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ANNEX I

of the Commission Implementing Decision on the Special measure in favour of Lebanon for 2022

Action Document for Food & Resilience Facility and EU Response to the Syrian Crisis: Improving living conditions and resilience of host communities and refugees in Lebanon

ANNUAL MEASURE

This document constitutes the annual work programme in the sense of Article 110(2) of the Financial Regulation, and a measure in the sense of Article 23(4) of NDICI-Global Europe Regulation.

1. SYNOPSIS

1.1. Action Summary Table

1. Title OPSYS Basic Act	Food & Resilience Facility and EU Response to the Syrian Crisis: Improving living conditions and resilience of host communities and refugees in Lebanon Annual measure in favour of Lebanon for 2022 OSPYS business reference: NDICI-GEO-NEAR/2022/ACT-61023 ABAC Commitment level 1 number: JAD. 1023966 Financed under the Neighbourhood, Development and International Cooperation Instrument (NDICI-Global Europe).
2. Team Europe Initiative	No
3. Zone benefiting from the action	The action shall be carried out in Lebanon.
4. Programming document	Not applicable
5. Link with relevant MIP(s) objectives/expected results	Not applicable
PRIORITY AREAS AND SECTOR INFORMATION	
6. Priority Area(s), sectors	160 (Other Social Infrastructure & Services)
7. Sustainable Development Goals (SDGs)	Main SDG: SDG 1: No poverty - End poverty in all its forms everywhere

	<p>Other significant SDGs:</p> <p>SDG 2: Zero Hunger - End hunger, achieve food security and improved nutrition and promote sustainable agriculture</p> <p>SDG 5: Gender equality - Achieve gender equality and empower all women and girls</p> <p>SDG 8: Decent work and economic growth - Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all</p> <p>SDG 10: Reduced inequalities - Reduce inequality within and among countries</p> <p>SDG 16: Peace, Justice and Strong Institutions - Promote peaceful and inclusive societies for sustainable development, provide access to justice for all and build effective, accountable and inclusive institutions at all levels</p>			
8 a) DAC code(s)	<p>160 – Other Social Infrastructure & Services</p> <p>16010 Social Protection Sector : 46%</p> <p>16020 Employment creation : 39%</p> <p>311- Agriculture: 15%</p>			
8 b) Main Delivery Channel	<p>20 000 Non-Governmental Organisations (NGOs) and Civil society</p> <p>21 000 International NGOs</p> <p>40 000 Multilateral Organisations</p>			
9. Targets	<p><input checked="" type="checkbox"/> Migration</p> <p><input type="checkbox"/> Climate</p> <p><input checked="" type="checkbox"/> Social inclusion and Human Development</p> <p><input type="checkbox"/> Gender</p> <p><input type="checkbox"/> Biodiversity</p> <p><input checked="" type="checkbox"/> Human Rights, Democracy and Governance</p>			
10. Markers (from DAC form)	General policy objective	Not targeted	Significant objective	Principal objective
	Participation development/good governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Aid to environment	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Gender equality and women's and girl's empowerment	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Reproductive, maternal, new-born and child health	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Disaster Risk Reduction	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Inclusion of persons with Disabilities	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Nutrition	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	RIO Convention markers	Not targeted	Significant objective	Principal objective

	Biological diversity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Combat desertification	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change mitigation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
	Climate change adaptation	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
11. Internal markers and Tags	Policy objectives	Not targeted	Significant objective	Principal objective
	Digitalisation	<input type="checkbox"/>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
	Tags			/
	digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital governance	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
	digital entrepreneurship	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital skills/literacy	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	digital services	<input checked="" type="checkbox"/>	<input type="checkbox"/>	
	<u>Connectivity</u>	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
Tags			/	
digital connectivity	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
energy	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
transport	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
health	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
education and research	<input checked="" type="checkbox"/>	<input type="checkbox"/>		
Migration	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
Reduction of Inequalities	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>	
COVID-19	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
BUDGET INFORMATION				
12. Amounts concerned	<p>Budget line: 14.020110 - Southern Neighbourhood</p> <p>Total estimated cost: EUR 89 000 000</p> <p>The contribution is for an amount of EUR 74 000 000 from the general budget of the European Union for 2022.</p> <p>This action is co-financed in joint co-financing by:</p> <p>- The Ministry of Foreign Affairs of Denmark for an amount of EUR15 000 000</p>			
MANAGEMENT AND IMPLEMENTATION				
13. Implementation modalities (type of financing and management mode)	<p>Project Modality</p> <p>Direct management through:</p> <p>Procurement</p> <p>Indirect management with the entities to be selected in accordance with the criteria set out in section 4.3.2</p>			

1.2. Summary of the Action

For the last years, Lebanon has been facing compounded challenges with its largest peace-time socio-economic and financial crisis, intensified by the impact of the COVID-19 pandemic on key sectors of the economy and the consequences of the explosion of the Port of Beirut in 2020. More than 80% of the Lebanese population live in multidimensional poverty according to UN estimates. Poverty, currency devaluation and hyperinflation have provoked a substantial increase in food insecurity, particularly among the most vulnerable population, further aggravated by the negative impact of Russia's war of aggression against Ukraine, which is affecting the access to food and essential agricultural inputs. Lebanon has been hosting the largest number of refugees per capita in the world for more than a decade, with currently over 1.5 million Syrian refugees, a number equivalent to 25% of its population, and around 200.000 Palestinian refugees. Despite the continuous humanitarian assistance, almost 90% of Syrian refugee households are below the Survival Minimum Expenditure Basket, and are not able to afford the essential goods and services to ensure their minimum living standards.

Accordingly, the Overall Objective of this 60-month action is to improve the living conditions, food security and the resilience of the most vulnerable communities in Lebanon through three specific outcomes (1) reduce socio-economic insecurity of refugees and hosting communities ; (2) increase the local sustainable production of key crops contributing to food security and import substitution; and (3) increase the access, with a local and gender sensitive focus, to decent economic opportunities and livelihoods capacities of vulnerable populations. It builds on interventions funded by the EU Trust Fund in response to the Syrian crisis and the NDICI Special Measure 2021, to ensure the follow-up of the EU's involvement on social protection and self-reliance¹ of refugees and host communities in Lebanon. The Action proposes to support the implementation of the National Social Protection Strategy which covers social assistance, social welfare and economic inclusion and labour activation. The Strategy has been prepared in collaboration with the Ministry of Social Affairs, civil society, main actors, the World Bank and donors. The Action will also support the productivity of small and medium-size farmers so as to increase local food production having a direct impact on the food security of the most vulnerable, while creating job opportunities for refugees and host farming communities.

Taking into account the Council conclusions on Lebanon of the 7 December 2020², the action responds to the political commitments made at the Brussels Conferences³ on "*Supporting the Future of Syria and the Region*" co-hosted by the European Union and the United Nations in 2020 and 2021 and builds upon actions of the EU Regional Trust Fund in Response to the Syrian Crisis. The action also includes EUR 25 000 000 from the regional 'Food and Resilience Facility' (FRF) launched by the European Commission to mitigate the impact of Russia's war against Ukraine on the EU's partner countries⁴. The FRF will both cover outcome 1 (EUR 10 000 000) and outcome 2 (EUR 15 000 000). It is also aligned with the Joint Communication "*A Renewed Partnership with the Southern Neighbourhood – A new Agenda for the Mediterranean*"⁵, in particular its priority "*Strengthen resilience, build prosperity and seize the digital transition*" and the Flagship 1 "*Support to social sectors, education, skills and health*" and the Flagship 6 "*Inclusive economies.*" The action will contribute to several Sustainable Development Goals, in particular the SDG 1 on ending poverty in all its forms everywhere and SDG 2 to end hunger, achieve food security and improved nutrition and promote sustainable agriculture.

¹ "Self-reliance" is the term used in the humanitarian field to refer to the social and economic ability of an individual, a household (HH), or a community to meet its essential needs in a sustainable manner.

