Roadmap for Scaling Up Green Entrepreneurship

Lebanon



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Authors: Alessandro Miraglia and Claudia Pani, Project Managers, SCP/RAC

Graphic Design: Florencia Cufré Meyer

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1.1 Methodological Approach

As part of the policy component of the SwitchMed Green Entrepreneurs and Civil Society component, an extensive and participatory assessment has been conducted to analyse main barriers and drivers leading to the development of the Circular and Green Economy in Lebanon. A White Paper has been developed in 2017 to gather and reflect the view and experiences of green entrepreneurs, CSOs, BSOs and key institutional stakeholders on the challenges, opportunities and strategies for the promotion of green entrepreneurship and grassroots ecological and social innovation in Lebanon. The following document completes the "Switchers Support Programme – Regional Scaling Up Roadmap" and relies on a mixed-methods analysis approach based on data collection and semi-structured interviews undertaken from January 2017 till June 2018.

1.2 Initial situation

Lebanon has great-untapped potential to move specific value chains toward green development in addition to a flourishing, highly resilient and liquid financial economy with an intense consumption pattern and poor public service delivery system.

Green and social entrepreneurship appear to be on the rise in Lebanon. However crosscutting contextual, legal, financial and technical challenges limit sector aggregation and expansion.

Most of the services offered in Lebanon follow a similar model and are focused on harnessing the power of entrepreneurialism to create measurable impacts as the result of successful ventures. Lack of specialisation and quality delivery mechanisms together with the absence of programme exit points hinder the efforts national Business Support Organizations (BSOs) devoted to green early stage entrepreneurship programmes. Green and social entrepreneurial services and service providers are not efficiently connected to the detriment of match-making and specialisation. BSOs aggregation and sector definition would greatly help to focus on environmental impact, leveraging aid effectiveness and raising investments.

To establish high quality support programs and attract external resources to support technically and financially these programs, the Business Support Organisations should be more integrated and should embed aggregated impact measurement at sector level. Sustainability of the whole impact business support system is at stake if opportunities across different value chains are not seized and networking and delivery mechanisms do not adapt to a more flexible and integrated system.

Lebanon is gradually restoring its political stability and advancing at strategic level to mainstream SCP and Green and Circular Economy in different sectors. However there is a substantial lack of regulatory, economic and communication instruments exacerbated by the absence of permanent multi-stakeholder mechanisms and voluntary instruments.

Efforts are expended to limit, exclude or substitute use of harmful substances and to promote extended producer responsibility for the treatment or disposal of post-consumer products.

Green Entrepreneurship Ecosystem Map*—Lebanon

*The map structure has been built upon the World Bank report "Igniting Climate Entrepreneurship in Morocco" - World Bank Group, April 2017

nternational	Business Support Or	ganisations	Networks		Academic & Research
ARABNET • Creative Med HIVOS Impact • UN ENVIRONMENT nvestments • UN ENVIRONMENT Med Up (Oxfam) • UN ENVIRONMENT ENDEAVOR • UN ENVIRONMENT UNIDO • UN ENVIRON The Next Society • SANAD SwitchMed • UN ENVIRON	Incubators and Accelerators • Fondation Diane • Flat6Labs • BIAT • UK Lebanon Tech Hub • Speed • Bader • Nawaya Network Smart ESA • Tripoli E. Club	 Berytech € S Agrytech € S South BIC Alt City Makhzoumi F. € INJAZ Lebanon Make Sense € Beyond R&D ELCIM € S 	• Lebanese Social Economy Network • Rural Entrepreneurs Leban • Livelihood Cluster –LHF	on	 Saint Joseph University AUB, Nature Conservation Centre Industrial Research Institute ESA Industrial Research Institute LCPC
World Bank • EBRD IFC • EU EIP AICS • European Inv. Bank AFD EU MADAD FUND	Finance • Kalafat 🛞 • IM Capital 🛞 • Al Fanar Lebanon MEVP 🛞 • AEP • Viridis Fund 🛞	• IDAL 🛞 • Banque du Liban 🛞 • ZOOMAL 🛞 • IBL Bank	Ministry of Environm Ministry of Industry Ocentral Bank of Leb Affairs Ministry of Was	Energy Conservation tent Prime Minister Office anon Ministry of Socia	al

Only Green Entrepreneurs

Also Green Entrepreneurs

 (\in) Direct Funding Provision

3.1 Vision

A systemic approach has been used by breaking the program reference system into minimum and iterative components to facilitate the identification of leverage points, effective interactions or specific shifts which have the power to produce positive changes.

