Construction in Tripoli

Emergency Market Mapping and Analysis (EMMA) of the Construction Labor Market System in North and Bekaa, Lebanon

Constructing market-based livelihood opportunities for refugees and host community families

April 2013

Table of Contents

I. INTRODUCTION

In the wake of movements for revolutionary change across the Arab Levant and Maghreb, civil protests against the Assad regime began in Syria in Spring 2011. The ensuing 24 months have seen civil unrest proliferate across Syria, and in several instances, spill over the boarders into neighboring countries, including Lebanon. The gradual escalation of violence, which has effectively brought the country to civil war, has resulted in escalating numbers of people seeking refuge outside of Syria. Tens of thousands have fled to neighboring Turkey, Lebanon, Jordan, and Iraq, and as of the 3rd of April, 2013, 403,766 Syrian refugees have either registered or are awaiting registration in Lebanon[1]. The growing number of new arrivals, and the increasingly protracted nature of the conflict, is gradually leading to increased vulnerability amongst members of the host community. As the number of refugees in Lebanon is expected to exceed one million by the end of 2013, tensions between host and refugee populations are expected to rise as competition over jobs and resources becomes ever more important to the survival of members from both communities.

Within this context, an Emergency Market Mapping and Analysis (EMMA) assessment was launched to specifically analyze the key market systems upon which refugees and vulnerable host communities rely to earn income in the North and Bekaa Governorates of Lebanon. Although many humanitarian agencies are providing a variety of assistance to meet needs of refugees, and to a lesser extent host communities, a better understanding of the market systems upon which refugees and host communities depend for livelihoods is critical in order to promote self-reliance of the refugee population, assist host and refugee communities to earn greater income to meet their immediate needs, and to reduce tensions between refugees and hosting communities. During this assessment three specific labor market systems were selected for analysis – construction labor, service-sector labor, and agricultural labor. The purpose of this rapid assessment and analysis is to identify opportunities for humanitarian agencies to promote market-based income-earning possibilities for Lebanese host and refugee populations. As such, this report seeks to answer the following two key analytical questions:

1. What is the capacity of the construction labor market system to absorb additional workers?
2. What are the opportunities for expanding this sector and any constraints to absorbing additional labor? How can humanitarian organizations contribute to overcoming these constraints?

This report includes the findings from the EMMA assessment of the construction labor market system in the North and Bekaa governorates. UNHCR profiling statistics from the North indicate that a large number of adult refugees have experience in the construction sector, and construction is one of the first areas where refugees turn to seek income-earning opportunities after arriving in Lebanon. This EMMA focuses specifically on labor related to the construction of homes and buildings, including hospitals, schools, and public buildings.

[1] UNHCR Daily Statistics, Syrian Refugees in Lebanon. Wednesday 03 April 2013

Large infrastructure projects, such as roads, bridges, electricity grids, etc. are not included in this analysis due to the shortness of assessment period and the fact that building construction has greater labour requirements than large infrastructure projects that utilize heavy machinery.

Overall, the EMMA findings illustrate that the construction labor market system has been drastically impacted by the crisis in Syria and that income opportunities for refugees or host communities in construction are very limited. In the current context where the supply of labor (from refugees, Syrian migrants, and Lebanese workers) exceeds the demand for workers, it is not feasible to promote large-scale construction-oriented livelihood programs. However, the report concludes with a series of recommendations to build construction-related livelihood opportunities into existing or planned humanitarian programs, particularly shelter and rehabilitation programs with construction components, as well as recommendations to link refugees and Lebanese with employment services and trainings providing the necessary tools to identify and qualify for income-earning possibilities. Such recommendations will assist both refugees and vulnerable host community households to earn income and to provide for their own immediate needs.

II. METHODOLOGY

EMMA (Emergency Market Mapping and Analysis) is a rapid market analysis approach designed to be used in the short-term aftermath of a sudden-onset crisis. It is premised on the rationale that a fuller understanding of the most critical markets in an emergency environment enables key decision makers (donors, NGOs, government policy makers, etc.) to consider a broader range of responses based on market realities. The EMMA methodology focuses on analysis of specific, existing market systems which have been impacted by an emergency but are nevertheless critical for providing goods, services, or income for a target population in a defined geographical area.

EMMA is a rapid tool designed to be used in a matter of days but to still develop a strong evidence base for decision-making. It is not a complete value chain analysis methodology, and as such focuses on analyzing market systems which currently exist in a given context, and offers only modest insights into the feasibility or availability of alternative or potentially new market opportunities.

The methodology used for this study adapted the standard EMMA approach to the protracted displacement and predominantly urban context of the Syrian refugee crisis in Lebanon. Nevertheless, the data collection and analysis procedures used in this assessment followed closely the EMMA 10-step process including a focus on key critical market systems and a combined gap, market, and response analysis. For each critical market system there is a comparison of the current market system to a baseline model of market functioning, enabling the identification of key constraints on the market systems brought on by the crisis in Syria and inflow of refugees to Lebanon. Additionally, to a limited extent, this EMMA looks forward to the next six months to anticipate the future impact on the market systems of the ongoing crisis. Recommendations to support market-based livelihoods for host communities and refugees are based on the constraints and opportunities identified in the current market system (as compared to a baseline) and taking into account the anticipated future impact of the crisis on the market systems analyzed.

The EMMA was initiated and lead by the IRC, with participation of 30 team members from four organizations – IRC, Save the Children, DRC, and Oxfam. Three of the team members had received EMMA training prior to the assessment taking place. A 3-day workshop was held in Beirut from 11-13 March 2013 to introduce the EMMA methodology to all EMMA team members and to prepare for the assessment fieldwork. The 30 EMMA team members were divided into six sub-teams and each sub-team was responsible for analyzing one critical market system. Three teams assessed the selected critical market systems in Bekaa, and three teams in the North. Each team had a designated Team Leader and was comprised of 3-4 additional team members from the different participating agencies, ensuring a diversity of experience, local knowledge, and agency representation on each assessment team. The six sub-teams were supported by an overall EMMA Team Leader and a Co-Team Leader providing technical support and guidance throughout the assessment and analysis process, as well as a Logistics Assistant providing administrative support to all teams.

This assessment took place from 11-26 March 2013, including a three-day pre-assessment workshop in Beirut, 10 days of field data collection in the Bekaa and North governorates of Lebanon, and two days of analysis and report preparation. The assessment included qualitative and quantitative data collection from secondary sources, focus group discussions with target populations, key informant interviews, and individual interviews with a variety of actors in the market system. The primary data for this assessment was gathered from semi-structured interviews with 12 key informants, 51 market actors and 17 focus group discussions with 100 households representing host community members, refugees households, and migrant workers.

III. TARGET POPULATION

The EMMA team identified two specific target populations for this analysis: the host community populations in the North and in Bekaa, and the refugee population living in these same areas. All EMMA recommendations across the three critical markets assessed are intended to provide feasible programming recommendations to improve the income-earning opportunities available for these two target populations. Geographically, the EMMA focused on Tripoli and Akkar in the North, and Central, Western, Balbeck, and Hermel cazas in Bekaa. Large portions of the host community and refugee populations either currently rely on agricultural, construction or service-sector labor for income, or believe that these markets offer opportunities for them to derive some income. Because this assessment focuses on identifying income-earning opportunities, the majority of the analysis emphasizes working age adults, however child and youth labor is a feature of the labor markets in some areas of Lebanon and these groups are included in the broad population of analysis for this assessment. Palestinians living in Lebanon are by definition considered members of the host or refugee communities due to the rising numbers of people fleeing Syria and taking refuge in the Palestinian camps. However, these groups were effectively not included in this analysis due to security and administrative challenges for visiting the Palestinian camps. The estimated number of host community members and refugees of working age who make up the target population are listed in Table 1 below.

Table 1: EMMA Target population

Target Population	Number	Location
Host communities in the North and in Bekaa receiving refugees from Syria	1,303,980[2]	In the North Governorate: Tripoli and Akkar (640,980 people) In Bekaa Governorate: Western, Zahle, Baalbeck, and Hermel Cazas (663,00 people)
Refugees from Syria living in the North and Bekaa governorates	197,867[3]	In the North Governorate: Tripoli and Akkar (83,703 refugees registered and estimated awaiting registration) In Bekaa Governorate: Zahle, West Bekaa, Baalbek, and El Hermel cazas (114,168 refugees registered and awaiting registration)

Within the construction labour market system, the workforce is almost exclusively male. Women are found, though to a very small degree, working as professionals such as architects, engineers and interior designers or in administrative positions employed in construction companies.

The skills groups under consideration in this framework have been disaggregated as follows, based on local understandings of skill-sets:

- **Skilled/Semi-Skilled:** Professionally trained (incl. electrician, mason, plumber, tiler, glazier etc.); experienced in specific technical construction skills; benefitted from on the job training; run own small contracting firms
- **Unskilled:** no formal professional training; daily work
- **Professionals:** professionals with a higher education background in areas such as engineers or architects

Market actors contacted throughout this study emphasized that for insurance purposes youth under the age of 18 cannot be hired for construction labour. Therefore, when referring to opportunities for male youth in the construction sector, this study will distinguish between

[2] http://www.statoids.com/ylb.html, 2004 estimates
[3] Registration Trends for Syrians: Weekly Statistics. UNHCR, 14 March 2013

youth aged 15 – 17 and youth aged 18 – 24. Male workers between the ages of 25 – 64, the legal retirement age, are considered adult workers in this assessment.

The construction work force in Lebanon is predominantly made up of two nationalities, namely Lebanese and Syrians. Other migrant and refugee workers, particularly Palestinians do form part of this labour force. In the North however, they are predominantly involved in the reconstruction efforts of Nar El Bahred Camp. The latter is being excluded from consideration in this study due to the uniqueness of the legal structures governing construction activities in Palestinian camps. The geographic focus of the assessment zoomed in on the Lebanese workforce among communities currently hosting Syrian refugees in Akkar, Tripoli and the Bekaa as well as Syrians, including former migrant workers and refugees living in these geographic areas.

IV. SELECTION OF CRITICAL MARKET SYSTEMS

The EMMA methodology is based on the analysis of specific markets which are critical for supplying goods or income for the targeted crisis-affected population. As agreed between the participating agencies prior to the launch of the assessment, this EMMA would focus primarily on market systems which are critical for supporting the livelihood and income needs of host community members and refugees, with the intention of promoting livelihoods for host communities and refugees which are economically feasible and linked to market conditions. Additionally, the participating agencies agreed that the analysis should include market systems which have the potential to offer income opportunities to women and youth, as well as men, and cover both rural and urban contexts.

A two-step approach was used for identifying and then prioritizing three critical markets for this study. First, prior to the launch of the EMMA assessment, participating agencies developed a long-list of possible market systems which could contribute to the livelihoods of host and refugee populations. Markets in which refugees and host communities are currently engaged, as well as markets potentially offering options for further livelihood opportunities were identified. These included agricultural labor; construction labor; home-based food production; commercial food processing (including dairy); and skilled labor (including teachers, secretaries, nurses, accountants, etc.). During the EMMA fieldwork preparation workshop in Beirut, the complete EMMA assessment team added further market systems to this list, including: home based embroidery, electronic repair and vehicle mechanics; service sector labor (including restaurants and hospitality); livestock raising; and fishing and sale of fish.

These 10 income market systems were then ranked according to 6 criteria in order to determine which market systems are the most appropriate for supporting livelihoods in the targeted regions. Given the differences in economic activities and refugee flows between the North and Bekaa, separate ranking exercises were carried out for each region, with the understanding that some markets may be more appropriate for analysis given the different contexts in the North and in Bekaa. As such, the critical market selection was conducted independently for each region, using the following criteria to rank relative importance of each market system:

1. The market is the most significant in contributing income opportunities
2. The market system is affected by the refugee influx and/or crisis in Syria
3. Programming options in the market system are likely to be feasible
4. The market system fits the competencies and mandates of participating agencies
5. Seasonal factor and timing are appropriate
6. Potential program options in this market system would complement (and not duplicate) government or other actors' plans for the sector

Based on this ranking exercise, the teams in Bekaa prioritized service sector labor (primarily hotels and restaurant services), agricultural labor, and construction labor, in that order of importance. For the North, agricultural labor and construction labor were the clear priority market systems for analysis, but the ranking exercise did not highlight a clear prioritization of a 3rd critical market system. Home-based food production was ranked low given the poor performance of past programs for Lebanese families in the North, and perceived limited feasibility of these activities for refugees. Livestock raising and service sector labor, were equally ranked, but divided between predominantly rural and urban markets, respectively. The team opted to select service sector labor as the 3rd critical market system for the North in order to foster consistency of data gathering and reporting with the Bekaa analysis and given the importance of service sector employment in Tripoli.

Three critical income market systems were analyzed in this EMMA:

1. Agricultural Labor
2. Construction Labor
3. Service Sector Labor

These market systems take into account income earning opportunities available in rural and urban areas, and also represent market systems which are broadly accessible to women, men, and youth refugees and host community members.