² <https://www.consilium.europa.eu/media/47184/st13730-en20.pdf>

³ The overarching objective of the Brussels Conferences is to continue supporting the Syrian people in Syria and the region, and mobilise the international community in support of a comprehensive and credible political solution to the Syria conflict, in line with UN Security Council Resolution 2254. https://www.eeas.europa.eu/eeas/brussels-vi-conference-supporting-future-syria-and-region_en#44907

⁴ https://ec.europa.eu/commission/commissioners/2019-2024/varhelyi/announcements/commission-acts-support-food-security-and-resilience-southern-neighbourhood_en

⁵ JOIN(2021) 2 final on 09.02.2021

The action is also aligned with the “*Reform, Recovery and Reconstruction Framework (3RF)*” launched by the European Union, the United Nations and the World Bank in December 2020 in response to the explosion of the Port of Beirut. The action also feeds into the “*Lebanon Crisis Response Plan (LCRP)*”.

The interventions to be implemented for a period of five years will build on the experience and lessons learnt of the current programme linking social protection with livelihoods and food security, and will reinforce the activities leading to success and the best practices.

2. RATIONALE

2.1. Context

Since the last years, Lebanon has been facing a deepening socio-economic and financial crisis. According to the World Bank, the financial crisis that Lebanon is going through is “one of the top ten, possibly top three most severe economic collapses worldwide since the 1850s”. In 2021, real GDP is estimated to decline by 10.5% following a 21% contraction in 2020. The Lebanese Pound lost around 90% of its value against the US dollar since the end of 2019, which has caused triple-digit inflation as most production inputs and consumption goods are imported from abroad. Lebanon’s social and economic woes are being further exacerbated by the negative impact of Russia’s war against Ukraine, which mostly affects: (i) food access and availability, due to possible shortages in imports of crucial foodstuff and agricultural inputs; (ii) shortages in fuel items due to the global rise in energy prices, and commodity prices more generally, aggravating Lebanon’s energy crisis and inflation-depreciation spiral.

Lebanon’s leadership policy responses to these multiple challenges have been highly inadequate, which is not so much related to knowledge gaps and quality advice, but rather the result of a dysfunctional governance system based on vested interests hampering the achievement of political consensus over effective policy initiatives. More than 80% of the Lebanese population would be living in multidimensional poverty, nearly doubling from 42% in 2019⁶. The monthly minimum wage is now less than USD100 and prices of food and non-alcoholic beverages increased by more than 1,000% in the last 24 months. Households are facing difficulties in accessing basic services, including electricity, health care, water supply/sanitation and education. The current economic crisis has resulted as well in a massive impoverishment of the middle classes, with the bulk of the labour force - paid in LBP – including civil servants - suffering from plummeting purchasing power.

Lebanon has been hosting the largest number of refugees per capita in the world for more than a decade, with currently over 1.5 million Syrian refugees according to the Government of Lebanon (839,000 registered with UNHCR), a number equivalent to 25% of its population, and around 200,000 Palestinian refugees. Some 88% of Syrian refugee households are below the Survival Minimum Expenditure Basket, and are not able to afford the essential goods and services to ensure their minimum living standards. Food remains the main priority of Syrians in Lebanon, when it comes to households expenditures, according to the monitoring reports of cash assistance provided monthly⁷ and food safety and security is the main sector of intervention under the Lebanon Crisis Response Plan (LCRP)⁸. Legal employment options for Syrian refugees are formally limited to three sectors, i.e. agriculture, construction and waste collection. Households continue to resort to negative coping mechanism, including not sending their children to school. With rising poverty, competition over jobs and resources for survival is increasing, creating a high risk of social tensions between refugees and host communities.

⁶ Multidimensional Poverty in Lebanon (2019-2021): Painful reality and uncertain prospects”, UN ESCWA, 2021 (available online).

⁷ Multi-purpose cash assistance 2021 Post-Distribution Monitoring Report <https://reliefweb.int/report/jordan/multi-purpose-cash-assistance-2021-post-distribution-monitoring-report-0>

⁸ The LCRP is a joint plan between the Government of Lebanon and its international and national partners aiming to respond to the challenges of the Syrian crisis in Lebanon.

In response to the explosion of the Port of Beirut in August 2020, the EU, jointly with the United Nations and World Bank developed, in close cooperation with the Government of Lebanon, Lebanese civil society, and the international community, the “*Reform, Recovery and Reconstruction Framework (3RF)*”, launched in December 2020. The social protection sector is included under the pillar III “*Social protection, social inclusion and culture*” through actions at reform and policy level, at investment/program level and at institutional strengthening level. The action also feeds into the LCRP.

In the absence of an efficient fiscal policy for social protection, sustainability has been a key issue with regards to both social assistance and access to labour market for the poor and vulnerable social groups (people with disabilities, elderly). The ***National Strategy on Social Protection***, supported by the EU and developed by the ILO and UNICEF, has been approved by the Lebanese government in April 2022. The Strategy promotes three main principles: universality, shock responsiveness and financial sustainability. It represents the first attempt to translate the commitment of the Government of Lebanon to carry out social reforms into a concrete, integrated and cross-sectoral approach, in order to progress from fragmented silos to a nationally coordinated and inclusive system. With this action, the EU will continue to support the implementation of the Strategy, including through supporting an integrated social registry.

Taking into account the Council conclusions on Lebanon of the 7 December 2020⁹, the action responds to the political commitments made at the Brussels Conferences on “*Supporting the Future of Syria and the Region*” co-hosted by the European Union and the United Nations in 2020 and 2021 and builds upon actions of the EU Regional Trust Fund in Response to the Syrian Crisis. It is also aligned with the Joint Communication “*A Renewed Partnership with the Southern Neighbourhood – A new Agenda for the Mediterranean*”, in particular its priority “*Strengthen resilience, build prosperity and seize the digital transition*” and the Flagship 1 “*Support to social sectors, education, skills and health*” and the Flagship 6 “*Inclusive economies.*” This action is particularly relevant in the current context in Lebanon, due to the sharp increase in poverty and vulnerabilities among refugees and host communities, and given the limited prospects for durable solutions to the displacement of close to 1.5 million Syrian refugees in the country. The action will contribute to several Sustainable Development Goals, in particular the SDG 1 on ending poverty in all its forms everywhere.

In May 2022, following a request of the Lebanese government, the World Bank approved a EUR 150 million loan for the Lebanon Wheat Supply Emergency Response Project, which once approved by Parliament will provide financial resources for ensuring wheat availability and price stability in the context of Russia’s war on Ukraine.

In order to mitigate the impacts of the war against Ukraine, the European Commission has launched a regional “*Food and Resilience Facility*” (FRF) worth EUR 225 million to address short and medium term needs of the Southern Neighbourhood partners, of which EUR 25 million have been allocated to Lebanon. In the short term, the objectives of the FRF are to respond to commodity shortage emergencies, contribute to balance of payment stabilisation, sustain local social protection and social safety net systems, which are faced with an additional acute crisis. In the medium to longer term, the Facility aims to help to sustain local agricultural systems and to support the development of less input-intensive and more climate relevant agricultural practices. It should also contribute to the sustainability of local agri-food systems and help partners from the Southern Neighbourhood diversify and move away from their over dependency on crops/cereals importations, including by shifting towards less water-intensive varieties, crops and agricultural practices. Part of the action will therefore contribute to SDG2 on reducing hunger and increasing agricultural productivity and income of small-scale farmers.

The Action will support the ***promotion of sustainable social and economic development and decent work in Lebanon*** in line with EU values, the European Pillar of Social Rights and the Sustainable Development Goals, as well as with the priorities identified by the IMF for a possible future programme in Lebanon¹⁰. The Action

⁹ <https://www.consilium.europa.eu/media/47184/st13730-en20.pdf>

¹⁰ “IMF Reaches Staff-Level Agreement on Economic Policies with Lebanon for a Four-Year Extended Fund Facility”, 7 April 2022,

will contribute to several sustainable development goals, the main one being the SDG 1: No poverty – End of poverty in all its forms and everywhere, and SDG 2: Zero hunger - End hunger, achieve food security and improved nutrition and promote sustainable agriculture

EU added value

While the EU continues to support inclusive social assistance, social services, and access to the labour market for the extremely poor and vulnerable individuals in Lebanon (including Palestinian and Syrian refugees), policy dialogue is focused on reform and sustainability. The Action will continue with the support given to social protection, food security and resilience since several years and specifically on the new programme linking social assistance with livelihoods that started mid-2022. This action will apply the lessons learnt of the previous interventions, including from the support provided for agriculture and food security under the EU Trust Fund in response to the Syrian crisis.

