers management, taxation and other fiscal policies. However attitudes of the social partners and the government vary from, on the one hand, genuine commitment to social dialogue whilst on the other, avoiding establishment of formal institutions with a strong preference for political lobbying. At the sectoral and workplace level workers are generally poorly organized, while employers either remain hesitant to engage in collective bargaining or reject unionization altogether. Government laissez-faire policies have largely led to restrictive wage policies (wages have been frozen since 1996, totally disregarding inflation in the cost of living indexes), a drive for flexibilization in labour legislation, reductions in contributions to the social security fund, and individualization of working conditions. The absence of genuine social dialogue to promote a social agenda of reconstruction and development in Lebanon is largely due to the lack of a) tripartite mechanisms of dialogue, even though tripartite bodies do exist, b) a genuine interest of the parties to dialogue and c) capacities and negotiation skills. These shortfalls might undermine efforts to promote a more pragmatic approach in dealing with pressing issues, and force social partners into more politicization. This trend, if continued, could jeopardize their independence and effectiveness in promoting the interests of their members.

Accordingly, the current capacity of the social partners as well as the Ministry of Labour to perform effectively their roles and to undertake a substantial policy reform through dialogue remains to be a serious challenge. The Ministry of Labour is under-resourced, under-staffed with limited innovative skills, thus unable to meet its responsibilities with regard to major labour issues such as sound industrial relations, labour inspection, management of migrant workers, and labour market information.

The Employers' Organizations who enjoy relatively high rates of membership, can still improve their capacities in terms of better representing the interests of their members and engaging more actively in economic and social endeavours. The war has revealed a number of shortcomings in the technical capacities of ALIND that were largely responsible for limiting an immediate effective response to the emerging challenges. To overcome these shortcomings, the mission became more aware that Employers' organizations should be an integral part of any national body responsible for administering financial and technical aid for the industrial sector. The mission also feels that the revival of the industrial sector depends largely on a package of incentives including, inter alia, grants, long term loans, tax holidays and a conducive legal and regulatory environment. To this effect the ILO is in the process of

developing a capacity building project to assist the employers' organization to cope better with changes in the labour market and to provide adequate services for members to increase their competitiveness.

On the other hand, many indicators reflect the weaknesses of the trade union movement in Lebanon, including among others the levels of union membership, internal democracy, strength of collective bargaining capacities, political alliances and financial dependency. These inherent structural problems have largely been responsible for the weakness of the labour movement as a social actor; a weakness that has manifested itself in terms of dwindling influence over policy making and securing the material well being of workers. An objective analysis of the challenges facing the General Confederation of Labour (CGTL) indicates an urgent need to introduce fundamental changes in its organizational structures that date back to the late fifties. Any new union vision which takes into consideration the socio-economic and political transformations should reflect itself in genuinely democratic and representative structures. This urgent need has become more pertinent after the war, as in an extremely politically polarized country, like Lebanon, the limitations in the trade union movement may have profound political implications: workers can be particularly opened to mobilization on political, sectarian or religious lines as a result of inability to mobilize them on social or economic lines. The ILO has already taken the initiative to develop an action plan to help the CGTL in its efforts to address the structural shortcomings through an integrated advisory and technical assistance programme.

One major area which will require effective social dialogue is the labour law reform. The current labour law which was developed during the French mandate and adopted in 1946 does not adequately include provisions that address the changing labour market environment or the socio-economic variations. Despite the ratification by Lebanon of 49 conventions and the limited changes introduced on the law later in the sixties, labour legislations are still to be in conformity with International Labour Standards. Mechanisms of implementation and enforcement are largely needed. There is a move by the government and the employers to introduce labour law reform with the intention of introducing labour market flexibility through less rigid hiring and firing laws. However the labour unions, who are supportive of this reform, see that any reform should be in conformity with ILS. The ILO proposes balancing this flexibility with improved workers' security in order to ensure that there are no adverse effects on vulnerable groups of workers³⁷. It sees that only through dialogue and consultations with the social partners could this be achieved. Moreover The ILO recognizes the need to revise the labour law and to bring it more in line with International Labour Standards. In fact, the ILO has already provided comments on a draft revision of the law encouraging the implementation of ratified conventions as well as the ratification of those core conventions that are still not ratified, particularly the convention on freedom of association. The ILO will continue to provide assistance in this respect. An ILO proposal to organize a tripartite workshop with a view to building a national consensus on the said reforms has been endorsed by the Government, Employers' and Workers' organizations.

³⁷ Balancing labour market flexibility with security or what is termed as 'flexsecurity' refers to a distinct policy and strategy used by industrial relation actors to enhance the flexibility of labour markets, work organization and employment relations, while improving security of work and protection of workers, paying particular attention to weak groups in and outside the firm or labour market.

The social security reform, including a pension scheme, unemployment benefit fund and creation of an emergency fund to compensate around 5000 workers affected directly by the war, as well as the issues of management of migrant labour and the wages crisis which is drawing many of the Lebanese workers to the poverty threshold, are all longstanding challenges that should be met through social dialogue.

The ILO is of the firm belief that strengthening social dialogue and collective bargaining would allow for a better match between wages and productivity, employability through training and job development, and improved employment protection far beyond the level guaranteed by the present law. The ILO sees embracing social dialogue as a great potential for national consensus building and a valid response to the political, economic and social crises prevailing in Lebanon. It can play a vital role in the promotion of tripartism, social policy design and legal reform, as well as in strengthening the social partners' technical expertise and negotiating skills. In this respect the ILO will be ready to consider providing assistance to revive the work of the tripartite bodies, including the Economic and Social Council.

Therefore the ILO strategy will be to focus on:

- *Strengthening the social partners capacity for social dialogue and enhancing their roles in economic and social policy making*

Technical advice will be delivered to promote and institutionalize tripartism and social dialogue. This will be through capacity building and training provided to workers' and employers' representatives at various levels, and government officials – both individually and jointly. The training will focus on key industrial relations subjects of collective bargaining, workplace cooperation and other workplace management related issues.

Another area will be through organizing in the immediate term a national level consultation on employment which will address issues related to labour market management and reform. This consultation will be the basis for engaging the social partners in areas of common concerns on an equal basis. This will also form the basis for developing an employment strategy on a tripartite basis.

- *Strengthening the capacity of the Ministry of Labour*
This requires a long-term comprehensive strategy to improve the capacity of the ministry of labour to develop new policies and manage the labour market in terms of employment promotion, and enforcement and monitoring of the labour law. A critical area is the technical and managerial competencies of its staff.
- *Reforming the labour Law*
The strategy for initiating the process of labour law reform is through a consultative basis between the social partners where a national tripartite committee can be established to draw up the new labour code and which is assisted by national and international expertise. This should simultaneously be paralleled with capacity building activities to improve the effectiveness of the social partners' participation in this process. Additionally, after the labour law reform process, efforts will be needed in order to ensure that Lebanese workers

and employers are knowledgeable of the new law in order to be effective in enforcing it. In parallel, the new labour law will require institutional changes and enhanced capacity, within the Ministry of Labour

C. SOCIAL PROTECTION

Social Security

In Lebanon, social security is administered through the “Caisse Nationale de Sécurité Sociale”, or National Social Security Fund (NSSF). The NSSF provides³⁸ three main benefits: a cash lump sum “severance” benefit on termination of employment (targeted mainly towards those retiring from active, paid employment), health care benefit, and a so-called “family benefit”³⁹. These benefits do not target very accurately the groups of vulnerable people who have suffered most badly from the effects of the conflict⁴⁰. As noted elsewhere, those whose normal livelihoods have been affected, and who are likely to need emergency provision of basic income support – unemployment benefit - include an estimated 40,000 farmers (60 per cent or more of the total in some areas), 30,000 seasonal workers in the tourism industry, 5,000 fishers and 2,000 industrial workers. Those permanently disabled in the conflict (see Section B above), numbering perhaps 600, will also require long-term income support.



- The first priority, therefore, is to assist the government in providing benefits on an emergency basis for those workers displaced and disabled by the conflict.

The conflict has, in fact, highlighted vividly a range of weaknesses. People are left unprotected, critically, as a result of the lack of provision, through either the NSSF or other government institutions, of, in particular:

- Short-term benefits for those becoming unemployed;
- Longer-term income support benefits, i.e. pensions, for the retired and aged population.

³⁸ The NSSF operates on the principle of “risk pooling” through the mechanism of contributory social insurance.

³⁹ The family benefit was designed originally as a form of income “top up” at a time (late 1990s) when it was deemed necessary to restrict general increases in wages and salaries.

⁴⁰ The degree of income redistribution provided through the NSSF is quite limited, by comparison with many national social security schemes. Most countries, in addition, find that there is a need for a parallel system of social assistance, financed from tax receipts, to meet the needs of the most vulnerable and who are unable to participate in formal insurance schemes

The NSSF is faced, in the present, post-conflict circumstances, by underlying difficulties related to both administration and policy, notably:

- Financial constraints;
- Effective outreach only to the formal, not the more informal (and generally vulnerable), sectors of the economy;
- Incomplete coverage and enforcement of membership obligations, even amongst workers who should be covered under the existing rules;
- An administration which needs to regain the trust and respect of many of its stakeholders.

The financial difficulties of the NSSF arise largely from decisions taken in 2001, to reduce the contributions payable to the NSSF schemes, apparently to ease what was seen as an undue burden on small enterprises. However, no complementary measures seem to have been taken then, or to date, to maintain the financial integrity of the NSSF, and hence the accrued rights of the workers who are members of the scheme.

The difficulty for the NSSF to extend its coverage more widely relates to its statutory mandate, which is limited at present to “formal economy” workers. At least three features of the Lebanese labour market need to be addressed in order to make progress in this regard:

- The fact that a large proportion of the Lebanese workforce (including many workers from other countries, many with doubtful legal status) is employed or self-employed in the “informal economy”, with the result that it is difficult to register them as members or to collect contributions;
- Moreover, a substantial number work in the rural, agricultural sector, for whom contributions to social security arrangements would probably be feasible only on a seasonal basis;
- Even in the case of workers in the “formal economy”, it seems that many who should be registered with the NSSF have failed to do so, probably to “save” the payment of contributions.