V. CONSTRUCTION LABOUR MARKET SYSTEM

The market maps, below, are visual depictions of the construction labour market system in the North and in Bekaa. These maps demonstrate the connections between those people working or seeking work in the construction sector and the contractors who employ them. The market chain, the middle portion of each market map illustrates the connections and pathways through which Lebanese, migrants and refugees can seek work. In addition, there are a series of institutions and policies which regulate the functioning of this market system as well as infrastructure, inputs, and services which facilitate the connections between workers, businesses, and customers. Policies, regulations and institutions are represented on the upper portion of the market map, whereas the infrastructure and inputs upon which the construction labor market depends is represented at the bottom third of each map.

Separate maps are presented for the Bekaa and for the North, in order to highlight the differences in the construction labour market systems of the two regions. For each region, three different maps are included in the below analysis – a baseline map outlining the functioning of the construction labour market in 2010, prior to the outbreak of conflict in Syria, a post-crisis market map which reflects the construction labour in 2012, and a third map depicting the anticipated changes in construction labour by the end of 2013. Comparing the current situation to the baseline assists in rapidly identifying how the specific market system has been impacted by the crisis, and the specific constraints to using this market as a driver for income opportunities for both Lebanese host communities and refugees.

A. Seasonal Calendar

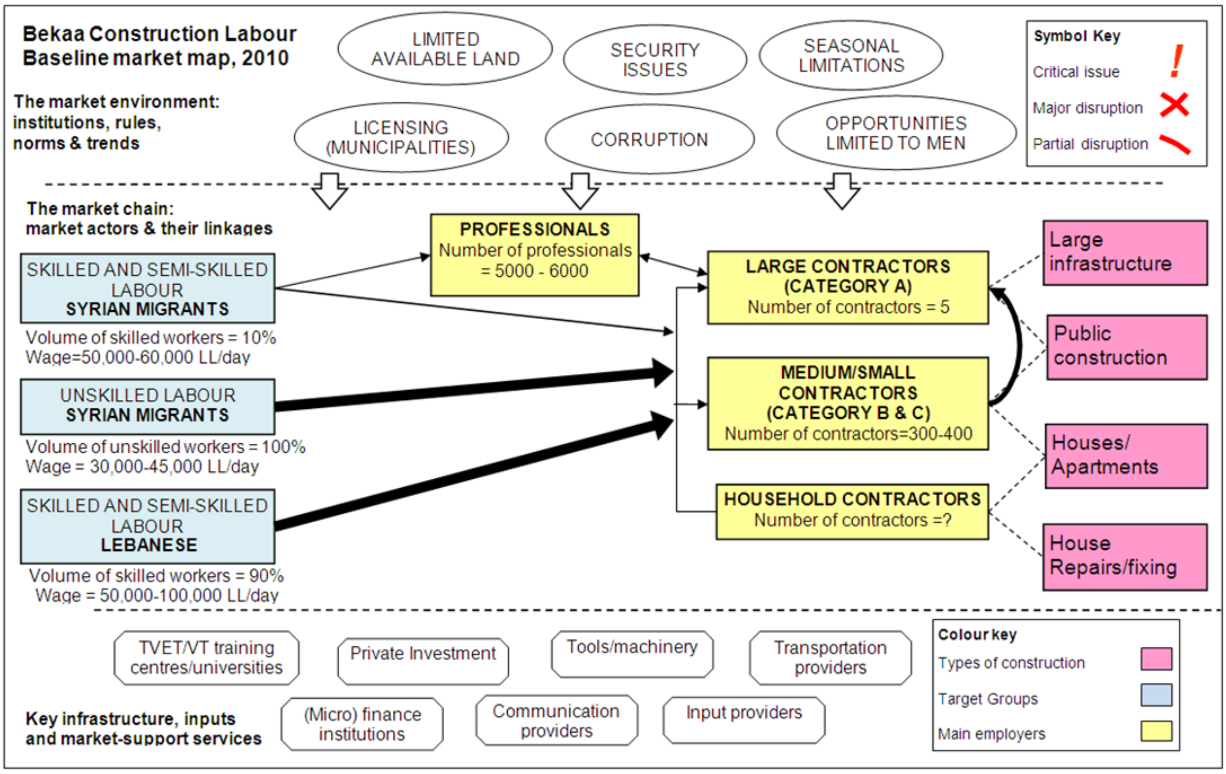
In general, the construction season in Lebanon is relatively long with a peak between March and September. After that time, projects start to slow down in anticipation of winter. Certain renovation works of private housing though can continue all year round (e.g. electrical wiring, indoor finishing etc.) Similarly, plumbing and electricity work can be conducted for most of the year. Major constraints to construction work taking place in winter are snow and cold weather that do not allow for concrete works to take place between December and March.

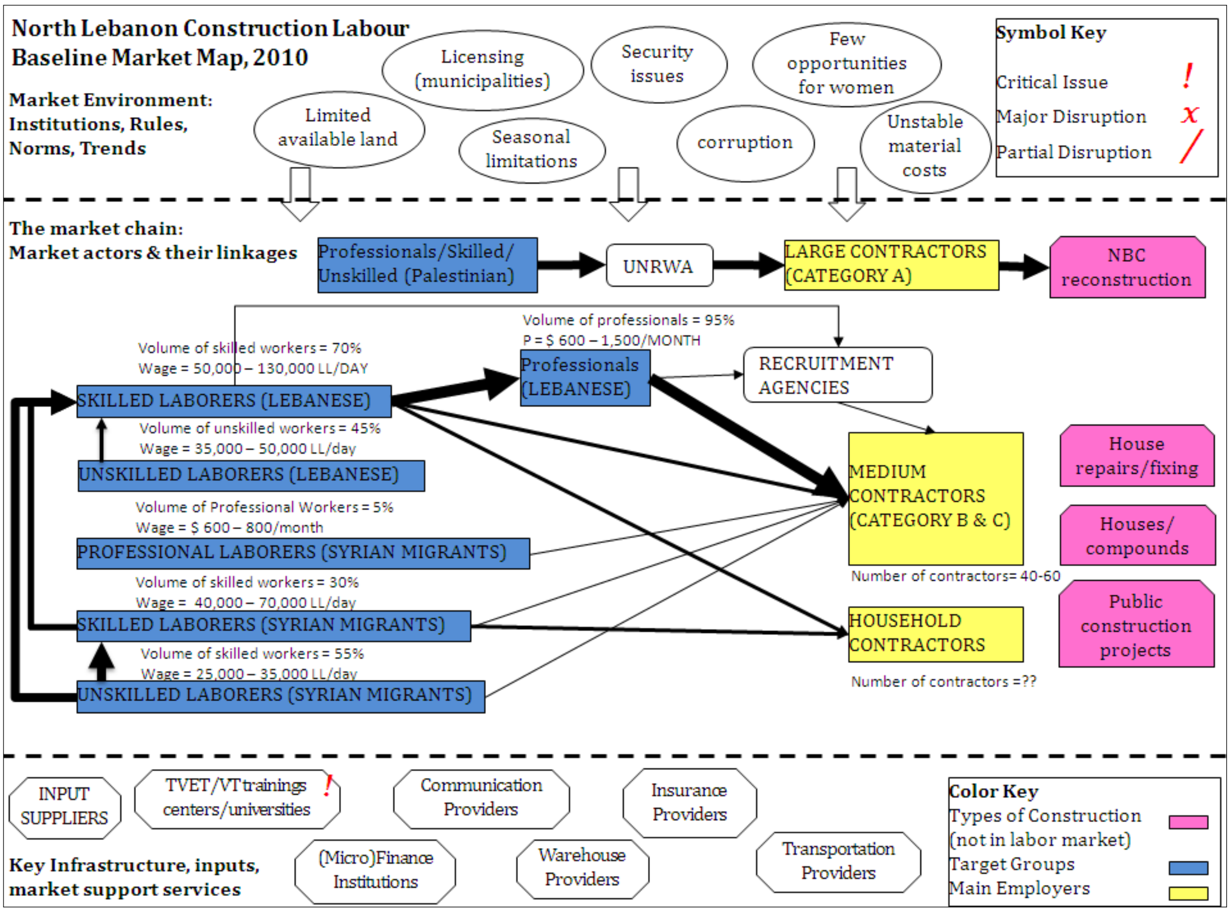
Table 2: Seasonal Calendar

Labor Season	J	F	M	A	M	J	J	A	S	O	N	D
Construction Labour (L=Low; H=High)		L	H	H	H	H	H	H	H	L	L	
Agricultural Labour (M=Male; F=Female)		M	F	F	F	F	F	F	F	M	M	
Food-Processing Labour (Mostly Women) (L=low; H=high)	L	H	H	H	H	H	H	H	H	H	L	L
Service Sector Labour (Mostly Men)					L	H	H	H	H			
Tourism season (high demand on restaurants, hotels, car rentals, taxi)												

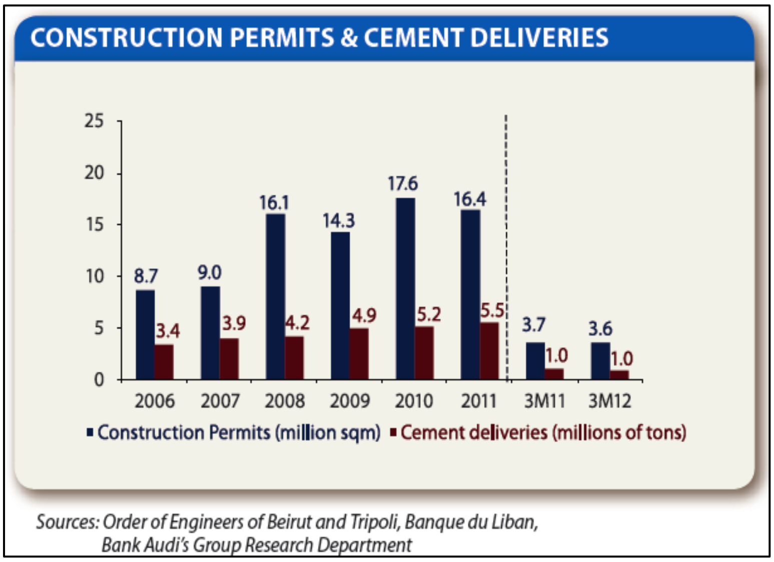
B. Baseline: Construction Season, 2010

Below is a brief description of the trends and key elements of the construction labour market system prior to the Syria crisis.





General trends for construction industry in 2010



Graph 1: Bank Audi 'Lebanon Real Estate Sector, June 2012

The Lebanese housing construction industry saw a strong growth period post 2006. Market actors named investments into the tourism industry, by Lebanese Diaspora and regional foreign investments as a major contributing factor to this continuous rise of the market. In addition, local investments through remittances and a government-facilitated loan scheme for government employees contributed to new investments in family homes and apartments [4]. "According to Credit Libanais' research unit, foreign direct investment in the Lebanese real estate and residential sectors surged from $1.65bn in 2006 to an estimated $3.47bn in 2010, before entering a phase of relative consolidation."[5] Graph 1 indicates the overall growth in the sector since 2006 as indicated by the volume of construction permits and cement deliveries.

Market Chain for the Construction Sector in 2010[6]

In the North, the rebuilding of Nahr El Bared Camp, which started in 2009, represents an island of construction, as financial support for the camp's reconstruction continues unchanged to date.[7] The camp construction almost exclusively provides work opportunities to Palestinians and to a small degree to Lebanese professionals. Syrian migrant workers in 2010 were few and mostly of Palestinian origin in the first place. Based on the set target population for this assessment, the construction activities in and around Nahr el Bared Camp will be excluded.

Contractors: The construction industry in Lebanon divides construction companies into three categories, namely A, B and C.

- Category A Contractors: Category A Contractors are the largest construction companies, mostly involved in large-scale infrastructure projects and managing

[4] Remittance inflows reached $6.7 billion in 2010 or 17 percent of GDP, of which at least 60 percent was from oil exporters. 2012 International Monetary Fund February 2012, IMF Country Report No. 12/40 'Lebanon Selected Issues), http://www.imf.org/external/pubs/ft/scr/2012/cr1240.pdf
[5] Construction Week Online, Construction industry growth slows in Lebanon, by CW Staff on Aug 17, 2012 http://www.constructionweekonline.com/article-18114-construction-industry-growth-slows-in-lebanon/#.UVAZ3Bke0Xw
[6] NB: Any differences in the market maps between the 2 regions (i.e. Presence of Professional Syrian migrants in the North but not in Bekaa) reflect the reality in the sector
[7] a total of USD195 million (out of USD 345 million needed) has been secured by 2011. http://www.unrwa.org/userfiles/2011100225423.pdf

many projects at one time. In Northern Lebanon, there are no Category A contractors operative in housing related construction, except in Nahr El Bared (which are excluded from consideration in this assessment). Quantifying the number of contractors in Lebanon is difficult since a significant amount of companies are not registered, however market actors interviewed estimated that there are five large contractors based in Bekaa, although there are several Beirut-based contractors managing large-scale projects in the region.