2.2. Problem Analysis

Short problem analysis

According to the recent Multi Sector Needs Assessment¹¹, the multi-layered crisis in Lebanon contributed to rising food insecurity, barriers to access healthcare, protection concerns, stress and vulnerabilities at households and individual levels amongst “Lebanese host communities, migrants, and Palestine refugees in Lebanon”. Due to the difficulty to cover basic expenditures and needs, vulnerable families have been pushed to send their children to work. Children are being forced to leave the school in order to support the households for any kind of income. The weak provision of services and well-being for elderly deprived this category from their basic human rights and dignity rights.

Unemployment among Lebanese is increasing with one in five workers having lost their jobs since October 2019 and 61% of formal firms having decreased the number of permanent workers by 43% on average. In addition, Micro, Small and Medium Enterprises (MSMEs), cooperatives, entrepreneurs and small-scale farmers have been struggling to finance their minimum recovery and sustainability needs due to the limited liquidity of the financial sector, tight regulatory and monetary controls, and limited capacity of local financial institutions to meet capital and reserve requirements. Employment among refugees and poor and vulnerable Lebanese is mainly characterised by being informal, short-term, unequal (including in terms of salaries), almost inexistent for people with disabilities and in general under precarious conditions. According to ILO, there are high rates of informality, with 77.8% of total employment being informal, – or labour that is not subject to national labour legislation, income taxation, social protection or entitlements such as paid leave¹². Legal restrictions for the employment of refugees affect both the Palestinian refugees who are barred from more than 39 liberal professions and the Syrian refugees who de facto are limited to three sectors not limited to the Lebanese (agriculture, construction and waste management). According to the ILO, the potential of skills testing and certification should be further explored to improve employability, mobility, lifelong learning, social inclusion, and self-esteem¹³.

Lebanon is highly dependent on imports for most consumption, and domestic agri-food production satisfies only 20% of local demand¹⁴. Approximately 80 percent of the consumer’s food basket is imported, including of cereals, with Ukraine and Russia being the main suppliers. In 2021, 27.1% of all fats and oils, and more than 50% of all grains (74% in the case of wheat) imported by Lebanon were from Ukraine. Combined, Ukraine and Russia have provided more than 90% of all wheat imported by Lebanon since 2018.

<https://www.imf.org/en/News/Articles/2022/04/07/pr22108-imf-reaches-agreement-on-economic-policies-with-lebanon-for-a-four-year-fund-facility>

¹¹ https://www.impact-repository.org/document/reach/be948f1b/REACH-MSNA_2021_Report_Leb_Mig_PRL_April-2022.pdf

¹² https://www.ilo.org/beirut/projects/WCMS_714581/lang--en/index.htm

¹³ https://www.ilo.org/beirut/publications/WCMS_832793/lang--en/index.htm

¹⁴ Lebanon National Agriculture Strategy (NAS) 2020–2025, Ministry of Agriculture

A food system analysis conducted by the FAO in 2022¹⁵ confirmed that local food production is insufficient to meet the country's food needs, with the agricultural sector being heavily dependent on imported agricultural inputs such as seeds, materials and equipment.

The limited production capacity has been reducing the potential contribution of agriculture to food security, particularly for the most vulnerable farmers. This already alarming situation has been drastically exacerbated since the invasion of Ukraine and the consequent disruption on its wheat and oil exports and global increase in energy prices, directly affecting the importation of agricultural inputs, which are becoming scarcer and unaffordable for the majority of small and medium-size farmers, hence further compromising agriculture and food production in Lebanon.

The food system analysis also found that inadequate, inefficient and unsustainable land and water resources use and management practices are adversely affecting the sustainability of the food system, which in turn is increasing the country's vulnerability to climate change.

Decades of neglect of the agricultural sector have provoked the abandonment of approximately 20% of total arable land, according to the 2010 Agricultural Census¹⁶. In recent years, the crisis is pushing many land owners to go back to their old abandoned lands aiming to restore them and restart cultivation. These new lands need small investments to restore their productivity, and most of these new farmers are in bad need of technical support on basic agricultural practices, as well as financial support to buy agricultural inputs.

Thus small and medium size farmers, who represent the backbone of food security in the country, need urgent support to access quality agricultural inputs and improve their land use and management practices, so as to restore and expand their productive capacities in key crops for local food security. The progressive deterioration of this key sector represent a huge social costs as well as an increased risk of pushing the country towards further vulnerability and instability.

The agricultural sector in Lebanon also provides livelihood opportunities for both Lebanese host community members and Syrian refugees, with the current crisis compromising the livelihoods of the most vulnerable communities as well as the much needed revitalisation of agriculture and food production in Lebanon.

With the support of the EU and international donors, social assistance has been scaled up for Lebanese extremely poor under the National Poverty Targeting Programme (NPTP), benefitting over 60,000 families with a view to reach 75,000 by the end of 2022. Most recently, the World Bank has started to implement the Lebanon Emergency Crisis and COVID-19 Response Social Safety Net Project (ESSN) as concessionary loan to provide social assistance for 12 months under the same criteria and methodology as the NPTP and reaching 147,000 extremely poor families in 2022¹⁷. Social assistance to Lebanese through these programmes is disbursed in foreign currency to avoid loss of value. With international support, over 245,000 household identified as poor and extremely poor, receive monthly social assistance under the multi-purpose cash assistance and the food e-vouchers programmes managed by the WFP and UNHCR. The EU and major donors has been supporting this social safety net for the refugees in the spirit of humanitarian and development nexus.

While social assistance continues to be a requirement for social stability and food security in Lebanon, and to meet the basic needs of the majority of the population, the fragmentation of assistance and the political instabilities has delayed the concerted efforts to build a social protection system managed by the Government of Lebanon. A unified registry for social protection in Lebanon is critical to increase the cost-effectiveness of assistance, as well as referral to social services and labour market activation. This has become particularly challenging in a context where different actors implement international and national funding, and report under different frameworks such as the 3RF, the Lebanon Crisis Response Plan, and the Lebanon Humanitarian Fund. The absence of a unified social registry hampers alignment and harmonisation assistance and the possibility of graduation from full aid dependency into diversified income security.

¹⁵ FAO, European Union and CIRAD. 2022. Food Systems Profile – Lebanon. Catalysing the sustainable and inclusive transformation of food systems. Rome, Brussels and Montpellier, France. <https://doi.org/10.4060/cb9543en>

¹⁶ Lebanon, Ministry of Agriculture, FAO & Cooperazione Italiana. 2012

¹⁷ <https://thedocs.worldbank.org/en/doc/517791610478201970-0280022021/original/MENALebanonESSNFactSheetEnglish.pdf>

Durable solutions for those displaced by the Syrian crisis remain difficult. None of the three solutions, presently and in the near future are achievable at large scale in Lebanon. In the short-term perspective, the EU and the international donors have focused on contributing to temporary solutions, upholding protection space in refugee-hosting countries and supporting sustainable livelihoods and self-reliance, as this is an important element for the decision to return by refugees, if and when conditions for return become more conducive.

Identification of main stakeholders and corresponding institutional and/or organisational issues

The primary stakeholders and direct beneficiaries of this proposed action are poor, extreme poor and social vulnerable groups. The Actions aims to contribute to maintaining cash assistance to a minimum of 60,000 Lebanese households and to 36,000 refugees' households. Financial support will be provided to farmers for the purchase of agricultural inputs. Besides, at least 500 individual will benefit from technical and vocational education and training, and some 100 businesses with growth potential will be supported.

Before the Lebanese elections in May 2022, the Prime Minister re-activated the Inter Ministerial Committee on Social Policy in November 2021, following the second Consultative meeting of the 3RF. The Committee has been tasked to work on the approval of the National Social Protection Strategy.