The scaling-up vision for Lebanon is to support the transition to a greener, more circular and fairer economy by efficiently leveraging the social and networking capital entrepreneurialism brings, providing services and products to a more integrated industrial system and harnessing regulatory and economic instruments.

Operation, Management, Policy and Mind-set areas have been explored analysing the existing casual nexus with a higher potential to leverage a change in the whole reference system and gaining traction toward Green and Circular Economy in the Country.

3 Vision and Leverage Points

Level of intervention	ID	Potential Leverage Actions	Institutional support
OPERATION	1	Increase and diversify geographic service's outreach	• Partnership building among national-based BSOs and local authorities (Dpt. of Municipal Affairs)
	2	Encourage cross-cutting approaches and increase mentorship match-making	Access to data and prospects at value chain level (MoI, MoF, MoET)
	3	• Focus on quality rather than quantity by increasing support in A2M and A2F	• Establishment of climate oriented public-private financial mechanisms (Central Bank of Lebanon)
			 Trust-building and technical assistance measures in favour of public and private stakeholders to stimulate green entrepreneurship-oriented support mechanisms
			 Promotion of arm's length markets and development of green market infrastructures using existing entrepreneurship programmes
	4	 Innovate service delivery mechanisms using digital platform and remote management tools 	Fine-tuning, standardisation and technical transfer of green business development methodologies
	5	 Implement monitoring and evaluation to build and communicate environmental impact 	• Capacity building to integrate Result Based Management from the outset of incubation processes
MANAGEMENT	6	Establish a Public-Private Green Entrepreneurship Service Network	• Existing SDGs-oriented BSOs with established business development programme in the country and key public stakeholders promoting sustainable development services
			Ministry of Environment and sector-focused BSOs to facilitate networking processes around three strategic areas: Service Delivery, Policy and Advocacy/Communication
	7	Foster integration of services along the 'entrepreneurial journey'	• Development of an ad hoc national working group, e.g. Technical Assistance Task Force, focused on promoting integrated business development services
	8	Set impact communication joint strategies	• Development of an ad hoc national working group, e.g. Communication and Advocacy Task Force, engaging specialised entrepreneurship media outlets and education-based BSOs
	9	 Improve multi-stakeholder and multi-disciplinary consultations and engagement of research and academic institutes 	 Inclusion of Research/Academic institutions in the working groups of specific Networks.
	10	Improve mutual accountability mechanisms through performance monitoring	 Technical assistance to build performance management review processes at cluster/ sector level and optimisation of performance monitoring procedures
			Link strategic sector/cluster communication plan to performance monitoring

3 Vision and Leverage Points

Level of intervention	ID	Potential Leverage Actions	Institutional support
POLICY	11	• Extend the scope and sectors of green entrepreneurship financing mechanisms via soft-loans addressing entrepreneurs at different business cycle stages	 Public-private financing mechanisms able to operationalise economic instruments to enable sustainable development measures
	12	• Extend existing interest-free, long-term loans to other key strategic sectors	Banque du Liban to replicate NEEREA extending green financing mechanisms
	13	• Develop Public Private Partnership (P3 and CBPP3*) to arrange financing and delivery of long-term services enabling green entrepreneurship	• Ministry of Interior and Municipalities (MOIM) liaising with Ministry of Environment and Local Authorities to pilot PPP in key SCP and circular economy sectors
	14	 Establish policy dialogue pathways which can stimulate sector aggregation and legal recognition of green enterprises 	Ministry of Environment and LSE Association to promote legal definition of green enterprises
MINDSET	15	 Engage in Citizen Science and crowd-sourced research activities on key issues at national level (i.e. solid waste management, water and energy efficiency, marine and coastal ecosystems protection) 	 Academic institutions (UAB, Saint Joseph University) already engaged in sustainability research projects and outreach educational programmes
	16	• Establish and formalise a national community of Green Entrepreneurs and network it at regional level to envisage global challenges, offering local solutions	 Switchers Community and existing social economy networks (LSE Association) empowered to develop advocacy and communication strategies
	17	 Reinforce and highlight solutions offered by Green Entrepreneurs by developing impact-oriented storytelling strategies for the sectors 	 Switchers Community supported by specific media outlet (ARAB NET, WAMDA) and impact-oriented agencies (ALFANAR) to pool communication and awareness-raising efforts
	18	• Enhance the demand of green upstream services and product supply at value chain level triggering markets opportunities and symbiosis	 National and local Chambers of Commerce, industries councils and public administrations to include green entrepreneurs among their constituents

*Community Based Public Private Partnership

4.1 Scaling-up Roadmap

The suggested roadmap is the result of an in-depth analysis conducted in the 8 target countries and validated through 14 interviews to key stakeholders in Lebanon. The Roadmap harnesses selected mapped leverage points to envisage change pathways and trigger green entrepreneurship in Lebanon.