- Category B Contractors: Category B are medium sized firms contracted to implement a variety of projects. They usually employ several professionals and at times even skilled labourers, though these are predominantly hired on a project basis. Category B businesses are usually responsible for designated aspects of construction projects (foundation work, masonry, metalwork, plumbing etc.) and handle several projects simultaneously. A large public or private construction project will usually require 10 to 12 different Category B contractors to complete each phase of the work. Many of these contractors also play a role as sub-contractors for large contractors, providing semi-skilled and unskilled labour, and effectively acting as recruitment agencies.
- Category C Contractors: Category C contractors are often individual skilled labourers that work on a project basis and who hire required unskilled labourers daily on a needs basis.

Professionals: In 2010, the professional work force in Northern Lebanon was almost exclusively reserved to Lebanese. Professional engineers and architects were found in either permanent employment with contractors or consulting for construction companies on a project basis. Migrant workers are limited from professional positions because Lebanese laws allow only those who have a work permit to legally work in Lebanon and are a registered member of the respective gild, e.g. the order of architects and engineers, to be considered a professional worker. It was however also reported that professional Syrian migrant workers are hired as skilled labourers yet performing the tasks of professionals circumventing these requirements. The qualifications and skill sets of professional Syrians versus Lebanese are very comparable, although one challenge is the working language as all training and professional terminology is in Arabic in Syria.

Skilled Labourers: The majority of skilled labour was subcontracted by professionals or by a contractor directly. Very few skilled labourers would find permanent employment with contractors. Though the majority of skilled labourers in 2010 were also Lebanese, the percentage difference is less steep in the North than in Bekaa. The assessment demonstrated it is more acceptable and legally easier for Syrian migrant labourers to access these skilled jobs than the professional jobs. In terms of (semi-)skilled labour, it is generally acknowledged that Lebanese prefer less physical work (electricity, aluminium, plumbing, ceramic, wood finishing's), whereas the more demanding work is left to Syrians. Moreover, contractors reported that their decisions of whom to hire often depended on a project's profit margins since the Syrian workforce was cheaper to hire than Lebanese.

Unskilled Labourers: Unskilled labourers would exclusively be hired on a day-to-day basis through skilled labourers or picked up by contractors directly at established pick-up spots where workers wait for daily employment. The labour undertaken in these jobs is stigmatized and was generally not accepted among Lebanese labourers. Therefore, country-wide, unskilled labour was predominantly carried out by Syrian migrants. There is however a big difference was found in the participation of Lebanese workers unskilled workers in the construction labour markets of the North and Bekaa. In the North, 40% of unskilled labourers were Lebanese in 2010 compared to Bekaa where contractors reported hiring no unskilled labourers in 2010. This trend is indicative of the poverty level of the Northern region which has driven Lebanese families to find work in these stigmatized unskilled jobs more so than in other regions of Lebanon. Unskilled and skilled labourers, especially Syrian migrants, would typically move around Lebanon in order to find employment in construction projects.

Number of workers in each job category: Given the lack of recent data on labour market in Lebanon as well as the sensitivity around migrant-labourers, it is difficult to estimate the distribution between Lebanese and Syrian labourers. The following breakdown of Lebanese/migrant workers per job category is based on averages reported by contractors, labourers, and key informants in the construction sector interviewed during this assessment and hence only represent an approximate estimate.

Table 3: Percentage of Lebanese and Migrant workers per job category

Year: 2010						
Region	Professional Workers		Skilled Workers		Unskilled Workers	
	Lebanese	Syrians	Lebanese	Syrians	Lebanese	Syrians
North	95%	5%	70%	30%	45%	55%
Bekaa	95%	5%	90%	10%	0%	100%

Table 4: Estimated number of skilled and unskilled construction workers in each region, based on square meters (sqm) of construction, 2010

	Tripoli[8]	Akkar[9]	Bekaa[10]
# of construction permits issued	2,000	1,600	1,592
# of sqm approved	2,437,597	517,600	1,155,888
Overall number of skilled workers required per year[11]	6,459	1,371	3,063
Overall number of unskilled workers required per year[10]	19,376	4,114	9,188

[8] source: http://www.oea.org.lb/Arabic/Listing-Files.aspx?pageid=1729&FolderID=73
[9] source: estimates by Akkar municipalities during interviews
[10] source http://www.oea.org.lb/Arabic/Listing-Files.aspx?pageid=1729&FolderID=73
[11] The estimated number of workers in the construction labour market system was calculated using an average estimate of the number of skilled and unskilled workers required per square meter of construction, and licensing data from municipalities and the Order of Engineers and Architects on the number of square meters of new construction licensed in each region.

Wages: Table 5, below presents the estimated wage ranges identified in this assessment for the three different categories of workers in 2010. Migrant workers were commonly paid 20-50% less than their Lebanese counterparts, although this pattern was more distinctive in the North where unskilled Lebanese labour was also hired in the sector. In terms of working conditions, average working hours reported for 2010 were 8 hours per day with an additional 1 hour lunch break.

Table 5: Estimated wages by job category for Lebanese and Syrian workers, in LL

Region	Professional (LL/month)		Skilled (LL/day)		Unskilled (LL/day)	
	Lebanese	Syrians	Lebanese	Syrians	Lebanese	Syrians
North	900,000 – 2,250,000	900,000 – 1,200,000	50,000 – 130,000	40,000 – 70,000	35,000 – 50,000	25,000 – 35,000
Bekaa	900,000 – 2,250000	No info	50,000 – 100,000	50,000 – 60,000	No Info	30,000 – 45,000

Recruitment of labour: There are some recruitment agencies as well as internet job search platforms that aim at bringing supply and demand together. However, these means of employment search are almost exclusively targeting professionals and even among them are rarely frequented due to their inefficiency. Personal connections and applying directly with companies are more likely to yield positive results. The only highly frequented and successful recruitment agency in the North of Lebanon is UNRWA's employment office. However their outreach is limited to recruitment for the reconstruction of NBC and therefore is limited to Palestinian construction workers.

Environment, rules and norms in the construction sector in 2010

Construction Licensing: In the baseline year, the majority of projects implemented by small and medium contractors were authorized on the basis of a municipality licenses. These licenses generally cost no more than USD 100 and do not include any approval through relevant professionals for the proposed construction work. However, much more expensive licenses (costing about USD 6 per square meter) were legally required to be undertaken by the urban planning department before construction begins, but this requirement was usually not enforced. As a result, construction projects are often uncoordinated and not aligned with urban planning outlines. Moreover, architectural considerations are not ensured. Municipality-issued licenses are typically only authorised from April onwards in order to limit the construction season, whereas urban planning licenses (more expensive and regulated) are awarded all year round. A frequent phenomenon is that if buildings are not approved by the urban planning services, contractors will apply for a municipality license, often aided by heavy bribing which is rife in the sector.

Infrastructure and inputs in the construction sector in 2010

Technical Vocational and Educational Training/Vocational Training centres (TVET/VT): Technical training is widely available in Bekaa and Northern Lebanon, provided by government run technical colleges or private institutions. However, the majority of skilled and semi-skilled labourers have been trained on the job, and technical training is generally regarded as a lesser option for those unable to access other forms of higher education. Most labourers interviewed for this study said they would rather learn on the job and earn an income than commit to technical training, and this is reflected in the relatively low levels of demand for TVET/VT services. Labourers said that they would only prioritise training for plumbing and electrician training, which are skills in higher demand. Courses are heavily subsidised by the Ministry of Education, and in order to attract a stronger calibre of students, those scoring more than 12/20 in their school exams (prior to entering the technical colleges) receive 200,000 LL/month throughout the course. This financial incentive is available to Lebanese and foreign students alike. Despite the subsidy, demand for courses is relatively low and has remained at these low levels for the last 10 years. The job placement rate for graduates is high, but graduates are mostly hired as semi-skilled workers at low wages and many graduates rapidly leave the sector to take stable, salaried positions with the army.

Input suppliers: Certain construction materials, such as steel are imported from Ukraine, Turkey and Belorussia, with only very limited small-scale imports from, or exports to, Syria. Quarries in Bekaa provide most of the stone and sand inputs required for construction while large producers of cement, such as Holcim and S.A.L based in Chekka cater to local demand. Syrian migrant workers also find work with input suppliers who occasionally hire additional people during the high season, but these numbers are low overall and do not contribute in any significant way to the demand for construction labour in the region.

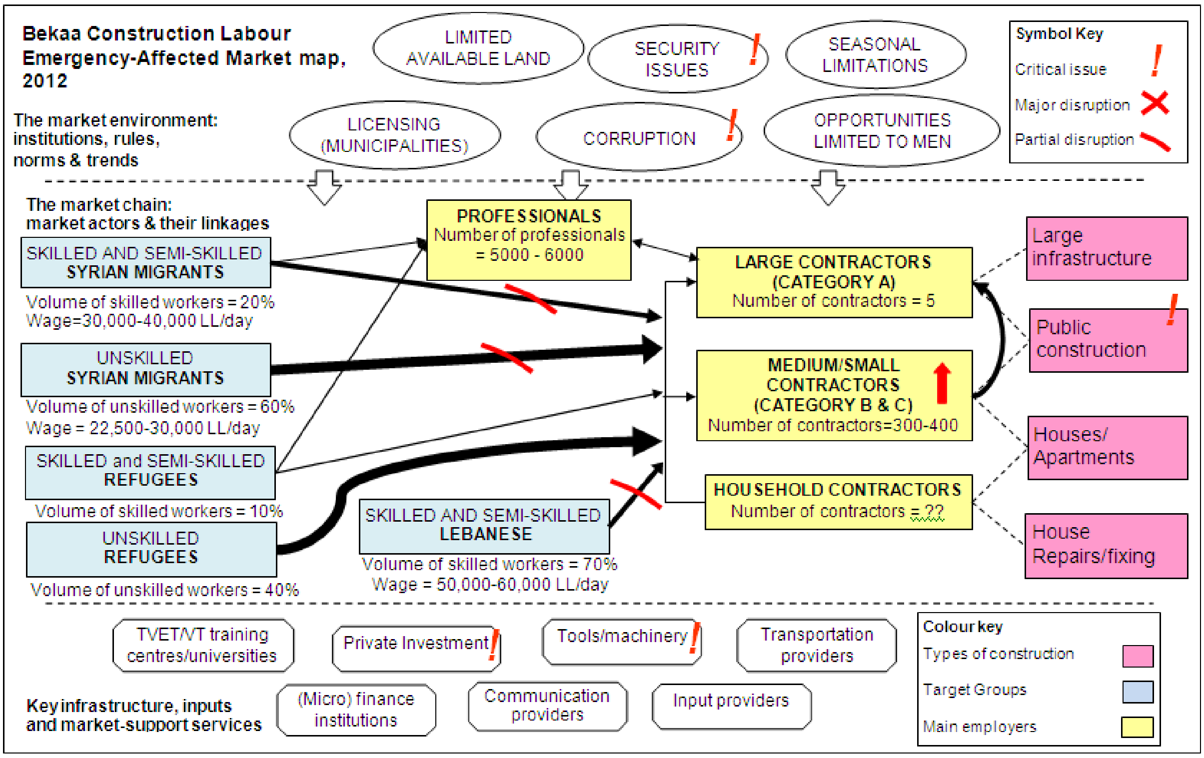
Ability of labour to meet demands of the construction sector in 2010

The combination of migrant labour (estimated anywhere between 200,000 and 1,000,000 in Lebanon[12]), and existing skilled and professional Lebanese meant that the industry could adequately meet the demand without constraint in 2010. Even during the significant construction boom of 2009/2010, the market was able to sufficiently respond to the demand for workers. The fact that many skilled workers are trained on-the-job rather than undergoing a 'lengthy' education at vocational training centers means that people enter the market rapidly on a needs basis. Moreover, as reported by interviewees, if additional labourers were needed, workers would contact respective skilled relatives or acquaintances in Lebanon or Syria to join the work force for the duration of a project. Exceptions to these findings are professionals in plumbing and plastering, and electricians, who were identified as being high in demand. Having worked in Lebanon for years, most Syrian migrant labourers have established close relationships with local contractors and some had even established their own small or medium size contracting companies.