The Government, Workers’ and Employers’ Organizations are aware of the need for modernization of the social security law and the administration, and a start has been made towards seeking Parliament’s approval, but in order to provide a coherent framework – and the tool for the prevention and alleviation of poverty – it is necessary now to bring in the principles underlying the ILO’s standards. It is understood that recommendations have also been made regarding the replacement of the existing age-retirement benefit, i.e. a “severance” cash lump sum payment, by a pension benefit. However, the benefit proposed⁴¹ will not, *prima facie*, conform with ILO standards.

The ILO regards social security as a vital component of decent work, and – in common with a number of important international conventions - as an essential human right. In order to strengthen the social security system of the Lebanon in such a way as to correct the deficiencies exposed by the conflict, to enhance workers’

⁴¹ The proposed pension would be based on “defined contribution” (DC) principles, and offer no redistributive capacity.

rights to social security, and to put the system on a suitable footing to meet any future crisis, it is proposed that the ILO will:

- *Assist the government in implementing the payment of short-term, emergency unemployment benefits: establish the necessary implementation modality, eligibility criteria for the beneficiaries and develop the cost estimates⁴²;*
- *Work (on a project basis) with the Government to design a long-term scheme of social unemployment insurance, (to which the short-term, emergency benefit will provide a transition) and the administration to manage this, whether or not through NSSF;*
- *Work (on a project basis) with the NSSF to enhance its administrative capacity and address needs in regard to financial and administrative governance, which must in particular institutionalize a programme of regular and open actuarial valuations;*
- *Develop a programme for the extension of social security coverage of workers, including those in the informal economy;*
- *Assist the government in the assessment and design of a unified and consolidated scheme of old-age pension benefit, in thorough consultation with the social partners, which may include both a contributory element (administered through NSSF) and a universal or social assistance component, which should be based on a careful assessment of the actual social needs of the elderly.*

Improving Labour Migration Management

Migrant workers constitute a sizable part of the Lebanese labour force especially in the unskilled and semi-skilled jobs in the informal economy. Domestic work is by far the largest source of employment for women migrating to the Middle East. Women migrant domestic workers from Asia and Africa are some of the most vulnerable workers in the Arab States, including in Lebanon. Most domestic workers are women who remain invisible since their work is done in households (not considered as workplaces) of private persons (not considered employers) that cannot be supervised by labour inspectors. The specificity of their employment relationship is not addressed in national legislation, denying them their status as “real workers” entitled to labour protection. Domestic workers’ employment laws and their working conditions remain, in essence, unregulated.

According to the last Report of the Special Rapporteur on the human rights aspects of the victims of trafficking in persons, especially women and children, Sept. 2005, since the early 1990s, large numbers of migrant women have come to Lebanon to serve as domestic workers in private households. For a majority of Lebanese middle-class families the foreign housemaid, who typically lives with the family, has become an indispensable part of the household. Since many domestic migrants have an irregular visa status, there are no reliable statistics on the overall number of domestic migrant workers currently present in Lebanon. Non-governmental organizations (NGOs) estimate that the total number of domestic migrant workers in Lebanon varies

⁴² If only those workers of totally destroyed enterprises are to be taken into account (5000-6000 according to the Ministry of Labour), the total compensation cost for a period of 4 months, at the rate of USD250/worker/month, is estimated at USD6,000,000.

between 120,000 and 200,000 serving an overall population of less than 4 million. By far the largest group of domestic workers are Sri Lankan women (80,000-120,000), followed by Filipinas (20,000-25,000) and Ethiopians (20,000-30,000). Others come from countries such as India, Madagascar, Bangladesh, Viet Nam, Indonesia, Nepal, Burundi, Ghana, Nigeria and Senegal.

Agriculture, construction and other services jobs are occupied by Syrian, Egyptian and Sudanese men. Until recently, the greatest number of migrant workers was Syrians who do not require a work permit to enter into Lebanon. Because of this, there are no exact figures. Existing estimations claim that there are around 230,000 of Arab nationalities and 42,000 of Asian nationalities⁴³.

While Lebanon's labour law does not discriminate between national and migrant labour, there are widespread reports of violations and abuse of migrant workers rights. Labour law enforcement with regards to these abuses is quite weak and regulation and monitoring of recruitment agencies is limited. Additionally, migrant workers are not allowed to organize in Lebanon.

In general the Ministry of Labour lacks the proper institutional mechanisms for migration management in order to enforce the law, prevent and protect the rights of migrant workers and improve their living conditions. Indeed, the absence of a regulatory environment, has tended to lower wages. As such, coupled with the unregulated working conditions, many of these jobs have become unacceptable to the Lebanese unskilled and semiskilled workers. It is assumed that in the long term, once quality of jobs improves, more Lebanese workers will be likely take up the jobs which they currently refuse.

Discussions with the government revealed that there is a need for a clear policy framework on migration management. The objective will be to improve working conditions which would address the rights of migrant workers as well as attract more Lebanese to these jobs. However, the employers were keen to signal that despite their commitment to need to improve the regulations regarding migrant workers rights, the private sector will have difficulties if wages were to increase.

Based the on the need to establish mechanisms for migration management, the ILO has a three-fold strategy. The first is to develop an action plan in accordance with the ILO's non-binding multi-lateral framework on Labour Migration. This action plan will form a consensus for a policy framework on how to manage labour migration, and establish the coordination needed between different actors⁴⁴. The action plan will address: institution strengthening, law enforcement, protection of rights. This Action plan will highlight the specific needs of women migrant workers, which is an element that the Ministry of Labour is already addressing. The second strategy is to strengthen the capacity of the Ministry of Labour through establishing a competent migration management department which will undertake the following responsibilities: Issuing of work permits through simplification and more transparent procedures; collection of data and develop policies and labour inspection and monitoring of recruitment agencies, among other necessary functions. The third strategy is to develop incentives and/or quotas for employers to hire Lebanese

⁴³ <http://www.info.org.lb/migrationnetwork/mig2.html>

⁴⁴ This will also be part of the national employment strategy proposed above.

workers in jobs which are dominated by migrant workers. The specific means for this need to be discussed further with the government and the employers but it could be in the form of short term wage subsidies for the Lebanese unemployed or quotas on the percentage of migrant workers allowed in enterprises.

Combating Child Labour

Although there is no quantitative estimation of the impact of the conflict on child labour, certain phenomena can be observed: 1) an increasing vulnerability to the Worst Forms of Child Labour especially those in agriculture (specifically working in Tobacco plantations) and 2) increasing risks of drop-out due to destruction and damages to schools, impact on the psychological well being of children and sudden loss of family income leading to poverty.

The destruction of industrial and commercial enterprises, including factories, market places and small commercial enterprises, did not lead to the withdrawal of working children from the labour market. Children who lost their jobs now work in precarious jobs in more hazardous conditions (e.g porters, lifting heavy material and objects, water pipes, cement, etc; sewer workers; rubble clearance and construction). Moreover, tobacco and other agricultural crops were destroyed or damaged at a key time in the cropping season. As a result of both UXOs and displacement, access to crops has been limited and some of the harvest has not been picked when matured, resulting in major income losses. Because people in the affected areas are strongly dependant on agriculture as their main source of income, farmers and especially children often take risks to access their fields, making their work highly hazardous.

In parallel, the impact of the conflict on the education sector is to a large extent related to damages in school infrastructure, both in areas that have been hit by the military operations, as well as in those that housed the displaced population. Moreover, the return of people to their villages of origin, despite the fact that many houses are not habitable has a direct effect on the social and personal well-being of the children. Post-Trauma Syndrome Disorders (PTSDs) which are expected to emerge during any period of crisis will affect the children's psychological well-being if not addressed properly. These factors might result in a delayed impact on the educational performance of the children and thus in an increased school drop-out rates, even if the children are enrolled in the upcoming academic year. Child labour would also rise due to the need to supplement the depleted household income. As such, even though the financial aid given through the payment of school fees for all children might alleviate this problem in the short term, the socio-economic challenges in the longer term remain difficult to address. Early recovery efforts tend to concentrate only on the short term needs, especially those relating to the rehabilitation of damaged schools; the distribution of basic equipment and educational material; payment of school fees; and the provision of psycho-social support activities.

As part of addressing labour rights and standards in times of crisis, ILO needs to expand its current child labour elimination programme in Lebanon through the following interventions:

- *Building the capacity of local institutions, which should be enabled to develop new literacy, computer and Accelerated Vocational training (AVT) education in addition to recreational activities.*
- *Improving the children's working conditions, in adherence with the ILO Worst Forms of Child Labour Convention (No. 182), 1999. Training of social workers and inspectors on simple Occupational Health and Safety (OSH) control measures with the help of OSH specialists should be provided to improve the children's working conditions.*
- *Providing new AVT, which will help providing unskilled children aged above 15 years with better working qualifications.*
- *Ensuring the retention of at-risk children in the school system, through the provision of remedial educational services as well as through non-educational services like school fees and educational material provision.*
- *Linking educational intervention to psycho-social support.*

III. IMPLEMENTATION MODALITIES AND INTER-AGENCY COOPERATION

ILO Approach and Focus

The ILO has significant experience in post-crises situations (post-conflict as well as post-disaster) through its Local Economic Recovery (LER) responses implemented in countries such as Afghanistan, Angola, Central America, Bosnia-Herzegovina, Mozambique, Cambodia, India, East Timor, Sri Lanka, Indonesia and Pakistan. The ILO strategy in intervening in post-crisis contexts, such as armed conflicts, natural disasters, financial and economic downturns, and difficult socio-political transitions, is based on four pillars:



- *Developing coherent and comprehensive framework to promote the socio-economic recovery and poverty alleviation of crisis-affected groups through the creation of decent jobs, skills upgrading, social protection and social dialogue;*
- *Promoting increased awareness of the need to tackle employment-related concerns in crisis situations by getting people back to work quickly through e.g. cash-for-work schemes;*
- *Building ILO constituents' capacity to play a greater role in crisis prevention and in the reconstruction efforts by tapping into workers and employer's organizations;*

- *Working in collaboration with other UN agencies involved in post-crisis economic recovery and reconstruction efforts.*

ILO's Experience in Local Economic Recovery and Development

Through the **Local Economic Recovery (LER) and Local Economic Development (LED) approaches** ILO provides an integrated and complete response that spans the entire spectrum from addressing specific immediate challenges in a post-crisis situation (LER) combined with longer-term LED interventions beyond the immediate post-crisis.