The Ministry of Social Affairs (MoSA) is the key actor in terms of social assistance, social services and livelihoods, for which it is responsible for providing guidance and support. MOSA is also leading, together with the UN, the Lebanon Crisis Response Plan in response to the Syrian refugee crisis. However, it has limited capacity to ensure its leadership in the coordination and alignment of the complex interventions provided by the different actors (EU, ILO, UNICEF, UNESCWA, WFP, UNHCR, NGOs). The diversity of support coupled with the sharpened political focus on social protection requires strengthened sector aligned and strategic response and reinforced leadership¹⁸. MoSA provides social services at local level through the social development centres (SDCs).

The Ministry of Labour (MoL) governs the labour market, regulates labour relations and enforces labour law. Understaffed, with a limited budget and low technical capacity, its activities are restricted mainly to administrative work and limited labour inspections. It co-leads the LCRP *Livelihoods Working Group*.

The Ministry of Agriculture (MoA) is the main institution influencing the agricultural environment in Lebanon, regulating the agricultural sector in terms of production, processing, marketing, and trade; controlling and monitoring the implementation of laws and regulations; and supporting the development of the sector mostly by providing extension services, planning and coordination of agriculture related projects, and collecting data and statistics as well as conducting socio-economic research.

The Lebanese Agriculture Research Institute (LARI) is an institution attached to MoA, in charge of agricultural research. It has its separate, independent, budget and is generally regarded as an efficient institution. Its research programs aim at providing farmers with answers to their production concerns and needs. LARI laboratories analyze and test food quality and safety. LARI has initiated essential research aiming at developing local production of seeds and seedling, currently almost non-existing. It has recently developed a tissue culture program that could positively impact several value chains, including the potatoes value chain, and which could help Lebanon reduce its reliance on imported agriculture inputs.

Municipalities play an important role to reinforce social cohesion and reduce tensions at local level but suffer from substantial lack of funding and permanent delays in receiving their state budget allocations. They rely on external support to ensure the provision of basic local services and especially for local development activities. Municipalities are the entry point for all community programs which they approve. Municipalities

¹⁸ SO 2 of the EUTF action "EUTF support to social assistance to vulnerable refugees and host communities affected by the Syrian crisis in Lebanon" was the strengthening of MoSA's coordination structure; the efforts already undertaken have achieved the institutionalisation of a Steering Committee on the implementation of the National Poverty Targeting Mechanism, with the participation of all stakeholders and chaired by MoSA and the EU. Increased coordination is needed at the Ministry and Prime-minister office to ensure the coherent implementation of different types of social assistance to refugees and Lebanese beneficiaries.

selected for the programme will respond to defined criteria mainly based on the level of poverty, number of refugees and level of tensions.

Civil society organisations have a key role in the implementation, monitoring and advocacy related to cash assistance provided in Lebanon. Lebanese and international NGOs will be engaged in regular forums for coordination, including the Social Safety Net Forum and the Livelihoods Working Group. In addition, they will be key players in the preparation and implementation of component 2 of this Action, managing the delivery of employment services and livelihoods at local level, and advancing policy dialogue and advocacy activities.

Cultivated lands in Lebanon cover less than 25 percent of the country's surface and there are approximately 170 000 farm holdings, of which 25 percent of their production is primarily for subsistence¹⁹; land ownership is characterised by substantial inequality and fragmentation; 1 percent of landowners control approximately a quarter of total agricultural land surface, while 10 percent control around two-thirds of the agricultural land; Larger producers and holdings are more likely to produce for export and thus reduce the supply of food to local markets²⁰, while small and medium-size ones mostly sell in the local market. Smallholders suffer from low yields and very limited profit margins, access to related knowledge, information, and extension services, which has been identified as one of the most critical hindrances to efficient and sustainable agricultural development²¹.

Private sector/employers play an important role in providing job opportunities for vulnerable groups through a well-coordinated approach with relevant stakeholders including professional associations. Local institutions are key stakeholders to refer the beneficiaries to the private sector willing to recruit employees.

2.3. Lessons Learned

The EU remains a leading donor investing in social protection in Lebanon. Several evaluations are underway, which will inform the implementation of the current action: 1) the external evaluation of the consortium of NGOs CAMEALEON, funded through the EU Trust Fund Madad, to monitor the quality of monthly cash assistance provided to refugees, 2) the external evaluation conducted by the Commission (ECHO) for the ongoing WFP- UNHCR programme providing monthly cash assistance to poor and vulnerable refugees, and to which the EU Delegation. Local initiatives undertaken by the civil society have been successful, also with the support of the EU through several ongoing initiatives, including the Regional Development and Protection Programme, but advocacy and policy dialogue on key issues stemming from implementation of assistance have been limited. Lessons learnt from ongoing initiatives will be applied to increase the role of this important component in the present action.

Donor coordination on social assistance for refugees in Lebanon, in which the EU plays a key role, has informed best approaches with regards to social assistance to Lebanese, thus providing a good ground for the set-up of a social protection system in Lebanon. Ministerial collaboration, with especially with the Ministry of Social Affairs, has been crucial in advancing the Social Protection Strategy and other policy documents developed over the past few years. Ongoing support through safety nets to both Lebanese and refugees has shown the limitations of graduation from social assistance into income based on economic activity, particularly given the deteriorating socio-economic conditions in Lebanon over the past few years. In addition, the implementation of the current NPTP and ESSN programmes has shown the need to refer families and individuals receiving social assistance to other services, including labour market opportunities, through the creation of a unified registry for social protection in Lebanon.

¹⁹ Lebanon Agricultural Census, Ministry of Agriculture, FAO, and Cooperazione Italiana, 2012

²⁰ FAO, European Union and CIRAD. 2022. Food Systems Profile – Lebanon. Catalysing the sustainable and inclusive transformation of food systems. Rome, Brussels and Montpellier, France. <https://doi.org/10.4060/cb9543en>

²¹ McKinsey National Strategy (McKinsey, 2018)

The “*Lebanon Crisis Response Plan 2017-2021 Best Practices Compendium*” has noted the limitations to sustainability, in particular due to regulatory constraints with regards to the inclusion of refugees such as limited access to the labour market, but has also noted the importance to link provision of assistance and services for refugees and Lebanese²².

Livelihoods interventions, by generating additional income for both host and refugee populations, aim to contribute to community development and improve social cohesion. The current action will build on the 2019 EU Trust Fund Madad Sector Evaluation for Livelihoods projects and on the 2021 Results Oriented Monitoring conducted for the EU Trust Fund Madad Regional Development and Protection Programme II²³. Projects face difficulties to address the strategic level and influence labour legislation including provision for increased formal job opportunities and work permits for refugees. Recognising that long-term employment opportunities can only be achieved by the private sector, businesses need support to boost their development and their employment generation capacity, especially in the most vulnerable areas. Support to small and medium enterprise needs to identify flexible and innovative financial mechanisms including a blended finance approach (loan interest subsidies, loan cash top-up, grants ...). Technical and Vocational Education and Training can increase participants’ confidence, skills, job readiness and thus insertion in the labour market.

Under the EU MADAD Trust Fund, since October 2019 the EU is financing the project ‘Enhancing resilient livelihoods and food security of host communities and Syrian refugees in Jordan and Lebanon through the promotion of sustainable agricultural development’. Implemented by FAO (leading implementing partner) and WFP, in coordination with the MoA, the project aims at improving the livelihoods and food security of vulnerable agriculture-based host communities and Syrian refugees in Lebanon. The project has supported so far more than 6,000 vulnerable farmers through agricultural vouchers, training and financial assistance, including for the rehabilitation of newly reclaimed arable land, and it is contributing to the development of the first comprehensive farmers’ registration in Lebanon. It also started to set up a Farmer’s Registry, to ensure access to agriculture and social services to farmers and access to social security and assistance benefits. Many of the activities proposed under this action have been tested under this ongoing project, and will benefit from the use of similar methodology, technical improvements incorporated by the project, existing data bases and a number of lessons learned which will allow a quick delivery of results. A Result Oriented Monitoring of this project found it very relevant, concluding that ‘The agricultural sector offers win-win income generation opportunities for both, Syrian refugees and hosting communities’.