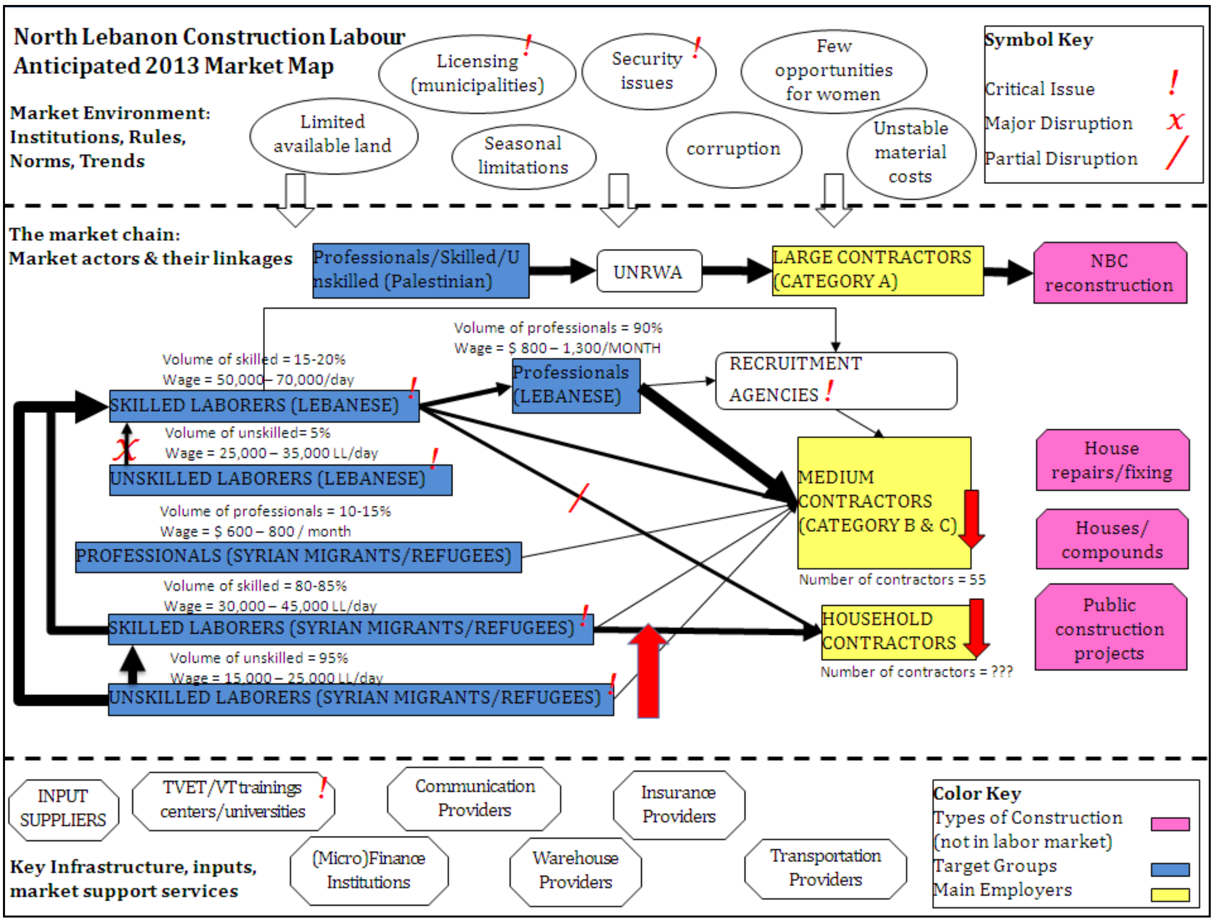
C. Emergency affected market system: construction season 2012

This analysis of the emergency-affected construction labour market system will focus on the 'construction season' of March-December 2012. Due to the seasonal patterns of the construction market, construction activities largely cease in the winter months and do not begin to start-up again until March. Because this EMMA was launched at the beginning of March 2013, the most recent timeframe for analyzing the impact of the Syrian crisis on the construction labour market is 2012.

[12] http://www.lnf.org.lb/migrationnetwork/mig2.html



Bekaa Construction Labour Emergency-Affected Market map, 2012
The market environment: institutions, rules, norms & trends
LIMITED AVAILABLE LAND
SECURITY ISSUES
SEASONAL LIMITATIONS
LICENSING (MUNICIPALITIES)
CORRUPTION
OPPORTUNITIES LIMITED TO MEN
Symbol Key
Critical issue
Major disruption
Partial disruption
The market chain: market actors & their linkages
SKILLED AND SEMI-SKILLED SYRIAN MIGRANTS
Volume of skilled workers = 20%
Wage=30,000-40,000 LL/day
UNSKILLED SYRIAN MIGRANTS
Volume of unskilled workers = 60%
Wage = 22,500-30,000 LL/day
SKILLED and SEMI-SKILLED REFUGEES
Volume of skilled workers = 10%
UNSKILLED REFUGEES
Volume of unskilled workers = 40%
PROFESSIONALS
Number of professionals = 5000 - 6000
SKILLED AND SEMI-SKILLED LEBANESE
Volume of skilled workers = 70%
Wage = 50,000-60,000 LL/day
LARGE CONTRACTORS (CATEGORY A)
Number of contractors = 5
MEDIUM/SMALL CONTRACTORS (CATEGORY B & C)
Number of contractors=300-400
HOUSEHOLD CONTRACTORS
Number of contractors = ??
Large infrastructure
Public construction
Houses/ Apartments
House Repairs/fixing
TVET/VT training centres/universities
Private Investment
Tools/machinery
Transportation providers
Key infrastructure, inputs and market-support services
(Micro) finance institutions
Communication providers
Input providers
Colour key
Types of construction
Target Groups
Main employers



North Lebanon Construction Labour Anticipated 2013 Market Map
Market Environment: Institutions, Rules, Norms, Trends
Licensing (municipalities)
Security issues
Few opportunities for women
Limited available land
Seasonal limitations
corruption
Unstable material costs
Symbol Key
Critical Issue
Major Disruption
Partial Disruption
The market chain: Market actors & their linkages
Professionals/Skilled/Unskilled (Palestinian)
UNRWA
LARGE CONTRACTORS (CATEGORY A)
NBC reconstruction
Volume of professionals = 90%
Wage = $ 800 – 1,300/MONTH
Volume of skilled = 15-20%
Wage = 50,000 – 70,000/day
SKILLED LABORERS (LEBANESE)
Professionals (LEBANESE)
RECRUITMENT AGENCIES
Volume of unskilled= 5%
Wage = 25,000 – 35,000 LL/day
UNSKILLED LABORERS (LEBANESE)
MEDIUM CONTRACTORS (CATEGORY B & C)
Number of contractors = 55
House repairs/fixing
Houses/ compounds
Volume of professionals = 10-15%
Wage = $ 600 – 800 / month
PROFESSIONALS (SYRIAN MIGRANTS/REFUGEES)
Volume of skilled = 80-85%
Wage = 30,000 – 45,000 LL/day
SKILLED LABORERS (SYRIAN MIGRANTS/REFUGEES)
HOUSEHOLD CONTRACTORS
Number of contractors = ???
Public construction projects
Volume of unskilled = 95%
Wage = 15,000 – 25,000 LL/day
UNSKILLED LABORERS (SYRIAN MIGRANTS/REFUGEES)
INPUT SUPPLIERS
TVET/VT trainings centers/universities
Communication Providers
Insurance Providers
Key Infrastructure, inputs, market support services
(Micro)Finance Institutions
Warehouse Providers
Transportation Providers
Color Key
Types of Construction (not in labor market)
Target Groups
Main Employers

Overall trends for Bekaa and North in 2012

Country-wide, Lebanon's construction sector experienced a dramatic slowdown in new construction projects and labour demand compared to previous years. The number of construction permits issued in 2012 decreased by 11.7 % overall compared to 2011,[13] but some parts of Lebanon were less affected than others. Bekaa for example was the only region reporting an increase in the number of permits issued, with an increase of 16% in terms of square meters approved for construction.[14] The North on the other hand saw a downturn in new construction projects, particularly in the rural areas of Akkar where new construction projects in 2012 shrank by 72% compared to 2010 (see Table 8, below).

The construction market, which has been "…providing holiday homes to tourists and Lebanese Diaspora, […] has been affected by the sluggishness of the tourism sector, the latter being deterred by the arising regional tensions."[15] Moreover, households in rural areas are less willing to invest into housing in order to limit expenditures for fear of continuously decreasing job opportunities and rising expenditures. In border areas, fears of the Syria conflict spilling over across the frontier further intensify these feelings of uncertainty.

Coinciding with the decline in construction activity, Lebanon saw a growing number of refugees entering the country and its labour market. While the beginning of 2012 saw a "…small onset situation of 6,000 refugees in January, to an increasing movement of people across the border up to 25,000 in-country by July," the year ended with a much larger critical number of refugees exceeding the RRP planning figures[16].

UNHCR statistics from March 2013 show a total of 112,384 refugees living in Northern Lebanon and 97,108 in Bekaa. Out of these approximately one fourth are youth and adults of working age[17]. These figures would put the work force at some 28,000 and 25,000 refugees in Northern Lebanon and Bekaa respectively. Statistics obtained from UNHCR's Tripoli registration center show that from a total of 23,247 respondents 32% (39% of men and 2.5% of women) used to work in jobs relating to the construction sector in Syria. Applying the percentage to the overall number of male refugees of working age in each region, it can be anticipated that a minimum of some 11,000 and 9,500 workers in the North and Bekaa respectively may try to enter the local construction industry. The actual number of people seeking work in the construction sector is likely to be significantly higher than these estimates as unregistered refugees, people from other working backgrounds and children and youth may also be in search of jobs in the construction industry.

Table 6: Estimated number of refugees seeking work in construction, 2013

Region	Number of refugee workers
North	11,000
Bekaa	9,500

[13] "Lebanese Construction Permits Decline in 2012." The Daily Star, January 29, 2013 (Link).
[14] Comparison of Annual Reports for 2011 and 2012 made available by the Order of Architects and Engineers (Link)
[15] 'Lebanon Economic Report: Prioritizing Stability over Growth.' Bank Audi, 4th Quarter 2012. (Link)
[16] 'Shelter Sectory Strategy – 2013: Working Paper for 2013." UNHCR Lebanon, December 18, 2012. (Link)
[17] http://data.unhcr.org/syrianrefugees/download.php?id=1540

Another phenomenon was reported that deterred investment in the housing sector. In general Lebanon's housing construction is characterized by a floor by floor building approach. Families would save up to built at least one floor and then leave additional floors unfinished as they ran out of money and only continue after savings could be accumulated again later. As a result, large numbers of houses have unfinished floors. Respondents pointed out that currently households do not have any incentive to finish these existing skeleton structures as they are able to rent those out to refugees for relatively high returns (USD 100 – 200/month). Another disincentive is that if the increased demand for accommodation will no longer exist once Syrians leave Lebanon. This is compounded by the increase in the cost of property in Bekaa, which in the last 5 years has gone from $600 to $2000 per sqm, making apartments increasingly difficult to sell.

During the interview process it became clear that both nationalities are increasingly discouraged by the overall situation. Syrian labourers experience a growing level of exploitation as working hours increased, break times were shortened and discrimination is felt more strongly while they feel like having no choice but to accept these conditions as the alternative would be unemployment. Meanwhile, Lebanese labourers blame Syrians and the international humanitarian community for taking away their jobs, bringing down wages and benefiting 'only Syrians'. As a result, tensions are continuously rising between host and refugee communities.

Market Chain for the Construction Sector in 2012[18]

Category B and C contractors in Bekaa: the year 2012 was marked by a significant increase in the number of small and medium-sized contractors. This reflects the overall stagnation in new large-scale infrastructure and public construction projects, relative to home construction, which grew in 2012 (by an estimated 12%), and employs smaller-scale contractors. In some areas, particularly Baalbek and Central Bekaa, this increase has been linked to Syrian investors building properties and restaurants. Another factor accounting for the rise in the number of small and medium-sized contractors is that they are subjected to less regulation (for licensing and wages) and therefore can charge less for their services, which is attractive in tough economic times. An estimated 10% of these new small contracting firms are run by Syrian migrants who have been working in Lebanon for years and are able to hire other migrants, and refugees, at cheap rates. Engineers and large contractors interviewed estimated that the costs charged by Syrian contractors (or Lebanese contractors hiring predominantly Syrian labour) are up to 50% cheaper than those charged by Lebanese equivalents. As a result, the competition between small and medium-sized contractors has also increased significantly, and many are reported to lie about their capacity and the number of concurrent projects in order to access new contracts.

Unskilled labour: The trends of refugees seeking work in the construction sector, as described above, highlights the increasing competition for work as unskilled workers. Respondents, both Syrians and Lebanese, reported that if they used to be able to find jobs throughout the construction season in 2010 without problems, they now manage to find employment for only one to two weeks per month. Daily work is very unpredictable for existing migrant workers and new refugee arrivals, with unskilled workers generally being

[18] NB: Any differences in the market maps between the 2 regions (i.e. Presence of Professional Syrian migrants in the North but not in Bekaa) reflect the reality in the sector

'tested' for 2 days or so, and then extended if they meet requirements. Many of this study's interviewees also reported not getting paid the full amount stated at the outset, and being physically threatened if they try to complain. Additionally, many Syrian migrant workers have brought families from Syria to live in Lebanon, limiting their mobility and ability to move from one location to another in search of jobs. Not only do they need to remain where their families are located but they also lack sufficient funds to renew their work permits and hence are afraid of being detained by police. As a coping strategy many of them have also registered as refugees.

Irrespective of the type of contractors, most were reluctant to admit they have been hiring refugees, claiming they are all migrant workers, in possession of relevant permits. Another likely reason for this reluctance is because many small contractors are in fact taking on 2 refugees/migrant labourers instead of 1, for the same overall wage. In Bekaa, it is therefore an estimated there has been a 40 to 50% increase in the number of labourers employed by small and medium-sized contractors relative to a similar project in the baseline year, and an estimated 25% increase for larger contractors. In the North, given the more significant downturn in the construction sector, the assessment team were not informed of any reported increases in the number of labourers hired, despite the significant decrease in wages.

Despite the fact that youth under the age of 18 are not insured to work on construction sites, the observed reality is very different, with children under 18 years of age seen to be carrying out unskilled labour on construction sites. As so many small contractors are unregulated, this is de facto accepted, and further reduces the fees charged by these contractors. There are significant child labour issues in the construction sector and they are likely to increase as the economic situation of households deteriorates.