The ILO has considerable experience as well in supporting sub-national governments at provincial and municipal levels to design and implement Local Economic Development (LED) strategies in countries in transition. The ILO approach to LED is employment centered, reflecting a concern to boost the quality and scale of jobs being created through local economic development, anchoring the approach in social protection, social dialogue and rights. LED therefore acts as framework for the creation of Decent Work at the local level.

The ILO approach to LED is based on an integrated process of six steps; 1) territorial diagnosis/assessment, 2) sensitizing local actors, 3) promoting a forum for dialogue and coordination, 4) designing LED strategies, 5) creating implementation structures and responsibilities, and, 6) implementing the LED strategies through activities in the areas and sectors identified with local actors. In the process workers and employers, producers and consumers, civil society and the public sector are involved. ILO-supported LED strategies focus on a complete range of technical interventions based on needs assessed with local stakeholders and ranging from municipal planning, entrepreneurship and enterprise development, labour intensive infrastructure rehabilitation, vocational and technical skills upgrading, micro-finance, value chain and cluster upgrading in promising economic sectors etc.

Inter-Agency Cooperation

ILO is engaged in finding all possible synergies with other UN agencies to foster reconstruction assistance: the huge task ahead cannot be the result only of the work of one institution, but has to be promoted through a joint inter-agency work any time it is possible. One of the main strategic lines of ILO's work will therefore be the constant search for setting up strategic partnerships with key crisis-response actors.

The ILO will continue its cooperation with other international agencies in the country in order to strengthen partnerships and synergize outputs. In fact close coordination is already established with ESCWA, UNDP, FAO, the World Bank, and the EC Delegation.

The ILO and UNDP are reaching an inter-agency agreement to collaborate on Local Economic Recovery and Development. The agreement is leading to close collaboration between the ILO and the UNDP coordinated ART-GOLD programme. ART-GOLD is a multi-country technical cooperation and knowledge-sharing network

focusing on local governance, environmental protection and local economic development including health and education. A number of donors support ART-GOLD and funding already made available through the Italian Government will make it possible for the ILO and ART-GOLD to start collaboration with the Lebanese Government on LER-LED initiatives to support the reconstruction process. Initial technical cooperation joint initiatives discussed so far have been focused on South Lebanon (possibly in the districts of Marjayoun, Bint Jbeil, Nabatieh, Sour, and Hasbaya), which would immediately start supporting local municipalities' reconstruction efforts employment intensive reconstruction programmes making use of local skills, firms and resources. For Northern Lebanon and the Bekaa Valley the focus would be on joint initiatives to support local municipalities in developing LED strategies for employment creation and poverty reduction.

Management Arrangements

The objectives of the programme will be pursued through developing new technical cooperation projects (Annex III), technical advisory services, training activities, and seminars for information dissemination and capacity building. ILO seed money will be used for most of the immediate term outputs (see Section IV Matrix). Additionally other activities will be funded through mobilizing funds from donor agencies. The ILO and the national counterparts will seek this further funding based on the priority concerns of the constituents.

This programme will be primarily managed by the ILO Regional Office for Arab States in Beirut with support and close coordination from different technical departments at the ILO headquarters in Geneva and the ILO International Training Center in Turin. The different outcomes of the proposed initiatives are highly interdependent. Therefore, in order to ensure that the outputs are successfully interlinked, it is proposed to assign a person in RO-Beirut who will have the overall responsibility to monitor this programme. This person could be one of the existing team members in Beirut or independently assigned specifically for this purpose. Additionally, international and national experts will be sought for specific outputs throughout the programme duration.

IV. MATRIX - PROPOSED ILO PROGRAMME IN LEBANON

Priority Areas	Objectives	Immediate Interventions (up to 9 months) ⁴⁵	Medium to Long term Interventions
Employment promotion	Strengthening Labour Market Information	Conduct a rapid post-conflict livelihoods assessment	Support the Central Administration of Statistics and Ministry of Labour in conducting regular Labour Force Surveys and periodic establishment-based labour market demand surveys
	Developing an Employment Strategy	Organize a high level national consultation on employment and labour market governance	Draft national employment strategy based on national consultation and consensus building Submit strategy to Government for approval and adoption
	Establishing Emergency Employment Services	Establish emergency employment and information centres in conflict affected areas to assist in job referral and training and microfinance opportunities	Enhance the capacity of the National Employment Office in terms of its geographic outreach and quality of services provided through establishing new offices, developing an electronic labour exchange and collecting and disseminating data on labour supply and demand on systematic basis.

⁴⁵ILO is ready to contribute with some seed money, hoping that further donor contributions can be channeled through.

Priority Areas	Objectives	Immediate Interventions (up to 9 months) ⁴⁵	Medium to Long term Interventions
	Supporting the Private Sector through small and micro enterprises	<p>To revive the previous ILO-ESCWA project which was damaged as a result of the war to generate employment and income opportunities for men and women through the production and marketing of zaatar</p> <p>UNDP/ILO joint survey on the Impact of the Conflict on MSEs.</p>	<p>1- Promote a supportive environment for cooperatives both at the policy and legal level and facilitate the delivery of services (technical and financial) to cooperative members.</p> <p>2- Improve the competitiveness and productivity of existing enterprises and foster the development of new micro and small enterprises through the creation of a conducive business environment and the enhancement of existing institutional capacities for business promotion and the provision of needs based support services.</p> <p>3- Promote micro enterprise development for women household heads through the establishment of a unit at the Ministry of Social Affairs that will screen/select beneficiaries and coordinate the provision of a wide range of support services through establishing linkages with private sector service providers and MFIs.</p>
	Promoting employment intensive investment	Capacity building of contractors and enhancing the training capacity of vocational trainers in labour-based technologies.	

Priority Areas	Objectives	Immediate Interventions (up to 9 months) ⁴⁵	Medium to Long term Interventions
Social Dialogue and Labour Market Governance	Strengthening the social partners capacity for social dialogue		Enhance the capacity of workers' and employers' organizations through training in order to enable them to provide better services to their constituents and actively participate in social and economic policy making.
	Strengthening the capacity of the Ministry of Labour		Develop a comprehensive project document to reform and upgrade the Ministry in all areas related to labour administration, labour inspection, dispute prevention and settlement mechanisms, labour standards, LMI, etc.
	Reforming the Labour law	Establish a tripartite national committee to revise the labour law. Provide technical advisory services, through national and international expertise for the revision of the labour code.	The revised labour code, approved by Parliament, is made operational. Awareness raising campaigns are undertaken to improve workers' and employers' awareness of the new law. Support the Ministry in making the institutional changes so that it is better enabled to enforce the law.
Social Protection	Strengthening the Capacity of the NSSF		Provide technical advisory services in order to ensure that the social security outreach and sustainability are improved.

Priority Areas	Objectives	Immediate Interventions (up to 9 months) ⁴⁵	Medium to Long term Interventions
	Improving Labour migration management	Support the Government to develop an Action Plan for the management of labour migration and the protection of migrant workers, with a special focus on domestic women workers.	Establish an effective migration management department at the Ministry of Labour.
	Eradicating Worst Forms Of Child Labour	Expand current national programme on child labour to target conflict affected children.	

ANNEXES

ANNEX 1

Table 1: Estimated cost of direct damages incurred during the war

	Total damages (US\$ millions)
Transport	484
Electricity	244
Telecommunications	116
Water	80
Health and education	34
Housing and commercial spaces	2,406
Industry	220
Military	16
Fuel distribution stations	12
TOTAL	3,612

Source: Council for Development and Reconstruction.

Table 2: Employment by Sector and Governorate

Sector	Beirut		Mount Lebanon		Northern Lebanon		Bekaa		Southern Lebanon		Nabatieh		LEBANON	
	Persons	%	Persons	%	Persons	%	Persons	%	Persons	%	Persons	%	Persons	%
Agriculture	0	0.0	11429	2.3	23840	12.3	24438	20.2	12054	11.7	11584	20.7	83345	7.5
Industry	14314	9.8	88175	18.0	27585	14.2	14463	12.0	15101	14.7	6155	11.0	165793	15.0
Construction	7484	5.1	38315	7.8	20427	10.5	9327	7.7	12661	12.3	8612	15.4	96826	8.7
Trade	31248	21.5	106609	21.8	46212	23.8	26636	22.0	23324	22.7	10392	18.5	244421	22.1
Transportation, Post & Telecommunication	8888	6.1	42219	8.6	13413	6.9	8749	7.2	6616	6.4	2961	5.3	82846	7.5
Services	78306	53.8	192261	39.3	60593	31.2	35869	29.7	31611	30.8	15688	28.0	414328	37.4
Monetary and Financial	3929	2.7	6775	1.4	1542	0.8	1281	1.1	927	0.9	614	1.1	15068	1.4
Insurance	1403	1.0	2911	0.6	347	0.2	124	0.1	310	0.3	37	0.1	5132	0.5
Inapplicable	94	0.1	150	0.0	88	0.0	0	0.0	0	0.0	37	0.1	369	0.0
Employed Total	145666	100	488844	100	194047	100	120887	100	102604	100	56080	100	1108128	100

Source: Living conditions national survey, Central Administration of Statistics, 2004

Table 3: Distribution of Labour Force by Governorate

	Beirut		Mount Lebanon		Northern Lebanon		Bekaa		Southern Lebanon		Nabatieh		LEBANON	
	Persons	%	Persons	%	Persons	%	Persons	%	Persons	%	Persons	%	Persons	%
Employed	145666	90.0	488844	91.5	194047	95.0	120887	94.5	102604	91.5	56080	90.4	1108128	92.1
Unemployed	16185	10.0	45512	8.5	10211	5.0	7026	5.5	9523	8.5	5985	9.6	94442	7.9
Labour Force	161851	100	534356	100	204258	100	127913	100	112127	100	62065	100	1202570	100

Source: Living conditions national survey, Central Administration of Statistics, 2004

Table 4: Distribution of companies according to number of employees by Mohafaza (1996)