Coupling livelihoods with basic assistance helps to allow people to scale up their skills. Providing the beneficiaries with a small wage and/or incentive to join vocational training, and/or soft skills training like work-based learning or short-term employment opportunities. These incentives are necessary in fragile contexts where employment is scarce. The duration covered should be extended for medium-term periods allowing the beneficiaries to improve their skills while guarantying their financial income for a stable period of time.

Working at local level involving main actors and the municipalities is essential to reduce tensions and the biased perception of the support benefiting only refugees. Providing the municipalities with short-term employment opportunities and the capacity to refurbish, rebuild or build local infrastructure reinforces the trust on the local authorities allowing promoting social cohesion. Collaboration and coordination within the different organisations operating, including at central level, should ensure appropriate referrals and common advocacy.

While none of the three durable solutions are considered an option for the majority of the Syrian refugees in the near future, supporting the evidence-based dialogue through relevant research and strategic advocacy with the aim to upholding the protection space in neighbouring countries and supporting an informed dialogue on durable solutions will be increasingly relevant in a context, where the protection space might be shrinking and

²² <https://www.unhcr.org/lb/wp-content/uploads/sites/16/2019/04/LCRP-EN-2019.pdf>

²³ https://ec.europa.eu/trustfund-syria-region/results_en

the risk exists that the push for returns might increase in a situation, where conducive conditions does not exist.

3. DESCRIPTION OF THE ACTION

3.1. Objectives and Expected Outputs

The Overall Objective (Impact) of this action is to improve the socio-economic living conditions, food security and resilience of poor and vulnerable social groups living in Lebanon.

The Specific Objectives (Outcomes) of this action are to:

1. Reduce socio-economic insecurity of host communities and refugees
2. Increase the local sustainable production of key crops contributing to food security and import substitution
3. Increase the access, with a local and gender sensitive focus, to decent economic opportunities and livelihoods capacities of poor and vulnerable social groups

The Outputs to be delivered by this action contributing to the corresponding Specific Objectives (Outcomes) are:

contributing to Outcome 1 (or Specific Objective 1) :

- 1.1 Provision of basic social assistance for poor and vulnerable social groups amongst host communities and refugees
- 1.2. Support the creation of a unified registry for social protection

contributing to Outcome 2 (Or Specific Objective 2):

- 2.1. Increased productive capacity of selected small and medium-size farmers and decreased production costs of key food crops
- 2.2. Increased availability of arable land through reclamation and rehabilitation
- 2.3. Expanded local production of previously imported agricultural inputs with a high impact on food security.

contributing to Outcome 3 (or Specific Objective 3)

- 3.1. Improve the employment capacities for poor and vulnerable social groups
- 3.2. Promote social cohesion and uphold the protection space and access to sustainable solutions for poor and vulnerable social groups

3.2. Indicative Activities

Activities related to Output 1.1:

- Provision of monthly social assistance to the poor and vulnerable social groups amongst refugees and host communities. It is envisaged to continue funding social assistance for the Syrian refugees under the form of multi-purpose cash assistance. For the poor Lebanese, continue to support the National Poverty Targeting Programme (NPTP); this will entail increased alignment with the World Bank's Emergency Social Safety Net Project (ESSN) and strengthened support to monitoring and evaluation of the NPTP. As social assistance for the poor in Lebanon is used largely to cover food needs, food provision can also be envisaged as a complementary support, if multi-purpose cash assistance is not possible due to contextual challenges beyond the control of this action.

Activities related to Output 1.2:

- Provision of technical expertise to build the unified registry for social protection in Lebanon, with a specific focus on aligning the selection criteria for beneficiaries and the verification of their eligibility among different social assistance programmes in Lebanon, including the NPTP and the World Bank's ESSN; ensure monitoring and oversight control for assistance programmes provided to Syrian refugees, with a view to further aligning the criteria of eligibility for social assistance for Lebanese and refugees.

Activities related to Output 2.1:

- Identification of key crops on the basis on their impact on: (i) high impact on food security, (ii) job creation and (iii) import substitution; selection of suitable farmers; distribution of vouchers for the acquisition of agricultural inputs; training on farms business concepts, good production practices, sustainable production techniques (Climate Smart Agricultural, crop husbandry, climate change adaptation, etc.), and irrigation management; monitoring and evaluation;

Activities related to Output 2.2:

- Identification and selection of farmers' land suitable for agriculture production; identification and design of technical rehabilitation works; provision of financial support (grants) for rehabilitation works;

Activities related to Output 2.3:

- Identification of local inputs with high potential for food security (i.e. drought resistance, bio-pesticides, etc.); provision of financial support (grants); technical coaching and training; monitoring and evaluation;

Activities related to Output 3.1:

- Skills assessments; skills development, soft skills and Technical and Vocational Education and Training (TVET) trainings based on market demand and appropriateness; financial literacy; job platforms; vulnerable population, will be made aware at the local entities, of the TVET learning opportunities in their vicinity in the available and appropriate sectors.
- Through support to local entities responsible for fostering employment, as the entry point for vulnerable populations, preparation of the beneficiaries to access the labour market through three tracks: micro, small and medium enterprises support, employability and income generation;
- Market assessments, promoting social enterprises, providing technical and financial support, fostering entrepreneurship, providing seed grants, linking small companies with bigger enterprises, supporting work-based learning opportunities at local level.

Activities related to Output 3.2:

- Using a "localisation" approach, support local civil society in their ability to transform programmatic evidence into policy dialogue on issues of concern utilising partners' networks and entry points at the right level of national and sub-national governance.
- Support production of independent researches, analyses and/or learning products annually to support policy dialogue on refugee rights and durable solutions; foster partnerships between Lebanese think tanks and research institutes and international ones.

3.3. Mainstreaming

Environmental Protection, Climate Change and Biodiversity

Outcomes of the Environmental Impact Assessment (EIA) screening: the EIA screening classified the action as Category C (no need for further assessment).

Outcome of the Climate Risk Assessment (CRA) screening: the CRA screening concluded that this action is at no or low risk (no need for further assessment).

Gender equality and empowerment of women and girls

As per OECD Gender DAC codes identified in section 1.1, this action is labelled as G1²⁴. This implies that gender equality and empowerment of women will be addressed through the provision of social assistance and the livelihoods component, giving priority to women and girls for the different trainings, job opportunities or support for self-employment.

The action will contribute towards the GAP III priorities: “ensuring freedom from gender based violence”; “promoting sexual and reproductive health and rights”; “strengthening economic and social rights and empowering girls and women”; “advancing equal participation and leadership”. The Action is in line with the thematic areas addressed in the Country Level Implementation Plan (CLIP – 2021-2025)²⁵ through addressing the need to increase protection of women affected by violence through Linking GBV response work to interventions targeting economic empowerment and leadership. In addition, to ensure the inclusion of women, whose employment rates have been particularly affected by the financial crisis and whose participation in TVET is still low, information should also be given by SDCs on possibilities for childcare facilities.

Human Rights

In line with the New European Consensus on Development, this Action integrates the Rights-Based Approach (HRBA) and its working principles (participation, non-discrimination, accountability and transparency) to ensure that no one is left behind. Specific activities are addressed to women and children to prevent risks. While all initiatives leading to increase the resilience of the beneficiaries will be implemented in alignment with the national laws and policies regarding employment and job creation, the EU will continue to advocate for increasing the number of sectors where the refugees are allowed to work and for a simplification of the administrative procedures and requirements to obtain work permits or advocate for the exemption of work permits for short-term employment financed by a programme of development. The social protection system promoted will be based in inclusiveness of all people living in Lebanon, with independence of their nationality, covering all individuals and leaving no one behind.