Skilled labour: Skilled labourers are similarly affected by the crisis. As the Table X below indicates, wages for skilled labourers have dropped by a third on average. In addition, this labour category has seen the highest change in labour distribution from Lebanese to Syrian workers, with a shift of 40% from Lebanese to Syrians in the North and of 30% in Bekaa (Table 7). The less the construction sector grows, the more willing contractors are to hire Syrian workers (whom they often consider less skilled than their Lebanese counterparts). This is particularly understandable given the increasing competition between small and medium-sized contractors in 2012. For example, a contractor in Bekaa reported that a Lebanese plumber will be paid USD 2-3 per meter whilst a Syrian will be paid USD 1 per meter, or an engineer (working as a foreman) will be paid USD 300/month versus USD 700/month for a Lebanese worker.

Professionals: The least affected group by the crisis is professionals. Though wages have not increased they did not decreased significantly either. Very few contractors reported having replaced previous professionals with Syrians. However, it was reported that Syrians of professional background are hired as skilled labourers but undertake work as professionals in order to circumvent the regulations on professional registration. This practice seems to have increased in both the North and Bekaa since 2010.

Wages: The downturn in construction coupled with the influx of additional labour caused wages for construction labourers to plummet (proportionally to wage differences between the two nationalities commonly reported even before the crisis). Unskilled labourers, with the lowest income and job security to begin with, suffered the heaviest decrease in wages. Especially in the Bekaa, where the construction sector has been less affected it has been observed that contractors particularly small and medium ones are hiring two migrants (or refugees) instead of one, creating the impression that labour wages have been stable while instead they are at times paying only half of 2010 wage levels.

Table 7: Change in estimated wages for Lebanese and Syrians by job category, in LL

Region	Year	Professional (LL/month)		Skilled (LL/day)		Unskilled (LL/day)	
		Lebanese	Syrian	Lebanese	Syrian	Lebanese	Syrian
North	2010	900,000 – 2,250000	900,000 – 1,200,000	50,000 – 130,000	40,000 – 70,000	35,000 – 50,000	25,000 – 35,000
	2012	1,200,000 – 1,950,000	900,000 – 1,200,000	50,000 – 70,000	30,000 – 45,000	25,000 – 35,000	15,000 – 25,000
	Average % decrease*	0%	0%	33%	32%	29%	33%
Bekaa	2010	900,000 – 2,250000	No data	50,000 – 100,000	50,000 – 60,000	N/A**	30,000 – 45,000
	2012	900,000 – 2,250000	No data	50,000 – 60,000	30,000 – 40,000	N/A	22,500 – 30,000
	Average % decrease*	0%	No data	27%	40%	N/A	25%

*Average percent decrease in wages calculated based on change in actual wage data collected during the assessment, not the change in range of wages from 2010 to 2012.
**No significant number of unskilled Lebanese workers was identified in Bekaa

Number of workers: Between 2010 and 2012, the slowdown in the construction industry impacted the number of workers in the construction business, as well as the number of Lebanese versus Syrian workers. Table X below shows that fewer construction permits were issued in the North in 2012, resulting in fewer jobs. This change was most pronounced in Akkar, where the number of workers required to complete construction projects shrank by 72% compared to 2010. In Bekaa, where construction activities actually increased, the number of workers required to complete the projects increased proportionately. However, as seen in Table XX, below, much smaller proportions of Lebanese workers are being hired to complete the construction work. With the increase competition for jobs, and fewer construction projects overall, contractors are trying to maximize revenues by employing fewer Lebanese workers and greater numbers of Syrians. This trend appears to be holding true even in Bekaa, where the construction sector expanded in 2012. In addition to the migrant workers, a large number of the Syrian workers making up a greater proportion of the workforce are refugees.

Table 8: Estimated number of skilled and unskilled construction workers required to complete construction projects, based on square meters (sqm) of construction, 2010-2012

	Tripoli		Akkar		Bekaa	
	2010	2012	2010	2012	2010	2012
# of construction permits issued	2,000	2,142	1,600	450	1,592	1,859
# of sqm approved	2,437,597	2,319,181	517,600	145,575	1,155,888	1,330,048
Overall number of skilled workers required per year[19]	6,459	6,145	1,371	386	3,063	3,550
Overall number of unskilled workers required per year[20]	19,376	18,435	4,114	1,157	9,188	10,651
% change in number of workers from 2010 to 2012	**-5%**		**-72%**		**+16%**	

Table 9: Comparison between current and baseline percentages of Lebanese and Migrant workers per job category

Region	Job category	Nationality	Percentage of job category 2010	Percentage of job category 2012
North	Professional	Lebanese	95%	93%
		Syrian	5%	7%
	Skilled	Lebanese	70%	30%
		Syrian	30%	70%
	Unskilled	Lebanese	45%	30%
		Syrian	55%	70%
Bekaa	Professional	Lebanese	95%	No data
		Syrian	5%	No data
	Skilled	Lebanese	90%	70%
		Syrian	10%	30%
	Unskilled	Lebanese	0%	0%
		Syrian	100%	100%

Recruitment of workers: Existing networks for recruitment of workers continue to be very effective for the recruitment of new workers. Both existing migrant workers and refugees either get work through foremen or contractors who recruit at major congregation points or

[19] The estimated number of workers in the construction labour market system was calculated using an average estimate of the number of skilled and unskilled workers required per square meter of construction, and licensing data from municipalities and the Order of Engineers and Architects on the number of square meters of new construction licensed in each region.

through informal networks; or they will go directly to construction sites and ask if jobs are available. However, this information flow is not necessarily effective in linking skills to demand, and workers complain of being assigned to construction sites far from where they are living. No construction sites visited as part of this study had accommodation available for workers on site, which is also a security issue in a context where theft of equipment and machinery is rising.

Infrastructure and inputs in the construction sector in 2012

Input suppliers and machinery: In 2012, most large suppliers reported an increase in demand for materials, particularly in Central Bekaa. Meanwhile suppliers in the North, especially in rural areas, reported a decreased in demand. Even large suppliers such as Holcim and S.A.L. reported declining demand.[20] Given that only a very limited proportion of construction inputs were imported from Syria, border closure issues have not affected input availability or costs.

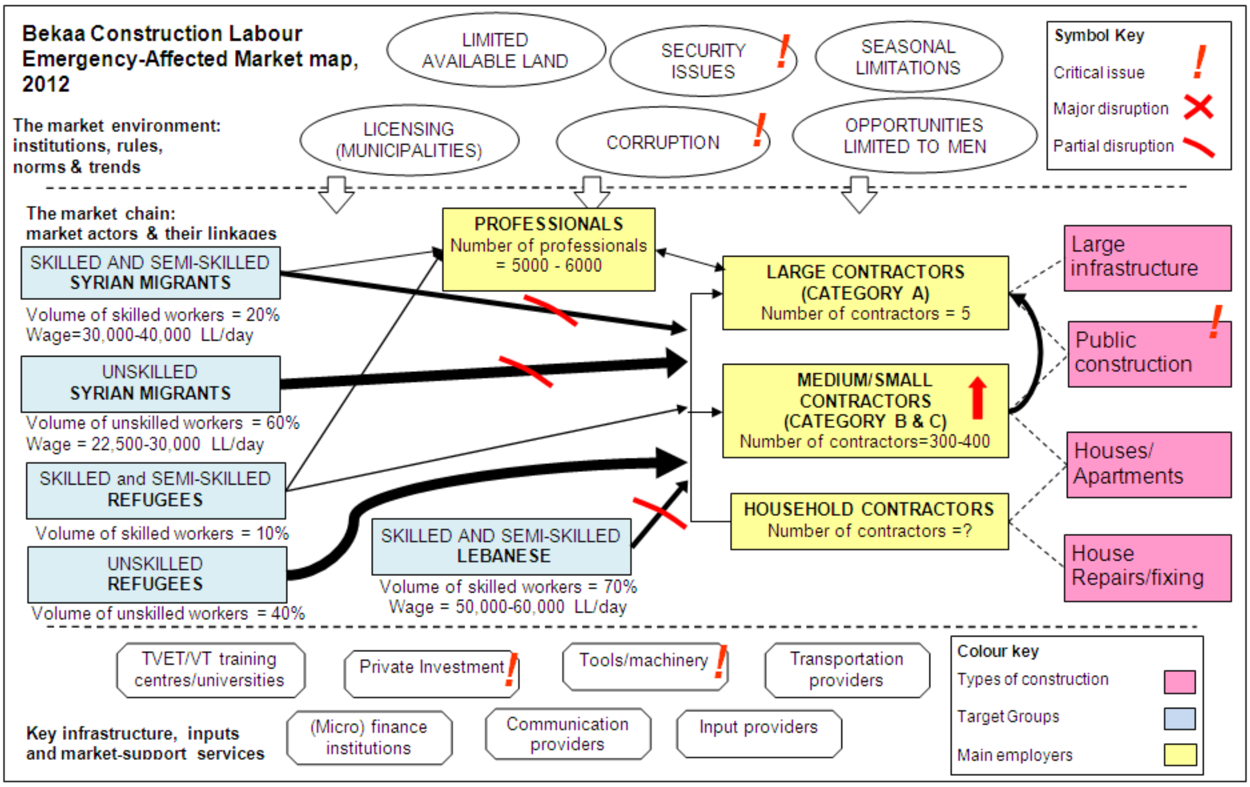
Some Syrians, working as contractors at home, have come to Lebanon with machinery to sell, potentially impacting upon demand for machinery from input suppliers. In addition, many Lebanese skilled workers have reported selling their own machinery to access quick income, given the decline in work opportunities.

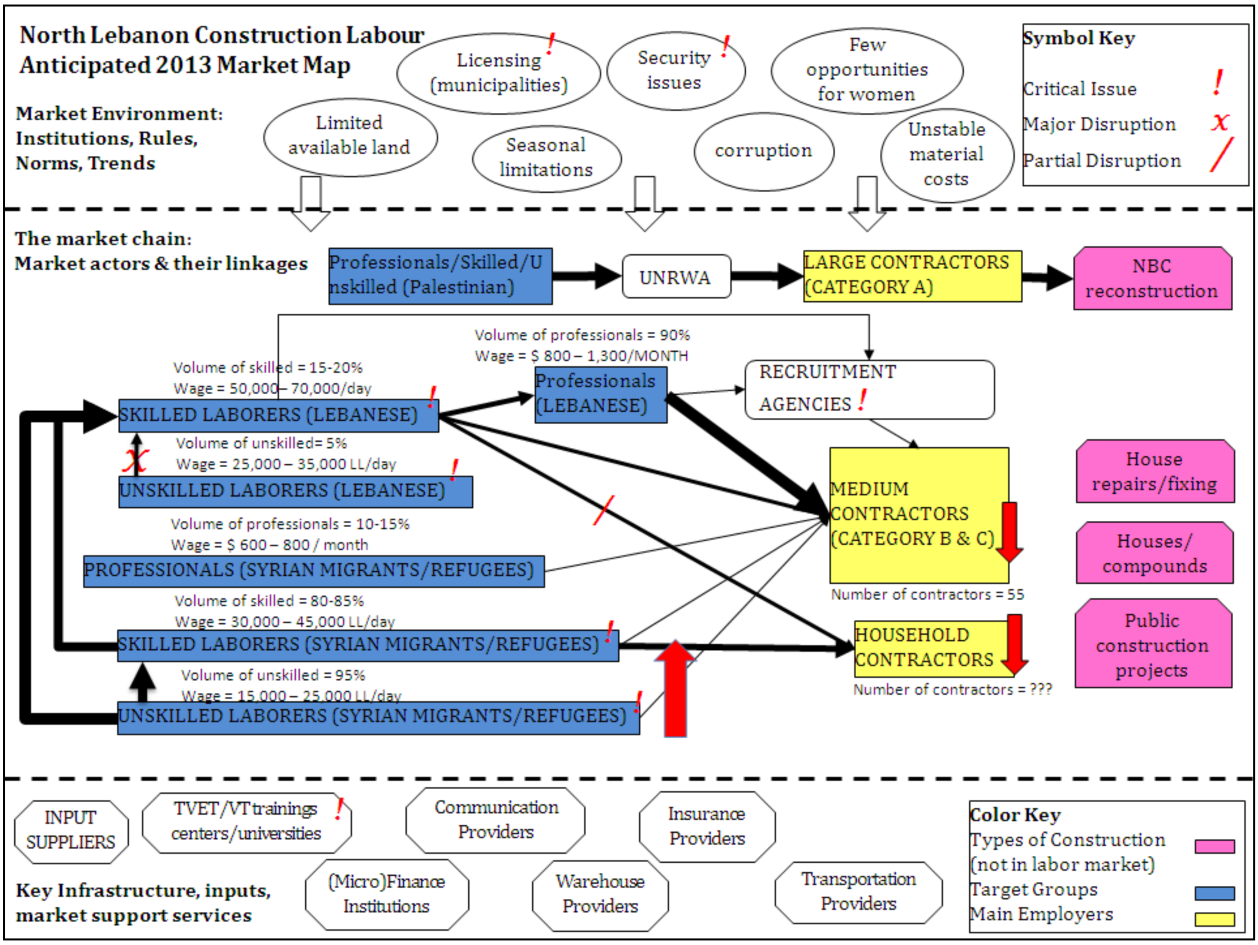
Environment, rules and norms in the construction sector in 2012

Building Permits and Licensing: Since the end of 2012 the licensing procedures are being more rigorously enforced, requiring the obtaining of permits from the urban planning department. At a cost of USD 6 per sqm the additional costs for an average apartment (100 sqm) or family home (400 sqm) range between USD 600 and 2,400. Similarly, municipalities reported that new legal regulations are being processed that would allow for increased height of housing in urban areas which means that developers in areas such as Tripoli are holding out on applying for new licenses for the time being. These changes in permit issuing and enforcement appear to limit investment in new construction projects due to the high cost and uncertainty about future building regulations.