Mohafaza	Less than 5 employees	% total	6 to 9 employees	% total	More than 10 employees or without answer	% total	Total	% total
Beirut	19979	81.0%	2078	8.4%	2603	10.6%	24660	12.4%
Mount Lebanon	62805	85.5%	4575	6.3%	5813	7.9%	73193	36.9%
North	40359	91.1%	1691	3.8%	2244	5.1%	44294	22.3%
Bekaa	24986	93.2%	895	3.3%	925	3.5%	26806	13.5%
South	17174	89.4%	785	4.1%	1251	6.5%	19210	9.7%
Nabatieh	9470	92.2%	329	3.2%	475	4.6%	10274	5.2%
Total	174773	88.1%	10353	5.2%	13311	6.7%	198437	100%

Source: CAS

Table 5: Percentage Distribution of employed people according to economic sector and Mohafaza

Economic Sector	Beirut	Mount Lebanon	Northern Lebanon	Bekaa	Southern Lebanon	Nabatieh	Lebanon
Public	8.5	12.1	16.2	16.2	11.3	15.8	12.9
Private	89.1	86.8	83.1	83.0	86.5	83.7	85.8
Other	2.3	1.2	0.6	0.8	2.2	0.5	1.2

Source: UNDP/CAS Living Conditions Survey 2004

Table 6: Damaged Factories⁴⁶

Name of Establishment	Region	Number of Employees
Liban Lait	Baalbeck	286
Maliban for glass	Zahleh – Bekaa	227
Fine Paper Products and Tissues	Saida, South Lebanon	247
Rotex for clothing (trade & industry)	Southern Suburbs of Beirut	58
Al Tarikh Al Arabi for Printing	Haret Hreik Southern Suburbs of Beirut	25
Abdel Amir Mill for cereals, zaatar & kishik	Khiyam, South Lebanon	3
Al Rim Iron Factory	Dbine South Lebanon	2

Source: Ministry of Labour

⁴⁶ Document provided by H.E Minister of Labour at the meeting held on Wednesday 13 September 2006.

ANNEX 2

TECHNICAL NOTE ON ILO EMPLOYMENT LOSS ESTIMATES

The following describes the methodology applied to calculate a rough estimate of the persisting additional employment losses resulting from the July/August 2006 war on Lebanon.

In the absence of availability of official detailed labour force time series data for Lebanon, a simple estimation was made using ILO Trends Labour Force Model predictions, that applied an employment **elasticity** in order to calculate the persisting change in employment that would correspond to a given change in economic output (GDP). This elasticity of employment with respect to output can be described in terms of the following ratio:

$$\text{Elasticity of employment with respect to output } (\eta) = \Delta_e / \Delta_o \quad \text{(Equation 1)}$$

Where Δ_e = percentage change in employment;

Δ_o = percentage change in output (GDP)

The ILO Trends Labour Force Model calculates this elasticity to have been 0.449 for Lebanon over the period 2000-2004. This means that over this period, a one percentage change in GDP has been associated with only a 0.449 percentage change in employment, implying that in recent years economic growth has not been particularly employment intensive in Lebanon.

If the above equation is rearranged, we may derive the percentage change in employment, by multiplying the given change in economic output by the employment elasticity, i.e.:

$$\Delta_e = \eta \Delta_o \quad \text{(Equation 2)}$$

The output or GDP loss resulting from the war is difficult to calculate, as the direct losses will be compounded by many indirect losses that will continue to impact the economy for some time to come. The exact magnitude of the eventual 2006 GDP loss will depend very much on the ability of the Lebanese economy to recover in the aftermath of the war. Prior to the war, the Lebanese economy had been predicted to grow in 2006 by 6% from its 2005 level, whilst instead GDP was estimated to have plummeted by 7-8% over the 34 days of hostilities alone. For the purposes of our calculations for 2006, two estimates were used to allow us to generate a lower and upper boundary of persisting employment losses. At the lower boundary, the International Monetary Fund predicts in its September 2006 World Economic Outlook that 2006 will see an overall 3.2% decline in Lebanese GDP from its end-2005 level. On the other hand, statements from the government since the cessation of hostilities have predicted an overall GDP decline in 2006 in the range of 5-6%. This was reiterated to the mission by the Prime Minister, Fouad Siniora. The average of these figures, a GDP loss of 5.5%, is used to calculate the upper boundary employment loss estimate.

Therefore, using equation 2 above, the percentage change in employment could be estimated to be:

At the lower boundary: $0.449 \times -3.2 = -1.44\%$;

At the upper boundary: $0.449 \times -5.5 = -2.47\%$

These percentage changes were finally applied to a baseline (pre-war) total employment estimate of 1.29 million in 2006, a figure that was also derived from the ILO Trends Labour Force Model. This gives the *additional persisting* employment losses in Lebanon for 2006 as:

At the lower boundary: -18,573;

At the upper boundary: -31,923

ANNEX 3

ILO PROJECT IDEAS

Project Titles:

- Support to Public Employment Services;
- A National Employment Strategy for Decent Work in Lebanon;
- Emergency Assistance for Ensuring Employment and Income Opportunities in South Lebanon through the Production of Zaatar (thyme);
- Employment and Income Generation through the Promotion of Cooperatives;
- Employment and Income Generation through Micro and Small Enterprise Development in the South;
- Job Creation for Women Households through Micro and Small Enterprise Development in South Lebanon;
- One Time Cash Benefit for Workers Having Lost Their Employment as a Direct Result of the Conflict;
- Review of the National Social Security System and the Role of the “Caisse Nationale de Sécurité Sociale”;
- Employment Generation and Business Promotion through Capacity Building of Contractors and Trainers;
- Contribution to the Elimination and Prevention of the WFCL Caused by the Post-Conflict Situation in South Lebanon;
- Strengthening the National Machinery for the Advancement of Women’s Employment in Lebanon;
- *Towards Counting As Workers: Protecting the Rights of Women Migrant Domestic Workers in Lebanon through a Participatory Action Process;*
- Capacity Building Of Social Partners and Strengthening Social Dialogue;
- Assessment of the Impact of the War on People with Disability.

PROJECT IDEA

Project Title:	Support to Public Employment Services
Location:	Lebanon
Duration:	24 months
Estimated Budget:	US\$ 2.39 million
Phase I:	US\$190,000.
Phase II:	US\$ 2,200,000.

Context

A precise estimate on the number of people who lost their jobs and livelihoods as a result of the war in Lebanon is difficult to ascertain. However, the ILO estimates that there are approximately 30,000 persistent job losses in the aftermath of the hostilities. This is in addition to those who were unemployed even before the war. The current process of reconstruction has a potential to create new jobs, albeit not necessarily permanent jobs and it is imperative that local communities benefit from the reconstruction efforts.

Employment services in Lebanon could play a crucial role in linking jobseekers with available jobs and especially those jobs which will be created in the immediate reconstruction phase. This initiative will establish emergency employment support and information centres in order to improve information and access to job, training, micro-credit opportunities.

Strategy

This project will be part of the overall ILO framework of crisis response and reconstruction in Lebanon. The project will be implemented in two phases:

Phase I: Establishment of and support to emergency employment centres (\$190,000)

Phase I constitutes the establishment of three emergency employment centres in Tyre, Nabatieh, and Baalbeck. Sixteen staff will be loaned from the National Employment Office (NEO) to provide services in the three employment centres that will be established. They will be managed by a National Coordinator funded by the project. Staff of the Employment Centres will work closely with the NEO and will actively seek partnership with other agencies to ensure the widest possible range of cooperation. This collaboration will ensure that the project will have access to information on all reconstruction activities and projects in order to make a valuable contribution towards the reduction of skills gaps and unemployment levels.

Target Groups

Beneficiaries are people who lost their source of income during the war and those who were previously unemployed.

Immediate Objectives

Three emergency employment offices established in affected locations and 16 NEO staff oriented to carry out the services:

- A project implementation capacity established and operational.
- Emergency employment offices established in three locations.
- An information system is organized and installed to support project activities.

Employment and training opportunities identified and jobseekers referred to major projects, private sector employers and other employment options:

- Capacity of the employment offices to network with employers and training institutions strengthened.
- Links to training institutions and local support network established.
- Relevant statistics produced and available for distribution.

Phase II: Strengthening the capacity of the National Employment Authority and implementing a national programme for skill formation (\$2.2 million)

Phase II is aimed at strengthening the capacity of the National Employment Authority to provide better services. A detailed project document will be prepared for this purpose following a thorough needs assessment.

Main Activities

The offices will carry out the following tasks:

- Identify and register affected population who have lost their livelihoods;
- Establish computer software to support information requirements;
- Record and classify both job-seekers and job opportunities;
- Link and match job-seekers with job opportunities in ongoing reconstruction efforts;
- Produce relevant statistical information and make it available for distribution at the local level and national level.
- Assist in determining training needs, when needed;
- Refer job-seekers to short-term training (to be partially financed by the project) and to micro-credit opportunities, to enable them to effectively participate in the reconstruction effort;
- Map and liaise with local government, NGOs and private sector counterparts to pro-actively acquire job opportunities.
- Develop local government capacity to implement local employment services; and
- Produce a final project report that identifies lessons learned and presents recommendations for improvements to be made in NEO services and administration based upon the experience of the project.

Upon hiring, the national coordinator will develop a project workplan covering staffing, logistics, delivery of services, staff training, equipment purchase, software development and financial control procedures. Computer equipment for the three centers will be donated by the ILO. Software to support the registration of jobseekers and vacancies will either be adapted from the NEO system or from a system established by the ILO in other emergency employment service projects.

There will be a need to orient the NEO staff on the delivery of service in this context and on the operation of the software. ILO training materials are available; some are available in Arabic and some will need translation. Based on this orientation and under the supervision of the National Coordinator the staff of the three centres will carry out the services.

At the end of the project period, a report will be prepared on the lessons learned and recommendations for improvements to be made in NEO operations based upon the experience of the project.

PROJECT IDEA

Project Title: A National Employment Strategy for Decent Work in Lebanon
Location: Lebanon
Duration: 9 months
Estimated Budget: \$60,000 USD

Context

The war has exacerbated the need for a coherent employment strategy framework. Any effort towards social and economic reconstruction and medium and long term stability will require a clear vision for an employment strategy for Lebanon. It is necessary that such a strategy is reached through national tripartite dialogue. Independent and strong social partners can only contribute to good governance, a productive labour market and an institutional and legal environment for economic and social policy making.