Disability

As per OECD Disability DAC codes identified in section 1.1, this action is labelled as D1. This implies that the Action will pay particular attention regarding benefits for households integrating People with Disabilities (PwD). Indeed, families with PwD members face increased financial costs implying more vulnerability due to the limited public services available. Livelihoods opportunities will take into consideration the barriers for PwD to participate at trainings and will take measures to facilitate their integration. Advocacy addressed to the SMEs in order to recruit PwD will be included and a percentage of the short-term employment opportunities will be reserved for them.

Democracy

Working under a participatory approach with the municipalities in order to decide the priority areas for livelihood activities will reinforce the democratic participation of the population residing in the area of intervention.

²⁴ Principal objective / significant objective/ not targeted

²⁵ https://eeas.europa.eu/delegations/lebanon/107317/eu-gender-action-plan-iii_en

Conflict sensitivity, peace and resilience

Social stability is a significant focus of this Action. Social cohesion activities will be implemented in a participatory and transparent approach involving refugees residing in Lebanon and Lebanese beneficiaries in need, regardless of their different societal, economic, political and religious background. Livelihoods interventions will be in line with the do-no-harm principle. It will imply continuous monitoring of the local situation and tensions that may affect the project and adopting the necessary mitigation measures to avoid harm and conflicts. The intervention will work with other partners and will deliver training at local level in social stability, conflict prevention and early warning mechanisms. The implementing partners will be requested to include social tensions monitoring and prevention in the regular reporting. Participatory analysis of the context to understand the dynamics and drivers will be encouraged.

Disaster Risk Reduction

Not applicable.

Transparency and accountability will be addressed through the programme, in addition to safeguards that will further enhance transparency and accountability in all the programme and the administration of NPTP that are being rolled out as part of the ongoing action. The Action will undertake at the inception phase a corruption risk assessment to identify potential areas of risk and will design a corruption-risk management framework. The Action will deploy strong monitoring and evaluation (M&E) structures at the level of the implementing partners.

3.4. Risks and Assumptions

Category	Risks	Likelihood (High/Medium/Low)	Impact (High/Medium/Low)	Mitigating measures
1- External environment	The Lebanese currency is devalued, resulting in high levels of inflation and increased levels of poverty among populations in Lebanon.	High	Medium	EU Delegation will continue to advocate for Lebanon to adhere to obligations for refugee protection, as per international law. Continuous dialogue will take place with GoL during programme implementation, to ensure that a clear framework is established to safeguard refugee protection and livelihoods.
1- External environment	Increasing social tensions and political opposition to the presence of Syrian refugees in Lebanon in a context of deepening socio-economic crisis and competition over resources and access to public services.	High	High	Mitigating measures to maximise the support available and policy dialogue for the reforms and macroeconomic stability needed
1- External environment	Competition over jobs and resources	High	Medium	Activities to support all nationalities with livelihoods opportunities will be coupled with strong awareness on the open support of partners as conscious of the difficulties for the hosting community. Project

				support to agricultural productive capacities will directly address Lebanese farmers, with Syrian refugees expected to benefit indirectly by the creation of job opportunities in the farms.
1- External environment	Socio-economic and protection situation of refugees deteriorates.	High	Medium	Empower in jobs and skills allowed in Lebanon. With at least 50-50% opportunity for refugees and host communities.
2- Planning, process and systems	Insufficient involvement of concerned Government Ministries, Departments and municipalities.	Medium	Medium	In the spirit of the 3RF, and the LCRP, EU Delegation will pursue continued policy dialogue with national authorities, emphasising the mutual benefits of the action for host communities and refugees. Support to referral between social assistance, social services and livelihoods will ensure engagement from different authorities. Livelihoods interventions will closely associate local authorities. Advocacy efforts will also entail increased engagement with authorities in policy dialogue. Coordination and buy-in from the Ministry of Agriculture will be actively sought by the project to ensure complementarity and synergies with the National Agriculture Strategy.
2- Planning, process and systems	Continued institutional fragmentation in the social protection/ assistance fields.	High	Medium	Consultations undertaken in the context of the approval and implementation of the National Social Protection Strategy should facilitate policy dialogue on a comprehensive approach. The component focusing on the unified registry for social protection aims to increase coordinated support to the government for efficient provision of social assistance under the framework of the Social Protection Strategy.
2- Planning, process and systems	Restricted access to livelihoods opportunities for non-Lebanese beneficiaries	High	High	The programme will integrate supply-driven measures aiming to enhance skills levels among severely vulnerable Syrian refugees and host community members in order to increase employability and facilitate access to the labour market through skills, education and work experience, through capacity building and advocacy actions targeted at specific sectors and value-chains. Such advocacy actions will be embedded in both central and also local coordination structures and target local private sector value chain actors, local authorities and chambers of commerce and be coordinated with local development organisations and civil society networks.

External assumptions

The context in Lebanon will continue to be difficult politically and economically, but there will not be major operational constraints for the implementation of the activities.

3.5. Intervention Logic

The underlying intervention logic for this action is that providing livelihoods opportunities to enhance the economic capacity of marginalised communities, while providing social assistance and support to cover their basic needs and protection to children and women, will allow the poorest and vulnerable households to strengthen their capacities to access the labour market and become self-reliant thereby improving the prospects of reducing social tensions at local level. In the same vein, by providing targeted financial and technical resources to smallholder farmers, as well as supporting local access to key inputs, the agricultural sector's overall productive capacity will be improved, increasing local food production to the benefit of food security, which is the main concern of poor and extremely poor refugees and host communities. This action aims to prepare the ground for reduced dependency on social assistance for the extremely poor and vulnerable, in an effort to provide social protection integrated services in a coordinated manner, and for a reduced reliance on imports for foodstuff and agricultural inputs.

Assuming a renewed commitment of the Ministry of Social Affairs and government commitment to policy dialogue on the necessary long-term reforms and the support to the most vulnerable, together with the commitment of partners to coordinate the actions,

If social assistance is provided to the extremely poor refugees and host community members,

If a technical expertise is mobilised to work on the set up of a unified registry for social protection

If selected small and medium-size farmers are supported to buy essential agricultural inputs (mostly seeds and fertilisers) and receive technical assistance to improve the productivity of their farms while decreasing production costs for key food crops,

If more arable land is prepared and put into cultivation, and local production of previously imported agricultural inputs is expanded,

If extremely poor and vulnerable refugees and host communities have improved employment capacities

And

If social cohesion and sustainable solutions for the most vulnerable populations are promoted through locally informed advocacy and policy dialogue

Then the socio-economic insecurity of refugees and hosting communities is reduced through coordinated direct assistance

Then the productivity of selected farms as well as the total surface of cultivated land will increase, with the direct impact of increasing agricultural (and therefore food) production locally, which is expected to reduce food prices, improving the food security of the most vulnerable, and create seasonal jobs for agricultural workers, which in their majority are Syrian refugees.

Then access to decent economic opportunities and livelihoods capacities of vulnerable populations, is increased, with a local and gender sensitive focus

As the current situation in Lebanon remains extremely challenging from a socio-economic perspective, basic assistance and social assistance for the poorest and most vulnerable, diversified initiatives providing livelihoods opportunities based on the needs of the market, will provide a holistic approach building the path to self-reliance for all and to durable solutions for the refugees. A part of this action proposes to provide cash assistance support, while increasing the referral to complementary services, including access to certified

technical and vocational education and training for preparing professional activities, through empowered local civil society as the main actors promoting economic opportunities and locally informed advocacy.