D. Future market system: construction season 2013

[20] 'Lebanon Economic Outlook: January 2013.' BankMed Market and Economic Research. January 2013. (Link)


Bekaa Construction Labour Emergency-Affected Market map, 2012
The market environment: institutions, rules, norms & trends
LIMITED AVAILABLE LAND
SECURITY ISSUES
SEASONAL LIMITATIONS
LICENSING (MUNICIPALITIES)
CORRUPTION
OPPORTUNITIES LIMITED TO MEN
Symbol Key
Critical issue
Major disruption
Partial disruption
The market chain: market actors & their linkages
SKILLED AND SEMI-SKILLED SYRIAN MIGRANTS
Volume of skilled workers = 20%
Wage=30,000-40,000 LL/day
UNSKILLED SYRIAN MIGRANTS
Volume of unskilled workers = 60%
Wage = 22,500-30,000 LL/day
SKILLED and SEMI-SKILLED REFUGEES
Volume of skilled workers = 10%
UNSKILLED REFUGEES
Volume of unskilled workers = 40%
PROFESSIONALS
Number of professionals = 5000 - 6000
SKILLED AND SEMI-SKILLED LEBANESE
Volume of skilled workers = 70%
Wage = 50,000-60,000 LL/day
LARGE CONTRACTORS (CATEGORY A)
Number of contractors = 5
MEDIUM/SMALL CONTRACTORS (CATEGORY B & C)
Number of contractors=300-400
HOUSEHOLD CONTRACTORS
Number of contractors =?
Large infrastructure
Public construction
Houses/ Apartments
House Repairs/fixing
TVET/VT training centres/universities
Private Investment
Tools/machinery
Transportation providers
Key infrastructure, inputs and market-support services
(Micro) finance institutions
Communication providers
Input providers
Colour key
Types of construction
Target Groups
Main employers


North Lebanon Construction Labour Anticipated 2013 Market Map
Licensing (municipalities)
Security issues
Few opportunities for women
Symbol Key
Critical Issue
Major Disruption
Partial Disruption
Market Environment: Institutions, Rules, Norms, Trends
Limited available land
Seasonal limitations
corruption
Unstable material costs
The market chain: Market actors & their linkages
Professionals/Skilled/Unskilled (Palestinian)
UNRWA
LARGE CONTRACTORS (CATEGORY A)
NBC reconstruction
Volume of professionals = 90%
Wage = $ 800 – 1,300/MONTH
Volume of skilled = 15-20%
Wage = 50,000 – 70,000/day
Professionals (LEBANESE)
RECRUITMENT AGENCIES
SKILLED LABORERS (LEBANESE)
Volume of unskilled= 5%
Wage = 25,000 – 35,000 LL/day
UNSKILLED LABORERS (LEBANESE)
Volume of professionals = 10-15%
Wage = $ 600 – 800 / month
PROFESSIONALS (SYRIAN MIGRANTS/REFUGEES)
MEDIUM CONTRACTORS (CATEGORY B & C)
Number of contractors = 55
Volume of skilled = 80-85%
Wage = 30,000 – 45,000 LL/day
SKILLED LABORERS (SYRIAN MIGRANTS/REFUGEES)
Volume of unskilled = 95%
Wage = 15,000 – 25,000 LL/day
UNSKILLED LABORERS (SYRIAN MIGRANTS/REFUGEES)
HOUSEHOLD CONTRACTORS
Number of contractors = ???
House repairs/fixing
Houses/ compounds
Public construction projects
INPUT SUPPLIERS
TVET/VT trainings centers/universities
Communication Providers
Insurance Providers
Key Infrastructure, inputs, market support services
(Micro)Finance Institutions
Warehouse Providers
Transportation Providers
Color Key
Types of Construction (not in labor market)
Target Groups
Main Employers

Overall anticipated trends (for Bekaa and North) in 2013

The continued insecurity caused by the conflict in neighbouring Syria has been identified as the main reason for the continued decline of the construction industry in 2013. Many private projects that had commenced in previous years are being suspended as a result of these security issues, not due to a lack of capital per se. These findings are corroborated by declining "construction activity […] during the first month of 2013 as the number of permits in Lebanon decreased by 14% to 1,132, compared to 1,317 transactions authorized in January of 2012. […] The average area authorized for construction during January 2013 was 661 sqm per permit, compared to 717 sqm per permit for the same period last year."[21]

The decline in tourism in Bekaa (particularly in Baalbek) and the North is also contributing to this reduced investment. As there are fewer projects being implemented country-wide, income opportunities will decrease, rendering households unable to make necessary investments in the (continued) construction of their homes.

In 2013, another major constraint to potential growth in the construction sector is increased regulation of construction licensing, and enforcement of the requirement for urban planning licenses as well as municipality licenses. This is a significant change relative to 2012, and is compounded by the number of small contractors, each of whom needs a license for a new multi-contract construction project. It can also be anticipated that these restrictions will contribute to increased corruption surrounding the approval of construction projects.

Types of labour and wages

As illustrated in the maps above, the pressure on the labour market will increase further more refugees arrive in Lebanon. In February 2013 the number of Syrian refugees in Lebanon was estimated at 305,753 while it is anticipated to stand at over 1,000,000 by the end of the year 2013. Amidst this dire outlook, concerns about increased child labour and exploitation of labourers are being voiced frequently.

Table 10: RRP5 Planning Figures for populations affected by the Syria crisis in Lebanon, 1 January – 31 December 2013

Syrian refugees (registered and awaiting registration)	1,000,000
Unregistered Syrian refugees (*)	100,000
Lebanese returnees	49,000
Host communities (persons)	Up to 1,000,000
Total	**2,149,000**

(*) Essentially persons who are afraid or unable to register

Of the unskilled Syrian labour working on construction sites in early 2013, it is estimated that approximately 40% worked in Lebanon prior to the crisis, whilst 60% have recently arrived. The strongest changes are anticipated in the distribution between Lebanese and Syrian nationals for skilled labour jobs. Lebanese workers in Baalbek estimated up to an 80% drop in jobs available to them in the coming year, while in the north the estimates ranged from 10-

[21] see http://www.thefreelibrary.com/January+construction+drops+14+percent+year-on-year.-a0319984274

15% decrease in available openings for skilled Lebanese. To some degree, professionals are also anticipated to be affected. Interviewees reported that with a continued downturn of the sector they will see themselves forced to lower wages or let go of some of their professional staff. It can be anticipated that more cases of similarly qualified Syrians will be hired under skilled labour jobs and for lower wages, yet fulfilling professionals' jobs.

Given the decline in wages observed since 2012, workers are particularly concerned as to how they will survive throughout 2013 on their construction income (estimated to be $400/month), which they estimate will decrease, even if they do find consistent work.

As a result of decreasing wages, increased tension between Lebanese and Syrian workers and the continued insecurity in Syria, it is likely that 2013 will see a surge in frequency and intensity of roadblocks, strikes and inter-communal violence (particularly in Baalbek, Aarsal, Hermel and Tripoli), even destabilizing existing construction projects.

Opportunities for growth in construction sector in 2013

Despite this grim outlook there are limited opportunities for expansion in the construction labour sector during 2013. Public spending is planned that would contribute to construction related job creation. The Lebanese government pledged a 100 million USD package in 2012 to the development of the Tripoli's infrastructure in order to alleviate some of the most endemic problems, such as sewage, roads blockages and overpopulation of certain quarters of the city[22]. In Bekaa, there are some large-scale construction projects in the area such as the Arab Autostrade which may absorb additional labour but these are limited, and many have stalled at central government level due to lack of funds.

Additionally, humanitarian organizations, such as NRC and Save the Children International amongst others, are beginning to address shelter challenges for refugees by providing rehabilitation grants to Lebanese homeowners (or directly to Syrian refugee families) in exchange for free rent provided to a Syrian family. On top of these programs, a number of interviewees referred to the amount of private constructable land available in Bekaa which could be prepared for construction of shelter or housing units (plumbing, electricity) through CFW-type activities and then used for temporary housing.

VI. KEY FINDINGS

The market analysis has highlight significant impacts on the construction labor market resulting from the conflict in Syria and the influx of refugees into Lebanon. This section analyzes these impacts on the market system in order to understand the implications, opportunities, and challenges of promoting income-earning programming related to construction labor for host community members and refugees.

[22] http://www.dailystar.com.lb/News/Local-News/2012/Nov-01/193450-refugees-push-up-tripoli-real-estate-prices.ashx#axzz2O63FQuRG , http://www.animaweb.org/en/actu-detail.php?actu=27101

Income Gap Analysis of Lebanese and Refugee Construction Workers

The EMMA assessment teams used secondary sources and interviews with members of the target population to analyze the income and expenditure patterns of host communities and refugees. The 'gap' between expenditures required to meet household needs and the income available to households is an estimate of the amount of household revenue required to be earned or provided through work opportunities or charitable assistance. This analysis of the construction labor market system informs the extent to which this labor markets can contribute to closing the 'income gap' at household level.

Host communities

Recent data on Lebanese host community families' income and expenditure does not exist, and this EMMA was not able to collect this information. However, the Lebanon Central Administration of Statistics did conduct a nationally representative household income and expenditure survey in 2004-2005, which has served as the basis for the national poverty line, national poverty targeting program, and construction of the consumer price index. Although not a precise household profile, when adjusted for inflation and compared to the current income available from each market system, as identified in the EMMA assessment, this data provides a window on the precarious household income situation of Lebanese host community members.

The 2004-2005 household expenditure data is adjusted for inflation[23] and listed in Table 11 below. This inflation-adjusted data is an estimate of 2012 average household expenditure for the North and Bekaa and the average wage for Lebanese skilled and unskilled workers. Despite the apparent gap between income and total household expenditure (as shown in table 11), a true income gap cannot be calculated from this information alone, as it does not take into account other possible sources of income for each household. However, when comparing the average wages for skilled and unskilled workers in 2004 to the actual wages observed during the EMMA assessment, we see that wages today are significantly greater than the estimated the levels earned in 2004-2005 when inflation is taken into account. This increase is normal and expected, particularly because of the strong performance of the construction sector up to 2010. However, previous assessments conducted by UNDP and IRC with Save the Children demonstrate how household expenses in communities hosting refugees have actually increased dramatically in the last two years as a result of the crisis in Syria and due to increased costs of hosting refugees as well as border closures preventing less expensive Syrian goods from entering Lebanon[24]. As a result, we see that Lebanese construction income levels in the higher today than in 2004-2005, but so too are household expenditures due to increased burden of hosting and the economic impacts of the Syrian conflict in Lebanon. This information illustrates that those Lebanese who are working as skilled or unskilled laborers in the construction are likely meeting their household income needs. Regardless, only a small portion of the Lebanese population is engaged as construction workers, and the proportion of Lebanese to Syrian workers has decreased markedly since 2010. It is likely that many more Lebanese have been displaced from the

[23] Dollar amounts are adjusted for inflation based on 2007 dollars, despite the income/expenditure data being collected in 2004-2005. Consumer Price Index data prior to 2007 was not readily available at the time of writing in order to adjust 2004 dollar amounts for inflation and enable comparison with current wages. As such, 2004-2005 income/expenditure data was adjusted based on the earliest available CPI data available, from January 2008. These figures are adjusted based on differences in CPI from January 2008 to December 2012.
[24] UNDP Assessment of impact of Syrian crisis on Lebanese host communities

construction labour market by Syrians, and not earning the levels of construction-related income shown in the table below.

Table 11: Income and Expenditure of Lebanese skilled and unskilled workers in the North and Bekaa

Region	Estimated average monthly household expenditure in 2004-2005[25] (in 2012 dollars)	Average monthly income for workers in 2004-2005[26] (in 2012 dollars)	Estimated monthly income for a construction worker in 2012 (observed in fieldwork)
North	$989	Skilled: $420 Unskilled: $316	Skilled: $860-1,200[27] Unskilled: $430-600[28]
Bekaa	$1,197	Skilled: $420 Unskilled: $316	Skilled: $860-1000[29] Unskilled: N/A*

*No significant number of unskilled Lebanese workers were identified in Bekaa

Refugees

No quantitative information is yet available on refugee incomes in Lebanon. Assessments conducted by DRC in Tripoli, Akkar and Bekaa, work undertaken by Save the Children, and expenditure data collected during this EMMA assessment have begun to document the expenditure requirements of refugee households, but no assessments yet quantify refugee income amounts, and this was not possible in the course of this EMMA[30]. Even without strong data on refugee household income, there is a good deal of information available from previous assessments and from interviews conducted during the course of this EMMA to draw a picture of refugee expenditures by location, and sources of income to meet those expenditure needs. While not a precise household economic profile, this comparison of expenditure needs versus income opportunities begins to illustrate the income gap facing refugee families. This gap will vary by locations and levels of engagement in labor markets, but what is clear is the critical role played by humanitarian assistance in assisting families to meet their expenditure needs.