Objectives

The objective of this initiative is to develop a coordinated and coherent employment strategy aimed at sustainable economic growth with decent jobs.

Target Groups

The primary beneficiaries are the social partners. This is in addition to all other stakeholders such as the Ministry of Economy and Trade, Ministry of Finance the Council for Reconstruction and Development, the Ministry of Social Affairs and the Prime Minister's Office.

Expected key Outputs

- National dialogue on employment and labour market management is established;
- The decent work agenda is promoted and endorsed as part of Lebanon's national agenda during post conflict reconstruction, and longer term economic reform and growth;
- Consensus is reached among social partners on substance of strategy;
- There is a clear implementation modality with specific roles and responsibilities for national actors;
- The strategy is endorsed by the government.

Major Activities

- Organize a high level national consultation.
- Establish a task force for developing the strategy and action plan.
- Organize 2-3 technical workshops to develop strategy objectives and action plan through a participatory approach with all national and local level stakeholders.
- Publish and disseminate national strategy and endorse it by Government.

PROJECT IDEA

Project Title: Emergency Assistance for Ensuring Employment and Income Opportunities in South Lebanon through the Production of Zaatar (thyme). (*A follow-up proposal to the ILO-funded project “Employment creation and income generation through the development of micro and small agro-industries in South Lebanon”*)

Location: Debel, Bint Jbeil

Duration: 3 months

Budget: US\$ 25,000 for phase I

Budget Estimate: US\$ 1,200,000 for Phase II tackling a geographical expansion of the production of honey and zaatar

Context

The ILO successfully collaborated with ESCWA in the implementation of the aforementioned project, which included the creation of employment and income opportunities for farmers in Debel, Bint Jbeil through the production of *zaatar*. The project ended on 30 June 2006 with over 500 kg of zaatar picked by nearly a dozen local women and men during their first harvest in late June. Two weeks later, war erupted in Southern Lebanon destroying most of the harvest that had been set to dry in a newly finished drying facility that was burned during the fighting. Furthermore, tank tracks stretching across the cultivated land destroyed zaatar plants and irrigation pipes. The local processing and packaging center that was to be used by the participants was also destroyed during the war.

Despite these odds, the participants expressed their commitment to continue this resilient project. This is because most zaatar plants survived the attacks and remained green, except those over run by tanks; a second smaller, but satisfactory harvest of zaatar was able to be realized in September 2006 after the crisis; and the irrigation system (pump, reservoirs) and irrigated greenhouse facility only suffered relatively minor damage. Contrarily, neighboring fields of tobacco and vegetables were completely destroyed. As such, the participants realized the income and employment potential from zaatar cultivation in the long-term and are willing to continue the project if provided with the assistance necessary to overcome the damages experienced by the war.

Project Strategy

To renew collaboration between ILO and ESCWA to generate employment and income opportunities for men and women served in the previous project through the production and marketing of zaatar. This would be achieved by repairing the damage caused by the recent crisis, and building upon the project’s success. In doing so the project would help to reduce migration from the destroyed areas of South Lebanon, demonstrate the dependability and resilience of zaatar cultivation relative to tobacco culture⁴⁷ and continue to realize economic opportunities for local beneficiaries. This would be achieved through technical assistance and the provision of various needs based support services.

⁴⁷ The cultivation of Tobacco is particularly undesirable as, aside from the detrimental health implications of the crop itself, it is also an activity that often employs children and disregards basic occupational safety and health measures.

Target Groups

Low-income women and men in Debel, Bint Jbeil who might otherwise leave South Lebanon.

Immediate Objective

Provision of immediate technical assistance to expedite recovery from the last war by providing employment opportunities and allowing families to generate income from Zaatar cultivation.

Main Activities

- Upgrade cultivation skills of zaatar farmers.
- Train farmers on packaging their production and ensuring compliance with food safety standards.
- Train farmers on marketing their produce.

(see over for pictures)

Selected Photos:



Participants planting purchased zaatar seedlings (September 2005)



Tank tracks run through the field of zaatar. Irrigation pipes were torn from network and now litter the ground (September 2006)



Participants propagating zaatar seedlings in project greenhouse, from clippings from cultivated zaatar plants and for expanding cultivation of project land (April 2006)



Drying facility that was burned during fighting, which destroyed zaatar harvest; however the building remains intact (September 2006)



Participants harvesting Zaatar (June 2006)



Hole created by unexploded missile on project land; albeit a zaatar plant remains green alongside it, surviving the attack (September 2006).

PROJECT IDEA

Project Title:	Employment and Income Generation through the Promotion of Cooperatives
Location:	South Lebanon and the Bekaa Valley
Duration:	Three years
Estimated Budget:	US\$1,780,000

Context

Prior to the last war on Lebanon, a number of agricultural and fisheries cooperatives in South Lebanon and the Bekaa valley (mainly agricultural in the latter), and an undetermined number of handicraft and small industry cooperatives were operational. The development of those existing cooperative enterprises especially at the small scale and the creation of new ones seem to be an appropriate way to contribute to the economic revitalization of that region because that type of organization not only provides jobs and revenue, but could also establish a firm base of human and material resources upon which further economic and social development is possible.

Project Strategy

The programme's general strategy is to promote a supportive environment for the cooperative both at the policy and legal level and to facilitate the delivery of services (technical and financial) to cooperatives by the partners of the programme.

Target Groups

The direct beneficiaries of the project will be fishermen, during the initial pilot phase of the project, followed by farmers and craftsmen, both women and men, and their cooperative enterprises (phase II). The project will also target women and men who are willing to join and create their cooperative enterprises.

Immediate Objectives

- A policy and legal framework conducive to the development and sustainability of cooperatives (fisheries, agricultural and industrial) is operational.
- Needs based support services to cooperatives, both financial and non-financial are available and affordable.

Main Activities

- In depth needs assessment survey;
- Establishing an action programme for cooperatives development;
- Establishing a legal framework conducive for the development of cooperatives;
- Carrying out training activities for cooperatives and building capacities of support institutions;
- Strengthening the capital base of cooperatives and ensuring a linkage with micro-finance institutions.

PROJECT IDEA

Project Title: Employment and Income Generation through Micro and Small Enterprise Development in the South
Location: South Lebanon (villages to be determined)
Duration: Two years
Estimated Budget: US\$2,650,000.-

Context

MSMEs' production and labour absorptive capacity in the southern suburbs of Beirut, the South of Lebanon and the Bekaa valley seems quite constrained by a variety of structural factors such as increased competitive pressure from imported products, the quality and cost of labour input in general, the quality of management and entrepreneurial inputs, and the inefficient production methods. Other constraints which are shared by enterprises of various sizes are related to the prevalence of a difficult business environment which is characterized by a strict regulatory regime and complicated legal and administrative procedures, accessibility to financial support schemes, availability of business management support services at affordable prices and securing a market for the goods and services produced.

Project Strategy

The proposed project primarily addresses the needs for improving the competitiveness and productivity of existing enterprises and fostering the development of new micro and small enterprises through the creation of a conducive business environment and the enhancement of existing institutional capacities for business promotion and the provision of needs based support services (financial and non financial).

Target Groups

The beneficiaries are the existing micro and small enterprises who will receive support for productivity improvement and competitiveness enhancement; and men and women who are willing to start their own business. At the regional and local level, public and private organizations/professional associations/NGOs and CBOs involved in and/or with potential to provide support services.

Immediate Objectives

- Information and knowledge of the MSE dynamics and contribution to employment in the South, made available and used as a basis for development of assistance programmes and provision of adequate, relevant and effective support services;
- MSEs capable to develop competitive strategies and implement productivity enhancement practices
- A network of local and regional institutions capable of providing support services to MSEs.

Activities

- Survey and data collection on MSEs and supporting institutions in the Southern region;
- Formulation of technical and business programmes for improvements in productivity and competitiveness to be provided for MSEs;

- Formulation and implementation of capacity building programme for supporting regional institutions for the provision of services.
- Establish a revolving fund (managed by an MFI) for the disbursement of micro small loans.

PROJECT IDEA

Project Title: Job Creation for Women Households through Micro and Small Enterprise Development in South Lebanon.
Location: South Lebanon (villages to be determined)
Duration: One year
Estimated Budget: US\$2,000,000

Context

In the aftermath of the war on Lebanon, there is a need to find effective ways of encouraging and supporting women-owned micro and small enterprises as a means to create employment and generate income for women household heads. Since the incidence of child labour is likely to increase as families seek all possible ways to secure income, the present project will help women household heads generate the required income for survival and avoid the solution of resorting to child labour.

Project Strategy

The programme's general strategy is to promote micro enterprise development for women household heads through the establishment of a unit at the Ministry of Social Affairs that will screen/select beneficiaries and coordinate the provision of a wide range of support services through establishing linkages with private sector service providers and MFIs.

Target Groups

The direct beneficiaries of the project will be women household heads who are willing to engage in a private micro/small initiative to generate income and ensure survival in the aftermath of the war. The project will also build the capacity of the ministry's employees working in the unit which will help people in need for social assistance.

Immediate Objectives

- Development of decent self-employment opportunities for women household heads.
- Unit at the Ministry of Social Affairs capable to undertake screening and appropriate selection of women in need of social assistance.

Main Activities

- Establishing a micro enterprise unit at the Ministry of Social Affairs;
- Carrying out capacity building activities to strengthen the capacity of the unit to screen and select people in need for social assistance and coordinate the provision of support services for micro/small enterprise start-ups.
- Establish linkages between the MOSA and private sector services providers in addition to micro finance institutions.
- Provide training and other support services to women household heads who decided to start their own micro/small initiative.
- Establish a revolving fund monitored by the MOSA and ILO and managed by an MFI for the provision of micro and small loans.