3.6. Indicative Logical Framework Matrix

Results	Results chain: Main expected results	Indicators	Baselines (values and years)	Targets (values and years)	Sources of data	Assumptions
Impact	To improve the socio economic living conditions, food security and resilience of the poor and vulnerable social groups people living in Lebanon.	1. Percentage of people below poverty line	1 82%	n/a	World BankWorld B	<i>Not applicable</i>
Outcome 1	1. Socio economic insecurity of host communities and refugees reduced	1.1. Percentage of targeted Lebanese households (HH) with acceptable Food Consumption Score 1.2 Percentage of targeted Syrian refugees households (HH) with acceptable Food Consumption Score	1.1. Male headed HH: 37.8% 1.1 Female headed HH: 26.4% 1.2. Male headed HH: 37% 1.2 Female headed HH: 28.9% social protection	1.1 Improved / maintained \geq 40% 1.2. Improved / maintained \geq 40%	1.1. World Food Programme (internal reports) 1.2 World Food Programme (internal reports)	
Outcome 2	2. Increased local sustainable production of key crops contributing to food security and import substitution	2.1. Number of tons of locally produced selected agricultural crops 2.2. Number of ha. under sustainable agricultural practices directly supported by the project	2.1. 0 2.2. 0	2.1 TBD in the Description of the Action 2.2 TBD in the Description of the Action	Project reports and surveys	

Outcome 3	3. Increased access, with a local and gender sensitive focus, to livelihoods opportunities for the self-reliance of the poor and vulnerable social groups amongst host communities and refugees	2.1 Percentage of project beneficiaries having found a source of income during the programme; 2.2. Status of partnerships with private sector organisations and civil society organisations offering work placement / internship opportunities and supporting related advocacy and policy dialogue	2.1. 0 2.2. Partnerships not in place	2.1. at least 30% 2.2. at least 25 partnerships in place	Project documents	
Output 1 related to Outcome 1	1.1 Basic social assistance and social services for the poor and vulnerable social groups amongst host communities and refugees provided	1.1.1 Number of people receiving social assistance under NPTP 1.1.2 Number of refugees provided with social assistance, disaggregated by sex and community of origin	1.1.1 40 000 1.1.2 36 000	1.1.1 75 000 1.1.2 36 000		
Output 2 related to Outcome 1	1.2 A unified registry for social protection is created	1.3.1. Status of the unified social registry	No government led coordination structure	Government led coordination structure is in place		
Output 1 related to Outcome 2	2.1. Increased productive capacity of selected small and medium-size farmers and decreased production costs of key food crops	2.1.1. Number of smallholders reached with EU supported interventions aimed to increase their sustainable production, access to markets and/or security of land (OPSYS core indicator) 2.1.2. Average yield per hectare, disaggregated by type of crop (Metric Tonnes per hectare)	2.1.1. 0 2.1.2. TBD in the Description of the Action	2.1.1. TBD in the Description of the Action 2.1.2. TBD in the Description of the Action	Project reports and surveys	

Output 2 related to Outcome 2	2.2. Increased availability of arable land through reclamation and rehabilitation	2.2.1. Surface of newly reclaimed arable land under cultivation directly supported by the project	2.2.1. 0	2.2.1. TBD in the Description of the Action	Project reports and surveys	
Output 3 related to Outcome 2	2.3. Expanded local production of previously imported agricultural inputs with a high impact on food security.	2.3.1. Volume of local production of selected agricultural inputs	2.3.1. 0	2.3.1. TBD in the Description of the Action	Project reports and surveys	
Output 1 related to Outcome 3	3.1. Improved employability for the poor and vulnerable social groups	2.1.1. Number of vulnerable individuals attending trainings delivered in the General Directorate of Vocational and Technical Education (DGVTE) schools and private training centres, by topic (disaggregated by gender and nationality)	2.1.1. 0	2.1.1 at least 550 persons (50% women)		
Output 2 related to Outcome 3	3.2. Social cohesion is promoted, protection space is upheld and sustainable solutions for the poor and vulnerable social groups are accessible	2.2.1 Number of actors trained in social cohesion related topics, disaggregated by sex and community of origin 2.2.2. Number of advocacy and policy initiatives by Lebanese and international research bodies 2.1.3. Number of businesses with growth potential supported with demonstrated increased turnover six months after the support provided 2.1.4. Number of individuals supported through employment or home-based business support (IGA) reporting decent income.	2.2.1. 0 2.2.2. 0 2.1.3. 0 2.1.4. 0	2.2.1. 50 by type of institution by the end of the programme 2.2.2 at least 5 until the end of the programme 2.1.3. at least 100 by the end of the programme 2.1.4 at least 450 individuals by the end of the programme		

4. IMPLEMENTATION ARRANGEMENTS

4.1. Financing Agreement

In order to implement this action, it is not envisaged to conclude a financing agreement with the partner country.

4.2. Indicative Implementation Period

The indicative operational implementation period of this action, during which the activities described in section 3 will be carried out and the corresponding contracts and agreements implemented, is 60 months from the date of adoption by the Commission of this financing Decision.

Extensions of the implementation period may be agreed by the Commission's responsible authorising officer by amending this financing Decision and the relevant contracts and agreements.

4.3. Implementation Modalities

The Commission will ensure that the EU appropriate rules and procedures for providing financing to third parties are respected, including review procedures, where appropriate, and compliance of the action with EU restrictive measures²⁶.

4.3.1. Direct Management (Procurement)

Procurement will be required to achieve *Output 1.2. Support the creation of a unified registry for social protection in Lebanon*.

4.3.2. Indirect Management with a pillar-assessed entity

4.3.2.1. A part of this action may be implemented in indirect management with one or more pillar assessed entity(s), which will be selected by the Commission's services using the following criteria:

- a) Capacity to implement large scale social assistance schemes for the poor and social vulnerable groups in Lebanon.
- b) Capacity to implement large scale cash assistance programmes with refugee populations; in particular in protracted crisis and emergency context;
- c) Track record of working with government institutions implementing social assistance programmes.

The implementation by this/these entity(s) entails implementing the activities leading to *Output 1.1. Provision of basic social assistance for extremely poor and vulnerable refugees and host communities*.

4.3.2.2. A part of this action may be implemented in indirect management with one or more pillar assessed entity(s), which will be selected by the Commission's services using the following criteria:

- a) Technical expertise and capacity to implement programme supporting increased agriculture production and productivity.
- b) Track record of providing technical support to small and medium-size farmers
- c) Track record of working with government institutions related to agricultural development in Lebanon.

²⁶ www.sanctionsmap.eu Please note that the sanctions map is an IT tool for identifying the sanctions regimes. The source of the sanctions stems from legal acts published in the Official Journal (OJ). In case of discrepancy between the published legal acts and the updates on the website it is the OJ version that prevails.

The implementation by this/these entity(s) entails implementing the activities leading to *Output 2.1. Increased productive capacity of selected small and medium-size farmers and decreased production costs of key food crops; Output 2.2. Increased availability of arable land through reclamation and rehabilitation; and Output 2.3. Expanded local production of previously imported agricultural inputs with a high impact on food security.*

4.3.2.3. A part of this action may be implemented in indirect management with an entity which will be selected by the Commission's services using the following criteria.

- a) Extensive experience working on Technical and Vocational Education and Training and curriculum development in Lebanon
- b) Experience in promoting access to Technical and Vocational Education and Training for the most vulnerable people including refugees living in protracted displacement
- c) Experience in implementing large scale programmes at national level
- d) Capacity to monitor the implementation of activities and their sustainability

The implementation by this entity entails implementing the activities leading to *Output 3.1. Improved access to the labour market for the most vulnerable population living in Lebanon.*

4.3.2.4. A part of this action may be implemented in indirect management with the Ministry of Foreign Affairs of Denmark, which has been selected by the Commission's services using the following criteria.

- a) Experience working on access to income opportunities for the most vulnerable and marginalised segments of the population
- b) Extensive experience working with civil society and on localisation
- c) Capacity to implement activities and monitor their sustainability in fragile contexts
- d) Capacity to promote advocacy and research on core sensitive issues related to forced displacement in the region
- e) Experience working with refugees in challenging contexts, and focusing on access to durable solutions

The implementation by this entity entails implementing the activities leading to *Output 3.2. Social cohesion and protection space to access sustainable solutions for the most vulnerable population, is promoted through locally informed advocacy and policy dialogue.*

In case the envisaged entity would need to be replaced, the Commission's services may select another replacement entity using the same criteria. If the entity is replaced, the decision to replace it needs to be justified.

If negotiations with the above-mentioned entity(s) fail, that part of this action may be implemented in direct management in accordance with the implementation modalities identified in section 4.3.3.