[25] CAS household expenditure and income survey, 2004-2005, available at
[26] From CAS statistics, which unfortunately do not dissagregate income by sector AND by region.
[27] Assuming 26 days/month of work at 50,000-70,000 LL/day
[28] Assuming 26 days/month of work at 25,000-35,000 LL/day
[29] Assuming 26 days/month work at 50,000-60,000 LL/day
[30] At the time of this EMMA, Mercy Corps was planning to undertake a household survey which included collecting information on household expenditure and income, but the results were not available for inclusion in this analysis.

Table 12: Refugee household expenditure requirements and average income from construction labor

<table>
<tr><th>Locations[31]</th><th>Level of monthly household expenditure required to meet needs[32]</th><th>Estimated average monthly income of a refugee worker in this sector[33]</th><th>Other Income sources[34]</th></tr>
<tr><td>Tripoli</td><td>$750-850</td><td>Skilled: $520-780
Unskilled: $260-430</td><td rowspan="3">• Cash assistance from international, faith-based, and local organizations
• Food assistance
• Winterization assistance
• Debt
• Limited wage income</td></tr>
<tr><td>Akkar</td><td>$450-550</td><td>Skilled: $520-780
Unskilled: $260-430</td></tr>
<tr><td>Bekaa</td><td>$650-850</td><td>Skilled: $520-690
Unskilled: $390-520</td></tr>
</table>

The EMMA assessment shows that construction wage labor can only contribute an average of about 30-60% of the overall income needs for unskilled construction workers, but 60-100% of the needs for skilled workers, and only for those refugees who are able to find work in this sector. The figures presented in Table 12 very conservatively present the potential income gap. In reality, the level of income earned, particularly by unskilled workers, is highly inconsistent as workers are hired on a daily basis, making income dependent on length and labour demand of any construction projects. In reality, most refugees earn significantly less from construction work than listed in the Table 12, largely because most are working as daily laborers and do not have a full 26 days/month of work. Additionally, these opportunities are primarily accessible by only a small number of refugees, and those who have had previous connections in Lebanon either as migrant workers or through close family or social networks who had established contacts in this working sector in Lebanon. Continued reliance on humanitarian assistance of varying types and providers is necessary.

The remainder of the analysis will look at the potential capacity of the construction labor market system to contribute income to the target population to assist in meeting the necessary levels of household expenditure to meet needs.

Key Analytical Question #1: What is the capacity of the construction labour market system to absorb additional labour within our target population?

With a prognosis of declining investments, slowing/stalling of existing construction projects and additional refugees entering the labour market **the construction sector as it currently operates will not be able to accommodate more labourers at current wage levels**. The

[32] Refugee household expenditure information is a combination of DRC assessment of household expenditure in Akkar, Tripoli and Bekaa and primary data collected during this EMMA.

[33] This analysis assumes between 8 hours worked per day, for 26 days a month. In reality, most refugees working as daily laborers only access several days of work per week.

[34] Information on other sources of income accessed by refugees is collected from livelihood assessment reports completed by IRC and Save the Children, DRC, and data collected in this EMMA.

phenomenon of hiring two labourers for the wage of one is likely to increase and wages are expected to further decrease. More households among the target population are likely to start selling parts of their livelihoods assets in order to meet their daily expenditure needs.

Moreover, key informants are predicting an even **bigger shift from Lebanese to Syrian workers due to the cheapness of labour**. Some contractors also mentioned that **professionals might be affected by the developments**. This is likely to further aggravate tensions between host communities and refugees.

Key Analytical Question #2: What are the opportunities for expanding this sector and any constraints to absorbing additional labour? How can we contribute to overcoming these constraints?

The main factors limiting the absorption of additional workers in the construction sector are the protracted insecurity affecting the investment climate, higher licensing costs and to some degree availability of land in certain areas. These constraints however are not linked to a lack of qualified available labour or capacity constraints on the part of contractors to implement an increasing number of projects/budgets. In the Bekaa, where construction activities have grown in 2012 relative to the baseline, this is likely due to continued levels of corruption and circumventing of the permitting regulations. Also, large construction projects in Bekaa, mostly approved prior to the Syrian crisis, have continued regardless of the insecurity. However, construction work in Bekaa is anticipated to taper off in 2013, with key informants estimating a further decrease of about 14% in new construction permits across all of Lebanon. Given this anticipated decrease in construction activities in 2013, Table 14 below shows the anticipated decrease in construction labour opportunities anticipated in the coming year.

Table 13: Anticipated Labour Opportunities in 2013 assuming continued decrease in construction activities[35]

Region	Skilled Labourers	Unskilled labourers
North	4,295	12,884
Bekaa	2,335	7,005
Total Workers in 2013	**6,630**	**19,889**

Under ideal construction circumstances, with vastly improved security and relaxed permit rules fostering expanded investment in construction activities, key informants estimated they would be would be able to increase their current portfolios of construction work by another 50%. The number of jobs available in this overly optimistic scenario is noted in Table 14. This table indicates the maximum absorption labour absorption capacity of the construction market system under ideal circumstances in 2013 (Table 14, Line C). By subtracting the number of workers in the construction industry in North and Bekaa during 2012 (Table 14, Line D) from the maximum total of construction-related jobs, the result is the number of new

[35] Estimated number of workers calculated based on a 14% decrease in square meters of new construction permits issued, as anticipated by key informants, and the average number of skilled and unskilled workers required per square meter of construction.

construction-related income opportunities created under ideal construction circumstances (Table 14, Line E). When comparing these roughly 12,000 new jobs to the 20,000 refugees potentially seeking work in the construction sector (Table 15), it is clear that even under the ideal situation, the construction labour market cannot supply the level of income-earning opportunities that are demanded. Even in this most optimistic of scenarios, opportunities remain relatively low compared to the continually increasing supply of labourers seeking opportunities in the construction market.

Table 14: Number of workers required in construction sector under ideal circumstances, 2013[36]

Line	Region	Skilled Labourers	Unskilled Labourers
A	North	8,982	26,944
B	Bekaa	4,072.50	12,217.50
C	Maximum total workers under ideal circumstances in 2013	13,055	39,162
D	Number of workers in the North and Bekaa construction labour market in 2012[37]	10,081	30,243
E	Number of new opportunities under ideal circumstances	2,974	8,919

Table 15: Estimated number of refugees seeking work in construction, 2013

Region	Number of refugees potentially seeking work in construction
North	11,000
Bekaa	9,500

Although it is not realistic for humanitarian organizations to address the main constraints limiting the construction labour market to reaching in maximum number of workers, mainly the heightened insecurity and increasing enforcement of permit regulations, there are opportunities to create additional income-earning opportunities in the construction labour market. One of the greatest humanitarian challenges in Lebanon is ensuring shelter for the growing number of refugees, and better linking ongoing and future shelter programmes with the excess construction labour capacity could support a number of refugee and Lebanese livelihoods. The existing capacity of contractors and input suppliers to cater to increasing demand combined with the need to provide shelter solutions for refugees and host communities provide a strategic opportunity for the creation of job opportunities in the sector, supported by the humanitarian community.

[36] Estimated number of workers calculated based on a 50% increase in square meters of construction, as suggested by key informants as maximum capacity of the construction sector, and and the average number of skilled and unskilled workers required per square meter of construction.
[37] Data taken from table XX in the emergency-affected market map section

VII. PROGRAMMING RECOMMENDATIONS

The third phase of the EMMA analysis, Response Analysis, seeks to identify appropriate programming options to address the constraints identified in the construction labour market analysis, in order to support refugee and host community families to close the household income gap. Response analysis is a two-step process. The first step is identifying all the potential response options that could be implemented to improve construction sector labor opportunities. These options are listed in a ‘Response Options Matrix’ and the relative pros/cons of each option are analyzed. Based on this analysis, specific programming options or combinations of options are selected to be the most appropriate programming options for the given context and level of market functioning, in order to support households to close the income gap. EMMA recommendations can include both direct programming options which are targeted directly at the refugee or host community member in order to improve his/her ability to earn a living from the construction labor market system, or indirect interventions targeted at another actor within the market system in order to eventually expand income-earning opportunities for refugees or host community members. Below only the programming recommendations are presented. To see the full ‘Response Options Matrix’ used for identifying these recommendations, please see Annex 1.

Below are seven programming recommendations designed to address the constraints identified in the construction labour market system, and to support Lebanese and refugees to expand income-earning opportunities and close their household income gap.

1) **Ensure that ongoing shelter rehabilitation programs, implemented by humanitarian agencies, include conditionality on minimum number of workers, days of labour per worker, and minimum pay.**

   This type of intervention would support Syrian and Lebanese employment seekers as well as benefitting local contractors. The latter would have to agree to the condition of hiring designated labour in order to allow for identified target groups to benefit from this type of intervention.

   Costs for ensuring these conditions will be significant, particularly ensuring a minimal number of days of work and wage for each worker. But, these conditions are necessary to support and promote construction-linked livelihood opportunities. Ideally a cost sharing approach would be implemented (e.g. house owners provide the capital for material and the implementing agencies provides for labour payments). Based on estimates of the shelter working group requirements for rehabilitation, formalizing the labour conditions would create over 960 full time jobs for Lebanese and refugee workers, as shown in Table 16, below. However, this calculation underestimates the total number of people who would benefit, this calculation is based on full time employment and many workers will only spend several weeks supporting a given shelter rehabilitation project. Also, some of these income opportunities may already exist under current shelter rehabilitation programs, but the key change would be to formalize the employment-create aspects of the program, ensure a standard wage payment, and monitor the progress of numbers of income earning opportunities created.

Table 16: Potential new full time jobs available through shelter rehabilitation

Location	Skilled	Unskilled
North[38] (appr. 2,500 Households)	107	429
Bekaa[39] (appr. 2,000 Households)	86	343

In order to avoid exploitation of labourers and labourers receiving adequate daily wages, payments to labourers will have to be made directly by the implementer. Moreover, this endeavour will require significant start-up efforts in order to determine the pool of skills available among set target groups. Close monitoring will be required to ensure correct project implementation, security of participants and to ensure workers are not exploited.

2) Use Cash for Work activities to prepare constructible land for temporary housing solutions, such as installation of electricity and sewage/drainage connections, and installation of temporary housing.

This recommendation is a potential win-win situation for refugee and Lebanese workers, refugees in search of shelter, and landowners. By using land already approved for construction, and preparing that land with sewer and electricity lines, the area will be prepared either for construction of temporary shelters to address the refugee housing crisis (if approved by local and national government), or for further construction by the landowner. The land preparation would add value to the unused land, and offer a paid-wage to refugees or Lebanese workers engaging in the work. Additionally, these activities could complement and support communities with planned expansion of housing construction, particularly urban areas of Tripoli and some areas of Bekaa.

These CFW activities would require permitting approvals, and must fit within municipality and other government plans for both housing refugees and further construction and zoning plans.

3) Explore conditional wage subsidies or wage top-up agreements with construction contractors during a fixed contractual period

This approach would foster close collaboration between humanitarian agencies and private sector construction companies in order to ensure that wages for Lebanese

[38] North approximately 2,500 household rehabilitations @ 4 unskilled and 1 skilled person/per HH rehabilitation = 10,000 unskilled, 2,500 skilled workers in all. It takes 7.5 working days to complete a rehabilitation = 75,000 unskilled and 18,750 skilled working days. Construction season is April to November (35 weeks x5 working days =175 working days per worker); 75,000/175 = 429 unskilled workers, 18,750/175 = 107 skilled people)

[39] Bekaa approximately 2,000 household rehabilitations @ 4 unskilled and 1 skilled person/per HH rehabilitation = 8,000 unskilled, 2,000 skilled workers in all. It takes 7.5 working days to complete a rehabilitation = 60,000 unskilled and 15,000 skilled working days. Construction season is April to November (35 weeks x5 working days =175 working days per worker); 60,000/175 = 343 unskilled workers, 15/175 = 86 skilled people.

and Syrian workers do not drop to exploitative levels. Humanitarian agencies could support construction companies to maintain a minimum level of pay and number of workers, for a fixed period of time. In doing so, agencies could commit to provide pay for a certain number of days or weeks per month, in return for the contractor ensuring pay and employment levels do not change.

This type of intervention would support Lebanese and Syrian workers in meeting their household income needs, while also preserving working conditions. Additionally, preserving income-opportunities for both Lebanese and Syrians could contribute to reduced tensions between host and refugee communities. However, the acceptability of the program by private sector actors is not well known, and the wage subsidies are a short-term solution to promote livelihoods and not sustainable.