PROJECT IDEA

Project Title: One Time Cash Benefit for Workers Having Lost Their Employment as a Direct Result of the Conflict
Location: Lebanon (nationwide)
Duration: Three months
Estimated Budget: US\$ 25,000 (for the assessment, excluding the actual benefit payments)

Context

Due to the conflict in Lebanon, an estimated 40,000 farmers have been affected. The war resulted in extensive damage and destruction amongst orchards, plantations, greenhouses, poultry installations and honey beehives with most of the fruit and tobacco harvest being lost. Tourism was also severely affected by the war, with most of the estimated 30,000 seasonal workers in this industry having lost their jobs. A specific impact was suffered by approximately 5,000 fishermen and their families who lost their livelihoods as a result of the sea blockade, damaged ports from the North to the South of the country, the oil spill from the Jiyeh power station, and damage to fishing boats. In addition, some 2,000 industrial workers are estimated to have lost their jobs as a result of the companies they worked for being completely ruined by the war. A one-time cash benefit payment to those workers who were most affected, due to loss of their work, would provide those workers with a basic income support allowing them a certain period during which they can look for work and would thus serve to prevent them and their families from falling into poverty.

Project Strategy

The project strategy is to assist the government in mobilizing appropriate benefits through, firstly, identifying categories of workers most affected by the loss of earnings from work due to the conflict, and secondly the specification of timely and efficient modalities of payment.

Target Groups

The direct beneficiaries have needs of varying degrees of urgency, and may be grouped very broadly into categories as follows:

- Industrial workers in South Lebanon, where complete destruction of their workplaces has resulted in total lay-offs;
- Industrial workers in South Lebanon, selectively laid off because their workplaces were partially damaged;
- Workers elsewhere, laid off because their workplaces lost supplies or markets;
- Fishermen, agricultural workers/farmers and other seasonal workers (notably in tourism) who lost their usual work due to the conflict.

Immediate Objective

Appropriate financial support will be provided to categories of workers who have lost their employment due to the conflict and are thus without income.

Main Activities

Establishing an Action Programme for the payment of emergency cash benefits for those who have become unemployed due to the conflict. This will include:

- The identification of beneficiaries according to priorities determined in consultation with the government and relevant institutions;
- A cost estimation for the provision of the one time cash benefits;
- The design of appropriate payment modalities.

PROJECT IDEA

Project Title: Review of the National Social Security System and the Role of the “Caisse Nationale de Sécurité Sociale”
Location: Lebanon
Duration: One year
Estimated Budget: US\$ 400,000

Context

In Lebanon, social security is administered through the “Caisse Nationale de Sécurité Sociale”, or National Social Security Fund (NSSF). The NSSF provides⁴⁸ three main benefits: a cash lump sum “severance” benefit on termination of employment (targeted mainly towards those retiring from active, paid employment), health care benefit, and a so-called “family benefit”⁴⁹. The recent conflict has highlighted vividly a range of weaknesses. People are left unprotected, critically, as a result of the lack of provision under the NSSF of⁵⁰:

- *Unemployment benefits* for those losing involuntarily their employment; and
- *Longer-term income support benefits*, i.e. pensions, for the retired and aged population.

The NSSF is faced, in the present, post-conflict circumstances, by underlying difficulties related to both administration and policy, notably:

- *Financial difficulties* (contributions payable to the NSSF were reduced in 2001 without complementary measures being taken to maintain the financial integrity of the NSSF);
- *Effective outreach* only to the formal, not the more informal (and generally vulnerable), sectors of the economy;
- *Lack of enforcement of membership obligations*, with the consequence that even those workers who are covered under the existing rules, are not paying contributions to the system;
- *An administration which needs to regain the trust* and respect of many of its stakeholders.

The Government is aware of the need for modernization of the social security law and the administration, and a start has been made towards seeking Parliament’s approval. In order to provide a coherent framework – and the tool for the prevention and alleviation of poverty – it is necessary to bring in the principles underlying the ILO’s standards, in order to guarantee workers’ rights to social security.

⁴⁸ The NSSF operates on the principle of “risk pooling” through the mechanism of contributory social insurance.

⁴⁹ The family benefit was designed originally as a form of income “top up” at a time (late 1990s) when it was deemed necessary to restrict general increases in wages and salaries.

⁵⁰ The degree of income redistribution provided through the NSSF is quite limited, by comparison with many national social security schemes. Most countries, in addition, find that there is a need for a parallel system of social assistance, financed from tax receipts, to meet the needs of the most vulnerable and who are unable to participate in formal insurance schemes

Project Strategy

The project strategy is firstly:

- To conduct a critical review of the existing structure of benefits and contributions under NSSF,
- To assess the degree to which coverage under existing schemes falls short of the whole of the Lebanese workforce;
- To assess the difficulties of the administration relating to poor levels of compliance, financial constraints (due to reduced contribution rates), and the need to modernize the financial management of the NSSF (including the cycle of actuarial valuations),

And secondly,

- On the basis of these assessments to put forward specific and appropriate recommendations for reform or development of the scheme provisions and administration.

Target Groups

The direct beneficiary will be Lebanon in terms of a healthy and productive workforce and the Lebanese themselves in terms of guaranteed effective social protection, through the NSSF and otherwise. The NSSF itself will also benefit in terms of strengthened capacity, sustainability and regaining the trust of its stakeholders.

Immediate Objectives

The immediate objectives of the project are:

- To guarantee the financial sustainability of the NSSF;
- To extend social security coverage to workers not yet covered by the system;
- To set up an unemployment insurance scheme under the NSSF or otherwise;
- To provide elderly persons in need with a basic benefit.

Main Activities

The main activities are:

- To assist the Government in the design and implementation of a long-term scheme of social unemployment insurance, and the administration to manage this, whether or not through NSSF;
- To develop a programme for the progressive extension of social security coverage of workers, including those in the informal economy;
- To enhance the administrative capacity of the NSSF and to address needs with regard to financial and administrative governance, which must in particular institutionalize a programme of regular and open actuarial valuations;
- To assist the Government in the assessment, design and implementation of a scheme of old-age pension benefit, which may include both a contributory element (administered through NSSF) and a universal or social assistance component, which should be based on a careful assessment of the actual social needs of the elderly;
- To assist the Government in redrafting the social security legislation accordingly.

PROJECT IDEA

Project Title: Employment Generation and Business Promotion through Capacity Building of Contractors and Trainers.
Location: Rural Lebanon
Duration: One month
Estimated Budget: US\$40,000

Context

The conflict has resulted in serious damages mainly in South Lebanon and Beirut, including key economic and transport infrastructure due to Israeli bombardments. Key infrastructure sustained extensive and targeted damages includes roads, bridges, the power and water supply systems, sewage, sanitation and waste disposal systems. The damage to housing and road infrastructure affects both the livelihood of the local population and the economic activities in the conflict-affected and surrounding areas. The conflict has also led to an increase in the rate of unemployment due to closure of the shops and business activities.

To address the post conflict challenges in terms of re-employment and business development in construction and infrastructure, skill development for the local people, particularly for those affected by the war is a key to the re-building of their livelihoods. Investment in housing and infrastructure reconstruction is used as a tool not only to deliver physical outputs, but also to generate quality jobs with decent working conditions. Such goals could be achieved through involvement of local construction contractors in the recovery and reconstruction efforts subject to having their administrative and managerial capacities of employment-intensive works built.

Project Strategy

The project objective will be achieved through capacity building of contractors and enhancing the training capacity of vocational trainers in labour-based technologies.

Target Groups

Small and medium sized contractors
Vocational trainers from various regions of Lebanon

Immediate Objective

The development objectives are to expand employment opportunities and improve living and working conditions in rural Lebanon through skills and business development in the housing and infrastructure reconstruction.

Main Activities

- A 3-day training course is organized in Lebanon for 20 local and small and medium sized contractors, focusing on project formulation, implementation and evaluation of employment-intensive works in areas of choice of technology and its impact on job creation, quantities and costing estimates, tendering and contracting, recruitment and wage setting, working conditions.
- A 20-day training course is organized in Lebanon for 30 vocational trainers from various regions of the country. This training is mainly centered on technical aspects for road works, including labour-based methods of road construction, reconstruction and maintenance, management of labour, setting

out – horizontal and vertical alignment, planning of work such as labour, hand tools, equipment, etc., reporting and monitoring, measurement and quantifying of activities, quality control measures, soil conservation and environmental protection measures.

PROJECT IDEA

Project Title: Contribution to the Elimination and Prevention of the WFCL caused by the Post- Conflict Situation in South Lebanon.
Location: South of Lebanon and Suburbs of Beirut
Duration: 1 year
Estimated Budget: US\$250,000

Context:

ILO is currently implementing Phase II of project entitled “Supporting the National Policy and Programme Framework (NPPF) for the Elimination of the Worst Forms of Child Labour (WFCL). Action Programmes were developed in the district of Nabatieh and in the suburbs of Beirut for the implementation of direct interventions aiming at the “Withdrawal and Prevention of Children from the Worst Forms of Child Labour”. The July war exacerbated the child labour problems and resulted in new needs. Child labour, in particular the WFCL, is expected to increase as children are attracted to work in precarious and hazardous jobs and are encouraged to drop-out from schools due to the massive destruction and damage done to school buildings, in addition to the pressing dramatic income shortages of households in the affected areas.

Beneficiaries:

Working and at-risk children and their families, social workers and teachers-public and semi-private schools- non-formal educational centres- municipalities and local community

Project’s strategy:

The project will adopt an integrated strategy that focuses on building the capacities of key institutions, whilst introducing short term interventions to withdraw and prevent children from the WFCL. In addition to training key local institutions, this will be achieved through the retention of at-risk children in the school system, the improvement of the working conditions of children above 15 years; the provision of vocational training; and the linkage of educational intervention with psycho-social support

Objective

The objective of this intervention is to address the child labour challenges, especially in relation to the WFCL, in the post-conflict situation through an integrated strategy.

Expected Outputs:

The following outputs are expected:

- Capacity of local key institutions to address child labour problems enhanced.
- Education and non-educational services provided to targeted children.
- Parents and local community informed on new child labour challenges

Main Activities:

- Train social workers and teachers on: remedial education methodology; psycho-social support for children in crisis; and OSH monitoring.
- Provide formal and non-formal educational sessions for working and at-risk children (literacy and remedial classes).

- Develop appropriate vocational training programmes to be provided to the targeted children.
- Provide psycho-social support for targeted children.
- Provide incentives for targeted children, including scholarships and educational material in order to help them enroll in school.
- Organize awareness raising meetings with parents and employers.