4.3.3. Changes from indirect to direct management (and vice versa) mode due to exceptional circumstances

If procurement under direct management for the Activity "*Support the creation of a unified registry for social protection in Lebanon,*" as per section 4.3.1 cannot be implemented due to circumstances outside of the Commission's control, the alternative modality would be indirect management with a pillar-assessed entity using the following criteria (a) experience with the implementation of unified registry for social protection in the Middle East and North Africa region; (b) experience with the provision of technical assistance in complex institutional environment.

If indirect management (as per section 4.3.2.1, 4.3.2.2, 4.3.2.3 and 4.3.2.4) with any of the entities foreseen for the above mentioned parts of the action cannot be implemented due to circumstances outside of the Commission’s control, the alternative modality would be direct management through grants or procurement. In case of grants, the type of applicants will be Non-Governmental Organisations (or a consortium of NGOs). Under direct management, the modality will contribute to the three specific objectives.

4.4. Scope of geographical eligibility for procurement and grants

The geographical eligibility in terms of place of establishment for participating in procurement and grant award procedures and in terms of origin of supplies purchased as established in the basic act and set out in the relevant contractual documents shall apply, subject to the following provisions.

The Commission’s authorising officer responsible may extend the geographical eligibility on the basis of urgency or of unavailability of services in the markets of the countries or territories concerned, or in other duly substantiated cases where application of the eligibility rules would make the realisation of this action impossible or exceedingly difficult (Article 28(10) NDICI-Global Europe Regulation).

4.5. Indicative Budget

Indicative Budget components	EU contribution (in EUR)	Third-party contribution (in EUR)
Output 1.1 <i>Provision of basic social assistance for extremely poor and vulnerable refugees and host communities</i> and Outcome 2 <i>Increase the local sustainable production of key crops contributing to food security and import substitution</i> Indirect management – cf. sections 4.3.2.1 and 4.3.2.2	61 000 000	
Output 1.2. <i>Support the creation of a unified registry for social protection</i> Procurement cf. section 4.3.1	4 500 000	
Output 3.1. <i>Improve the employment capacities for the most vulnerable population living in Lebanon</i> Indirect management – cf. section 4.3.2.3	3 500 000	
Output 3.2. <i>Promote social cohesion and uphold the protection space and access to sustainable solutions for the most vulnerable populations, through locally informed advocacy and policy dialogue</i> Indirect management with Denmark – cf. section 4.3.2.4	5 000 000	15 000 000
Evaluation – cf. section 5.2 Audit – cf. section 5.3	will be covered by another decision	N.A.
Communication and visibility – cf. section 6	will be covered by another decision	N.A.
Totals	74 000 000	15 000 000

4.6. Organisational Set-up and Responsibilities

The action will be implemented using the organisational set up already in place when it comes to social assistance for refugees and host communities (output 1.1). This includes the continuation of the Steering Committee for the National Poverty Targeting Programme (NPTP), co-chaired by the EU Delegation and the Ministry of Social Affairs, and the Multi-Purpose Cash Assistance Steering Committee, co-chaired by donors financing the programme for social assistance for refugees, on a rotating basis. For social assistance to Lebanese host communities, it is envisaged during the course of the implementation to expand the Steering committee on NPTP, to cover other types of social assistance financed in Lebanon, including lifecycle vulnerability social grants, financed through the EU Trust Fund Madad and implemented by UNICEF and ILO, and the social assistance provided by the World Bank under the ESSN programme.

In addition, for the implementation of the activities under Output 1.2. contributing to the establishment of a unified registry for social protection, a Steering committee will be formed for this purpose and chaired by the EU Delegation, with the participation of donors, government entities, the World Bank, relevant UN agencies and other actors.

For the implementation of Outputs 3.1. and 3.2, it is envisaged to set up a Steering Committee coordinating the implementation of activities under both outputs, under the chairing role of the EUD, and the lead implementing partners.

Finally, for the implementation of Outputs under Outcome 2, it is envisaged to set up another Steering Committee coordinating the implementation of activities under the chairing role of the EUD, and the lead implementing partners.

4.7. Pre-conditions

Not applicable.

5. PERFORMANCE MEASUREMENT

5.1. Monitoring and Reporting

The day-to-day technical and financial monitoring of the implementation of this action will be a continuous process, and part of the implementing partner's responsibilities. To this aim, the implementing partner shall establish a permanent internal, technical and financial monitoring system for the action and elaborate regular progress reports (not less than annual) and final reports. Every report shall provide an accurate account of implementation of the action, difficulties encountered, changes introduced, as well as the degree of achievement of its Outputs and contribution to the achievement of its Outcomes, and if possible at the time of reporting, contribution to the achievement of its Impacts, as measured by corresponding indicators, using as reference the logframe matrix.

The Commission may undertake additional project monitoring visits both through its own staff and through independent consultants recruited directly by the Commission for independent monitoring reviews (or recruited by the responsible agent contracted by the Commission for implementing such reviews).

Roles and responsibilities for data collection, analysis and monitoring:

The Implementing partners will be the ones in charge of preparing, presenting and submitting the reports. The reports must respect the contractual documents and be submitted as defined at the contract. The EUD will be in charge of the analysis and approval of the reports in collaboration with the services at Headquarters. The

EUD will require additional information to complement the reports or specific clarifications when considered necessary.

5.2. Evaluation

Having regard to the nature of the action, a mid-term evaluation will be carried out for this action or its components via independent consultants contracted by the Commission; a final evaluation will be carried out for this action through a joint mission.

The mid-term evaluation will be carried out for problem solving, in particular with respect to the methodologies applied for the pilot implementation of the approach linking social assistance and social services with livelihoods opportunities to increase the self-resilience of the beneficiaries.

The final evaluation will be carried out for accountability and learning purposes at various levels (including policy revision), taking into account in particular the need to adapt the solutions envisaged and to provide with new resources if justified.

The Commission shall form a Reference Group (RG) composed by representatives from the main stakeholders at both EU and national (representatives from the government, from civil society organisations (private sector, NGOs, etc.), etc.) levels. If deemed necessary, other donors will be invited to join. The Commission shall inform the implementing partners at least 3 months in advance of the dates envisaged for the evaluation missions. The implementing partners shall collaborate efficiently and effectively with the evaluation experts, and inter alia provide them with all necessary information and documentation, as well as access to the project premises and activities.

The evaluation reports shall be shared with the partner country and other key stakeholders following the best practice of evaluation dissemination. The implementing partners and the Commission shall analyse the conclusions and recommendations of the evaluations and, where appropriate, in agreement with the partner country, jointly decide on the follow-up actions to be taken and any adjustments necessary, including, if indicated, the reorientation of the project.

The financing of the evaluation shall be covered by another measure constituting a Financing Decision.

5.3. Audit and Verifications

Without prejudice to the obligations applicable to contracts concluded for the implementation of this action, the Commission may, on the basis of a risk assessment, contract independent audit or verification assignments for one or several contracts or agreements.

6. STRATEGIC COMMUNICATION AND PUBLIC DIPLOMACY

All entities implementing EU-funded external actions have the contractual obligation to inform the relevant audiences of the Union's support for their work by displaying the EU emblem and a short funding statement as appropriate on all communication materials related to the actions concerned. To that end they must comply with the instructions given in the [Communication and Visibility Requirements of 2018](#) (or any successor document).

This obligation will apply equally, regardless of whether the actions concerned are implemented by the Commission, the partner country, service providers, grant beneficiaries or entrusted or delegated entities such as UN agencies, international financial institutions and agencies of EU Member States. In each case, a reference to the relevant contractual obligations must be included in the respective financing agreement, procurement and grant contracts, and delegation agreements.

For the purpose of enhancing the visibility of the EU and its contribution to this action, the Commission may sign or enter into joint declarations or statements, as part of its prerogative of budget implementation and to safeguard the financial interests of the Union. Visibility and communication measures should also promote transparency and accountability on the use of funds. Effectiveness of communication activities on awareness about the action and its objectives as well as on EU funding of the action should be measured.

Implementing partners shall keep the Commission and the EU Delegation/Office fully informed of the planning and implementation of specific visibility and communication activities before the implementation.

Implementing partners will ensure adequate visibility of EU financing and will report on visibility and communication actions as well as the results of the overall action to the relevant monitoring committees