Level of the Intervention - Operation

Leverage Point	Activity	Time Frame
3	• Developing A2F self-diagnostic tools to enable ideation/early stage Green Entrepreneurs understand and manage their financial needs.	• Short-term
	 Mobilizing financial support by intensifying A2F capacity building and facilitating impact financing instruments. 	• Medium term
	 Increasing awareness and visibility of impact financing by analysing trends and evolution of main impact investing stakeholders. 	• Long-term
	 Developing A2M self-diagnostic tools to enable ideation/early stage Green Entrepreneurs understand and manage their market needs. 	• Medium term
	• Establishing a funding facility to sponsor Green Entrepreneurs' participation to fairs and business event.	• Short-term
	 Improving existing program's multi-sided marketplace and organize. 	• Medium term
4	 Systematizing and fine-tuning existing business model development and incubation methodologies and developing an integrated technology to support green entrepreneurs. 	• Medium term
	 Standardising business support development by digitalising and developing ad-hoc web- based application to improve access to knowledge and match-making. 	• Medium term
5	 Developing a MEAL system enabling performance measurement both at program and business level 	• Short-term

Level of the Intervention - Management

Leverage Point	Activity	Time Frame
6 - 8	 Launching a constitutive process to establish a green entrepreneurship network at national level. 	• Short-term
	• Developing internal management structure and minimum governance standards.	Medium term
	• Establishing internal working groups and facilitating functional division of labour among constituents.	Medium term
	• Transferring methodologies/technologies and providing technical and financial assistance.	Medium term
	• Developing and implementing a network action plan to foster green entrepreneurship in the Country.	Medium term
10	 Developing an internal business model and articulating a financing scheme to fund network's operations 	• Medium term
10	• Embedding Monitoring and Evaluation frameworks to enable knowledge management and evidence-based advocacy outputs.	• Long-term

Level of the Intervention - Policy

Leverage Point	Activity	Time Frame
11	• Enabling the Switchers Fund in Lebanon and articulating internal financial mechanisms to ensure accountability and transparency.	• Medium term
	• Engaging existing impact-oriented financing schemes to allocate funds to 100% green funding mechanisms	• Medium term
12 - 13	 Replicating NEEREA funding model to other key sectors such as urban solid waste management engaging Municipalities and in line with the Lebanese Strategy on Integrated Solid Waste Management 	• Medium term
	 Piloting PPP at Municipal level using Open Innovation approaches and enabling local green entrepreneurs' participation through entrepreneurship-sensitive public projects. 	• Medium term
14	 Enhancing visibility and encouraging aggregation of local green entrepreneurs through existing networks (LSE Association, The Switchers Platform). 	• Long-tem
	 Assisting key public stakeholders to develop ad-hoc legal instruments to support green entrepreneurship under the umbrella of a Social Economy national regulatory framework. 	• Long-term
	 Assisting key public stakeholders to uphold green entrepreneurship via multilateral decision-making mechanisms (Barcelona Convention). 	• Long-term

Level of the Intervention - Mindset

Leverage Point	Activity	Time Frame
15	 Mapping existing researches and promoting integration of green entrepreneurs and CSOs in university leaded climate-change investigations via the Switchers Platform. 	• Medium term
	• Disseminating evidence-based reports using non-traditional communication channels and media.	• Long-term
16	• Establishing and assisting a national chapter of the Switchers Community by linking it to the green entrepreneurship network.	• Short-term
17	 Implementing evidence-based impact communication and advocacy activities following the green entrepreneurship network's action plan. 	• Medium term
18	 Implementing communication and awareness-raising activities targeting traditional business sector representatives and promoting ad-hoc agreements. 	• Long-term

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Sant Pau Art Nouveau Site – Nostra Senyora de la Mercè Pavillion. Carrer Sant Antoni Maria Claret, 167. 08025 Barcelona (Catalonia) Spain.

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