PROJECT IDEA

Project Title: Strengthening the National Machinery for the Advancement of Women's Employment in Lebanon
Location: Lebanon - Beirut
Duration: 18 months
Estimated Budget: US\$ 302,500

Context

The establishment of a Women Workers' Department in the Ministry of Labour is an initiative that has been extensively discussed and suggested by the Minister of Labour to begin to work toward taking positive action to enhance gender equality, prevent discrimination in the world of work and improve women's employability through appropriate policies, legislation, and programmatic interventions.

Project Strategy

The project's strategy is to establish and start building capacity for a Women Workers' Department in the Ministry of Labour in Lebanon. With the activation of this Department, the project will build the basis for improving women's employability and gender equality in the world of work in Lebanon.

Target Groups

The direct beneficiaries and the main counterparts of the proposed action are the staff of the Women Workers' Department in MOL together with other Ministry staff working on labour issues. Other direct beneficiaries of the project will be the members of an extended tripartite national working group on women's employment, including national women's machineries, MOL, MOSA, workers' and employers' organizations, relevant research outfits and women's NGOs. Indirect beneficiaries will be Lebanese women workers.

Immediate Objectives

- To establish an active Women Workers Department within the Ministry of Labour.
- To raise the awareness of Women Workers' Rights

Main Activities

- Capacity Building of the Women Workers' Department within the MOL through establishing the technical and operational capacity of the Department.
- Coordination and Networking between the Women Workers' Department and the other related governmental and non governmental institutions.
- Knowledge base creation. Through participatory, qualitative and institutional research, this component will provide a conceptual framework on the nature, extent, size, gaps on the gender dimensions of employment in Lebanon.
- Information and Knowledge Sharing. This component will promote the distribution of crucial data and information on women workers to relevant stakeholders in Lebanon.

PROJECT IDEA

Project Title:	<i>Towards Counting As Workers: Protecting the Rights of Women Migrant Domestic Workers in Lebanon through a Participatory Action Process</i>
Location:	Lebanon
Duration:	18 months
Estimated Budget:	US\$ 900,000

Context

A large majority of women migrants to Lebanon are employed as domestic workers, rendering valuable services in the households of their employers and providing an economic lifeline for their families and communities in their countries of origin. It is this category of migrant workers that is most vulnerable to abuse and exploitation by employers and placement agencies in the receiving countries. The government of Lebanon is faced with the challenge of regulating the process of recruitment and the working conditions of migrant domestic workers, combating trafficking and providing redress in case of abuse.

Project Strategy

The project's strategy is to improve the situation of women migrant domestic workers in Lebanon ensuring favourable working conditions and a regulated environment that protects their rights.

Target Groups

The project invests most of its efforts on building the capacity of national institutions in managing and monitoring migrant domestic workers' issues, as well as ensuring them the fulfillment of their basic rights. Therefore, the project will involve directly the Ministry of Labour, Ministry of Interior with its several branches, Ministry of Social Affairs, Ministry of Information, Ministry of Finance and Economy, Ministry of Education, National Statistical Offices, Trade Unions, NGOs, private employment agencies women migrant domestic workers before and during their work and Lebanese employers.

Immediate Objectives

- 1- To enhance the capacity of the MOL and other key players to manage, coordinate and monitor the protection of women migrant domestic workers in Lebanon.
- 2- To increase the awareness on the rights of migrant domestic workers among the public and the media in Lebanon.

Main Activities

- Establishment of an efficient Department of Foreign Workers at the MOL.
- Creation of effective legal, complaining, regulating and supporting mechanisms to protect the rights of migrant domestic workers.
- Enhancement of coordination mechanisms among all bodies involved with labour migration based on social dialogue.
- Launching of a media campaign on the rights of migrant domestic workers.
- Development and publication of research studies on migrant domestic workers in Lebanon.

PROJECT IDEA

Project Title: Capacity Building of Social Partners and Strengthening Social Dialogue
Duration: Three months
Budget: US\$1,500,000
Location: National level

Context:

Lebanon is presently engaged in a process of physical, economic and social reconstruction. Both the government and the social partners agree that challenges regarding the long standing issues on employment and labour market governance have become more prominent after the war. Government laissez-faire policies have been largely associated with restrictive wage policies, a campaign for labour market/ labour legislation flexibility, limitations in services of the social security fund, individualization of working conditions and an unbalanced system of taxation. Such issues, if left unresolved, could be disadvantageous to sound industrial relations, social peace and political stability.

In the face of all these challenges and in order to respond to the pressing issues related to labour market governance and sustainable industrial development, the promotion of tripartite and bi-partite dialogue that encourages acceptable solutions to conflicting issues is the only sure way of ensuring the interests of the social partners as well as the national interests at large. This cannot be achieved without strong social partners who will have the capacities to engage in policy making at the national, sectoral and enterprise level.

However, the current capacity of the social partners as well as the MoL to perform effectively their roles and to undertake a substantial policy reform through dialogue remains to be a serious challenge. The MoL is under-resourced and under-staffed with limited innovative skills. The EO, who enjoys relatively high rates of membership, can still improve its capacities in terms of extending better services to members, improving negotiating skills and introducing a social agenda. The WO, who suffers weakness in its membership, also reveals inherent structural problems which are largely responsible for the weakness of the labour movement as a viable and active social actor. Moreover, the labour-management relations in Lebanon are weak and dialogue between the government and the social partners remains unstructured and powerless.

Moreover, the respective attitudes of both government and social partners vary from genuine commitment to social dialogue to the avoidance of formal dialogue institutions with strong preference to political lobbying. Even though tripartite bodies do exist, this lack of genuine interest to dialogue or lack of capacities and negotiation skills might undermine efforts to promote a more pragmatic approach in national consensus building on pressing economic and social issues and might lead social partners into more politicization.

Development Objective

A strengthened labour relations environment for economic development and social stability

Target Groups:

Ministry of Labour, Employers' Organizations and Workers' Organizations (ILO constituents)

Project Strategy:

The project strategy will build on the achievements of the government, social partners and previous ILO technical assistance. Its objectives and strategy will contribute to Lebanon's national development priorities by way of broadening participation in the decision making process. The main areas of intervention are outlined in the four immediate objectives below:

Immediate Objective 1: A more effective labour administration enforcement mechanisms in place.

To achieve this objective, employers and workers need to be fully aware of the national legislations that govern the labour market and Lebanon's international obligations towards international conventions and agreements; and government needs to have in place an effective labour administration policy, labour inspection mechanism and labour market information system for policy analysis.

Labour Law Reform: with the technical assistance from the ILO, the government and social partners would agree on a set of recommendations to reform the labour law to bring more into conformity with ILO Core Conventions and ratified ILS. Upon termination the new law is to be endorsed by the competent authorities.

Labour Administration: The aim is improving the legal framework that governs the operations of labour administration and inspection officers to ensure transparency, independence and impartiality. Staff of the Ministry will be trained in how to formulate sound and practical labour and employment strategies and practices that are consistent with international labour standards and meet the needs of employers and workers. The capacity of the Labour Migration Unit will also be strengthened. Planning, follow-up, supervision, information analysis and reporting will be key areas of training. In addition, a planning and technical cooperation unit will be established and assistance will be provided to the Ministry to fully automate its operations.

Labour inspection: The aim is to contribute to Lebanon's development through the planning and implementation of a labour inspection system that is more efficient and effective, and ensures that labour protection standards are maintained and improved. At the end of the project, an efficient system of inspection will be devised and all inspectors will have been retrained to perform all tasks as required by their job descriptions.

Immediate Objective 2: Sustainable and effective social dialogue and dispute settlement mechanisms established.

Industrial Relations and dialogue: The aim is to strengthen the Joint tripartite Committee (agreed on in a meeting held in September 2006). The project aims at supporting this advisory committee by way of providing technical advice, upgrading skills and capacities of its members to analyze, debate and advice on active labour market policies that better respond to the needs of the partners. Focus will also be on supporting the secretariat of this advisory committee charged with facilitating formal contacts and acting as a focal point for all information.

Dispute prevention and settlement: The project will assist the Ministry to develop its capacity to play a role in advising and motivating employers and workers to introduce new modalities of dialogue and cooperation. The Ministry has to revamp the industrial relations unit to put in place Social Dialogue and Workplace Cooperation activities required to improve labour-management relations in enterprises, prevent labour disputes, and encourage workers and managers to elevate their common interests over conflicting issues.

Immediate Objective 3: Sound Employers' and Workers' Organizations more capable of representing the interests of their constituency.

The above approach will help strengthen the process of tripartism and consultation between the main players. However, in order for this process to be credible and sustainable, it is critical that the roles and responsibilities of employers and workers organizations be reviewed.

Employers Organizations: The employers' organizations, which enjoy a relatively high rate of membership, have traditionally played a limited role in industrial relations. Technical assistance will be provided by the project on internal legal and administrative regulations; organizational structures. Employers and their representatives will be trained on negotiating skills, collective bargaining at different levels and dispute prevention.

The project also aims to increase and expand its services, ILO will assist ALIND in its endeavors to establish and develop new units, namely the department for international affairs and the department for membership promotion. This will be achieved through consultative and advisory services;

Another objective is to develop the technical capacity and know how of the newly established units, ILO will assist ALIND to build the technical skills of the staff required for these two units. This will be achieved through training activities;

A fourth objective is to promote entrepreneurial spirit and providing job opportunities, ILO will assist ALIND to organize training for new entrepreneurship opportunities in specific economic sectors where competitiveness, market orientation and cost effectiveness exist.

Workers Organizations: The trade unions are aware of their relative weaknesses, particularly their inherent structural problems. These problems have largely been responsible for the limitation of the labour movement as a social actor, particularly, in terms of dwindling influence over policy making and securing the material well being of workers. Moreover, the General Federation of Labour (CGTL) and its affiliates experience the same challenges as employers with regard to labour-management relations. In addition, to collective bargaining and labour dispute prevention and settlement training there is a need for a large scale educational programmes to workers at large on their rights and responsibilities under the new legislation. The

project will respond to an urgent need to introduce fundamental changes in its organizational structures, that date back to the late fifties, by way of developing an action plan to help the CGT in its efforts to address the structural shortcomings through an integrated advisory and technical assistance programme.

Immediate Objective 4: Reviving the Economic and Social Council

Convinced by the need to enhance dialogue with and between employers and workers, the Lebanese government established the Economic and Social Council. However, the council is yet to be operational. This project will support the Council in establishing its mission statement, regulations and operational mechanisms. It will upgrade the skills and capacities of its members to analyze debate and advise on active labour market policies that better respond to needs. Focus will also be on supporting the secretariat of this labour advisory council charged with facilitating formal contacts and acting as the focal point for all information.

PROJECT IDEA

Project title: Assessment of the Impact of the War on People with Disability
Location: Lebanon
Duration: 3 months
Budget: USD5,000

Context:

The recent war on Lebanon has left many people in Beirut, the South and the Bekaa valley displaced and negatively affected. Among them, families and persons with disability whose homes were completely destroyed lost all facilities and equipment that kept them either independent at home or relatively secure. These people and their families have found themselves in a very vulnerable condition pushing some of them to seek shelter in institutions far away from their homes living in very difficult conditions. In addition, some institutions for disabled people were either completely or partially hit.

Project Objective:

Assessment of the consequences of the war on the livelihoods of people with disability.

Main Activities:

- To conduct a study to cover the nature and degree of damages that institutions for people with disability have suffered.
- Track a sample of 100 cases of persons with disability in Beirut and South Lebanon to study and analyze how they have been affected by the last events and determine how to assist them getting back to their normal lives.

ANNEX 4

MISSION TERMS OF REFERENCE AND AGENDA

1. The mission will take place from 12 to 21 September 2006. It will:
 - i. Assess the impact of the conflict on Employment Decent Work.
 - ii. Define ILO's strategies to respond to the Decent Work challenge posed by the conflict, in close consultation with ILO Constituents.
 - iii. Provide inputs to the UN integrated assessment and the Recovery Strategy Framework.
 - iv. Identify and design initial ILO Rapid Employment Impact Projects.
 - v. Identify and design medium and long term ILO supported response programmes.
2. The technical areas that will be included in the mission are: crisis response, employment intensive investment, employment policy, SMEs, social security, social dialogue.
3. Scope of work:
 - The mission (each specialist in their respective area) will assess available information and identify additional information needs and set in motion as appropriate immediate information and data collection.
 - The mission will clarify the status of the common UNCT approach to the post crisis recovery phase and the role of ILO within the working groups structure.
 - The mission will establish contacts with key Ministries, UN Agencies and donors, as well as other relevant organizations.
 - At the end of the mission ILO will share with the Government its report on the achievements of the mission and the broad lines of action suggested.
 - Share the mission findings with UN/RC (idem).

**ILO Multi-Disciplinary Mission on Needs Assessment to Lebanon
13 – 21 September 2006**

Mission Agenda

Wednesday, 13 September 2006

- 09:00** Meeting of the delegation with Dr. Youssef Qaryouti
Place: ILO-RO Premises
- 11:00** Meeting with Minister of Labour, H.E. Dr. Trad Hamadeh
Place: Ministry of Labour Premises
- 13:30** Meeting with Association of Lebanese Industrialists President, Mr. Fadi Abboud
Place: Association of Lebanese Industrialists Premises
- 15:00** Meeting with CGTL
ILO-RO Premises

Thursday, 14 September 2006

- 09:30** Meeting with Minister of Social Affairs, H.E. Mrs. Nayla Mouawad
Place: Hazmieh
- 11:00** Meeting with World Bank Representative, Mr. Radwan Chaaban (OIC)
Place: UN House
- 13:00** Meeting with Minister of Economy & Trade, Dr. Sami Haddad
Place: Azarieh Bldg.
- 15:30** Meeting with UN Resident Coordinator/UNDP Representative, Ms. Mona Hammam
Place: UNDP - UN House

Friday, 15 September 2006

- 09:00** Meeting with UNHCR Regional Representative, Mr. Stephane Jaquemet
Place: UNHCR Premises
- 10:00** Meeting with Minister of Youth & Sports, H.E. Dr. Ahmed Fatfat
Place: Ministry of Interior

- 12:30** Meeting with Council of Development & Reconstruction President, Mr. Nabil Al Jisr
Place: CDR Premises
- 14:00** Meeting with National Employment Office, Mr. Abdel Ghani Chahine and Mr. Nijad Chalhoub
Place: ILO-RO Premises
- 14:00** Meeting with ESCWA, Ms. Mervat Tallawy
Place: UN House

Saturday 16 September 2006

- 11:00** Meeting with Samidoun, NGO
Place: Tyre
- 12:00** Meeting with Head of Tyre Municipality/ Head of Union of Tyre and Zahrani Municipalities, Mr. Abdel Mohsen Al Hussaini
Place: Tyre
- 13:30** Meeting with Head of Fishermen Syndicate
Place: Tyre

Monday, 18 September 2006

- 10:00** Meeting with Head of Saida Municipality/Head of Union of Saida & Zahrani Municipalities, Dr. Abdel Rahman El Bizri
Place: Saida Municipality
- 11:30** Meeting with South Governor, General Malek Abdel Khalik
Place: Saida
- 13:00** Meeting with Head of Shqif Municipalities, Mr. Samih Halal (all municipalities will be present)
Place: Nabatieh Municipality
- 14:00** Kamel Yousef Jaber Social and Cultural Centre
Place: Nabatieh

Tuesday, 19 September 2006

- 10:00** Meeting with Council for the South President, Mr. Qabalan Qabalan
Place: Bir Hassan
- 11:00** Meeting with Association of Lebanese Industrialists – Mr. Oueini and Mr. Bizri
Place: Association of Lebanese Industrialists Premises

- 12:00** Meeting with Prime Minister Fouad Siniora
Place: Serial
- 13:00** Meeting with World Bank– Mr. Zafiris Tzannatos
Place: UN House
- 14:30** Central Administration for Statistics, Ms. Najwa Yaacoub
Tariq Haq, Rasha Tabbara, Badra Alawa – Ms. Kulke & Mr. Woodall
Place: CAS Premises
- 16:00** Meeting with Minister of Public Works & Transport, H.E. Mr. Mohamed El Safadi
Place : Burj El Ghazal Bldg

Wednesday, 20 September 2006

- 10:00** UNDP – Ms. Zeina Ali Ahmad & Ms. Maha Yehia – Ms. Kulke & Mr. Woodall
Place: UN House
- 11:00** Meeting with CGTL, Mr. Ghassan Ghosn
Place: CGTL Premises
- 15:00** Meeting with Mr. Ziad Firzli, Head of SME Unit at the Ministry of Economy & Trade
Place: MoET
- 18:00** Meeting with EU – Mr. Federico Birocchi, Deputy Operations, and Mr. Marco Berti.
Place: Charles Helou Avenue

Thursday, 21 September 2006

- 10:00** Meeting with Social Security Department – Ms. Kulke & Mr. Woodall
Place: Social Security - Corniche el Mazraa
- 11:30** Meeting with Minister of Labour - Ms. Kulke & Mr. Woodall
Place: Ministry of Labour

ANNEX 5

LIST OF INTERLOCUTORS

ILO Multi-Disciplinary Mission on Needs Assessment to Lebanon 13 – 21 September 2006

Prime Minister, H.E. Mr. Fouad Siniora
Minister of Social Affairs, H.E. Ms. Nayla Mouawad
Minister of Youth & Sport, H.E. Dr. Ahmed Fatfat
Minister of Labour, H.E. Dr. Trad Hamadeh
Minister of Economy & Trade, H.E. Dr. Sami Haddad
Minister of Public Works & Transport, H.E. Mr. Mohamed El Safadi

Council of Development & Reconstruction, President Mr. Nabil Al Jisr
Association of Lebanese Industrialists, President Mr. Fadi Abboud and his team Mr. Oueni, Mr. Bizri
CGTL, President Mr. Ghassan Ghosn
Head of SEM Unit at the Minister of Economy & Trade, Mr. Ziad Ferzly
National Employment Authority, Director General Mr. Abdel Ghani Chahine & *Head of the Employment Bureau*, Mr. Nijad Chalhoub

South Governor, General Malek Abdel Khalek
Head of Saida Municipality/Head of Union of Saida & Zahrani Municipalities, Dr. Abdel Rahman Bizri
Head of Union of Shqif Municipalities, Mr. Samih Halal
Head of Tyre Municipality/Head of Union of Tyre & Zahrani Municipalities, Mr. Abdel Mohsen Al Hussaini
Council for the South, President Mr. Qabalan Qabalan & Director General Mr. Hashem Haidar
Head of the Fishermen's Cooperative in Sarafand, Mr. Ali Badran
Social & Cultural Centre. Nabatiyeh, Mr. Kamel Yousef Jaber

European Union, Second Secretary, Mr. Federico Birocchi, Programme Officer, Ms. Emilie Larese
UNDP Representative/UN Resident Coordinator, Ms. Mona Hammam
UNDP, Programme Manager NHDR, Ms. Maha Yahya
ESCWA Under Secretary General, Ms. Mervat Tallawy
World Bank, Mr. Radwan Chaaban (OIC) and his team, Adviser, Mr. Zafiriz Tzannatos, Lead Operations Officer, Ms. Haneen Sayed.
UNICEF Representative, Mr. Roberto Laurenti
UNHCR Representative, Mr. Stephane Jaquemet
FAO Representative, Dr. Jawad Mahjour (OIC)

ANNEX 6

LIST OF ILO MISSION MEMBERS

Officer in Charge for ILO Regional Office for Arab States, Mr. Yousef Qaryouti
Senior Specialist on Employers Activities, Ms. Lama Nasr
Senior Specialist on Workers Activities, Mr. Walid Hamdan
Specialist on Employment, Mr. Jinchang Liu
Senior Socio-Economic Recovery Specialist, Mr. Antonio Cruciani
Specialist on Social Security, Ms. Ursula Kulke
Specialist on Social Security and Development Planning, Mr. John Woodall
Specialist on Employment Policies, Ms. Mary Kawar
Specialist on Small Enterprise Development, Ms. Rania Bikhazi
Specialist on Employment Development and Strategies, Mr. Tariq Haq
Programme Assistant, Ms. Rasha Tabbara
Programme Assistant, Ms. Rabia Jalloul
Verifier, Mr. Ghassan Harmoush