4) Provide business toolkits for plumbers, electricians and plasterers, in addition to business start-up training and linkages with employment offices and sources of job information

Although the construction sector labour market is overwhelmed by the number of workers currently available, key informants did state that those skills most demanded on job sites were for plumbers, electricians, and plasterers. There is not a shortage of these skill-sets, but of all the skills, these seem to be the hardest to find. Additionally, in order to do their jobs, plumbers, electricians, and plasterers are required to own specialized tools and equipment. Although many refugees may be arriving to Lebanon with these skills, they lack the capital to purchase the equipment necessary to practice the trade. Theft of equipment has also been on the rise in and around construction sites, straining tensions between Lebanese and Syrian workers.

There is an existing body of experience around this type of interventions by Première Urgence and Oxfam having provided business toolkits and training after the 2006 war. In order to implement this activity, conditionalities should be applied that include the provision of onsite training, and a balance between Syrian and Lebanese workers benefiting from this intervention. The activity could be continuously implemented on a rolling basis with different labourers based on their skill set.

Opportunities should also be explored of working with existing TVET/Vocational Training centres offering training in relevant professions. (For a list of training centres see Annexes.)

5) Link youth with scholarships and apprenticeships through existing TVET training and build job search skills

This intervention offers a special opportunity to work with youth. In this context it is particularly important to balance participation of both Syrians and Lebanese as opportunities for youth are few in both communities. The Ministry of Education offers scholarships for Technical and vocational training programs, however these opportunities remain largely under-utilized. This recommendation suggests exploring further why these scholarship opportunities are under-utilized, and to support youth, both Syrian and Lebanese, to apply for and take advantage of these educational and on-the-job training programs. This intervention should be competitive in identifying suitable candidates as well as consider useful conditionalities in terms of attendance and practice.

In addition to supporting youth in taking advantage of existing TVET opportunities, humanitarian agencies should support youth to build relevant soft skills, such as CV writing, job search etc. That will enable success in identifying job opportunities. Close monitoring and coaching of the youth and their supervisors ensures that valuable vocational skills are being transferred, and as well as the capabilities to identify and secure income-earning jobs.

6) Provision of employment services for Lebanese and refugee communities through existing resources and through job-search skill training

This recommendation emphasizes supporting existing job placement services, such as those offered by the National Employment Office, and exploring options to scale-up alternative job services program models, such as UNRWA's programs for Palestinian refugees. With over a million refugees anticipated to be living in Lebanon by the end of 2013, developing systems to link Lebanese and refugees with income-earning opportunities are essential. In the construction sector, the current practice of hiring daily labourers from the roadside is inefficient and reduces opportunities of those workers to identify other income-earning opportunities while waiting on the roadside.

Start-up and provision of support to Lebanese and refugees in CV writing, job search resources, interview techniques, etc. as well as developing a network linking job seekers with employers, are all different types of employment services required by the target population. Agencies can draw on existing experience from UNRWA's employment offices to support the scale up of similar services through the government's support structures.

7) Supporting investors in establishment of (semi-) industrial infrastructure (e.g. agricultural processing facilities)

One of the primary constraints identified in the EMMA assessment of the agricultural labour market system in the North and in Bekaa was the lack of food processing and, particularly in the North, food storage facilities. In order to expand income opportunities in both construction and the agricultural labour market systems, agencies can identify and partner with private sector businesses interested in expanding food storage or processing facilities. Some small and medium-scale food processing facilities do exist, mostly in Bekaa, and partnership with NGOs may support more businesses to start-up similar activities. Agencies can provide incentives to start-up new facilities by contributing to the labour or other costs of the construction project, with the conditionalities on wage and number of days of work.

This recommendation will require partnership with private sector actors, but can contribute benefits in terms of immediate livelihood opportunities for construction workers, but also address one of the major constraints to expanding labour in the agricultural labour market system.

Construction near Tripoli

Table 17: Response Recommendations

Response Activity (or combination of activities)	Key risks and assumptions	Timing considerations	Likely effect (on market system and target population)	Suggested implementers and partners
1) Ensure that ongoing shelter rehabilitation programs, implemented by humanitarian agencies, include conditionality on minimum number of workers, days of labour per worker, and minimum pay. **TARGET POPULATION:** Skilled and semi-skilled Lebanese; Skilled, semi-skilled and unskilled Syrian	- Need for shelter/construction expert to accurately quantify number of work days required for rehabilitation - Cost sharing is desirable (e.g. with owners paying for material and NGOs for labour), though host communities capacity to do so is limited - Difficulties of legal enforcement of longer term lease agreements, e.g. rental increase, could jeopardize shelter provision for target population	- **Timing: Short to Medium-term**	- Addresses shelter and livelihoods needs simultaneously - Supports quality of rehabilitation work by linking skilled workers to demand - Can provide employment for both target groups - Could be linked to limiting rental increases in the future	**NGOs** **Small and medium contractors** **municipalities**
2) **Use Cash for Work activities to prepare constructable land for temporary housing solutions, such as installation of electricity and sewage/drainage connections, etc.**	- Uncertainty about availability of private land and legality of building temporary housing on this land - lengthy and costly approval processes for construction licensing for new constructions	- **Timing: short to mid-term**	- In parts significant under-utilised private land available - Win/win situation as rehabilitated land is then constructible either for temporary housing or for the land	**NGOs, municipalities, small and medium contractors**

			owner - Complement long-term housing expansion plans already foreseen in some urban areas - Could include formalized mentoring for different skills (including for youth)	
3) Explore conditional wage subsidies or wage top-up agreements with construction contractors during a set contractual period **TARGET POPULATION:** Skilled and semi-skilled Lebanese; Skilled, semi-skilled and unskilled Syrian	- Approach is not sustainable, associated with high costs and could raise expectations in the long term - Acceptability by private sector actors might be limited as there is no benefit to them and expectations beyond funded interventions might be raised - Risks associated with delayed/lacking/corrupted payments on contractors' side	- **Timing: short to mid-term**	- Ensures minimum wage for set period of time (livelihoods objectives) - Facilitates skills development - Encourages equal wages for Lebanese and Syrians	**NGOs** **Medium and small contractors**
4) Provide business toolkits for plumbers, electricians and plasterers, in addition to business start-up training and linkages with employment offices and sources of job	- Needs to be linked to clear opportunities in order not to create false expectations - May provide Syrians with additional advantage in marketing their skills	- **Timing: Short-term**	- Targets construction skills which are in high demand in sector - Addresses issue of loss of equipment for Syrians and sale/theft	**NGOs, Order of Architects and Engineers, Chamber of Commerce**

information **TARGET POPULATION:** - Semi-skilled Lebanese and Syrian / focus on youth	- Risks increasing competition amongst small contractors - Non-transparent targeting could create further tensions between beneficiaries and non-beneficiaries		of equipment of Lebanese	**ILO**
5) Link youth with scholarships and apprenticeships through existing TVET training and build job-search skills **TARGET POPULATION:** Unskilled Lebanese and Syrian youth	- unsuitable on-the-job trainers could risk low learning outcome or high drop outs - low interest among donors due to costliness - competitiveness of graduates limited in terms of certification/acceptance of training	- **Medium to long term**	- Increasing employability of youth as learning phase is subsidized - focus on youth can be linked to more long-term development projects eventually	**NGOs, government, private schools, education foundations**
6.) Provision of employment services for Lebanese and refugee communities through existing resources and through job-search skill training (linked to National Employment Office programs and UNRWA model) **TARGET POPULATION:** Skilled and semi-skilled Lebanese; Skilled, semi-skilled and unskilled	- Outreach could be limited if private sector buy in is limited and database scope not comprehensive enough to be relevant to job seekers - If considered through longer term lens, support could be extended to other skills/sectors	- **Timing: medium-term**	- Facilitates linkages between supply and demand of labour, and skills-based opportunities Increased transparency	**Government, NGOs, ILO, UNRWA**

Syrian				
7.) Supporting investors in establishment of (semi-) industrial infrastructure (e.g. agricultural processing facilities) **TARGET POPULATION:** Skilled and semi-skilled Lebanese; Skilled, semi-skilled and unskilled Syrian	- Links up opportunities in different sectors - Cost sharing - Contributes to local economic development/new job opportunities - Could be linked to more long term economic development projects - High expectations on investors part for NGO partners to cover investment risks	- **Medium** to long-term	- Relies on availability of investment and strong understanding of relevant value chains - Potentially seasonal limitations -	**NGOs, government, Chamber of Commerce**

ANNEXES

Annex 1 – Response Options Matrix

	Response Option	Advantages	Disadvantages	Feasibility (High, low, medium and why?) and timing (short, medium, long-term)
1	Conditional grants/projects to HHs/contractors for rehabilitation of houses and communal shelters on conditionality to include minimum number of workers and days/worker and min pay)	- Addresses shelter and livelihoods needs simultaneously - Supports quality of rehabilitation work by linking skilled workers to demand - Can provide employment for both target groups - Could be linked to limiting rental increases in the future - Leverage over equal wages	- Challenge of quantifying number of days of work required for rehabilitation - Sustainability for NGOs of paying for rehabilitation labour - Legal enforcement of longer term agreements, e.g. rental increase is difficult - Requires significant monitoring of adherence to conditions for hiring labour	- **Feasibility: High** (building on existing programmes & high number of properties to be rehabilitated) - **Timing: Short to Medium-term** **TARGET POPULATION:** - Skilled and semi-skilled Lebanese; Skilled, semi-skilled and unskilled Syrian
2	CFW to make land buildable, set-up of movable pre-fabricated housing for refugees or develop public/communal buildings with multiple functions	- In parts significant under-utilised private land available - Win/win situation as	- Uncertainty about availability of private land and legality of building temporary housing on this land)	- **Feasibility = Low** (unless government changes its position); - **Timing = short to**

	Response Option	Advantages	Disadvantages	Feasibility (High, low, medium and why?) and timing (short, medium, long-term)
		rehabilitated land is then constructible - Contribute necessary housing expansion needs already planned for in urban areas - Could include formalized mentoring for different skills (including for youth)	- Government and community-level resistance to creation of camps - Uncertainty about how long refugees would stay on land = risk of creating more camps - Uncertainties about development plans - Potentially lengthy approval processes for construction licensing for new constructions	**mid-term** **TARGET POPULATION:** Skilled and semi-skilled Lebanese; Skilled, semi-skilled and unskilled Syrian
3	Supporting investors in establishment of (semi-) industrial infrastructure (e.g. agricultural processing facilities)	- Links up opportunities in different sectors - Cost sharing - Contribute to local economic development/new job opportunities - Could be linked to more long term economic development projects	- Relies on availability of investment and strong understanding of relevant value chains - Potentially seasonal limitations	- **High** (if there is investment in food processing) - **Medium** to long-term **TARGET POPULATION:** Skilled and semi-skilled Lebanese; Skilled, semi-skilled and unskilled Syrian

	Response Option	Advantages	Disadvantages	Feasibility (High, low, medium and why?) and timing (short, medium, long-term)
4	Conditional wage subsidies during a set contractual period	- Ensures minimum wage for set period of time (livelihoods objectives) - Facilitates skills development - Encourages equal wages for Lebanese and Syrians	- Sustainability & cost - Acceptability by private sector - Risks with payments on contractors' side	- **Feasibility: Medium** - **Timing: Medium-term** (time needed to set up r/s with private sector firms) **TARGET POPULATION:** - Unskilled and semi-skilled Lebanese and Syrian
5	Advocacy for temporary lowering costs or instalment payments for urban planning permits to stimulate housing construction	- Stimulation of construction sector and increase in labour demand	- Only applies to limited HH as it does not address other factors (security, capital) restricting investment	- **Feasibility: Medium** (politically complex) - **Timing: Short to medium-term** **TARGET POPULATION:** Skilled and semi-skilled Lebanese; Skilled, semi-skilled and unskilled Syrian

	Response Option	Advantages	Disadvantages	Feasibility (High, low, medium and why?) and timing (short, medium, long-term)
6	Business toolkits for plumbers, electricians and plasterers; supported by business start-up training & linkage building to employment offices/sources of job information **Practical considerations:** • PU and Oxfam have experience of providing business toolkits + training after the 2006 war • Work through private training institutions (use ILO networks)	- Targets construction skills which are in high demand in sector - Addresses issue of loss of equipment for Syrians and sale/theft of equipment of Lebanese	- Needs to be linked to clear opportunities - May provide Syrians with additional advantage in marketing their skills - Risks increasing competition amongst small contractors	- **Feasibility: High** (easy to implement) - **Timing: Short-term** **TARGET POPULATION:** - Semi-skilled Lebanese and Syrian / focus on youth
7	Support employment offices in establishment of skills database & improving job placement services (e.g. extend/copy UNRWA employment office services) •	- Facilitates linkages between supply and demand of labour, and skills-based opportunities - Increased transparency	- Challenging to make it comprehensive - Could be extended to other skills/sectors	- **Feasibility = Medium** - **Timing = medium-term** **TARGET POPULATION:** Skilled and semi-skilled Lebanese; Skilled, semi-skilled and unskilled Syrian

	Response Option	Advantages	Disadvantages	Feasibility (High, low, medium and why?) and timing (short, medium, long-term)
8	Temporary housing to be established near major construction sites **Practical considerations:** • To be funded by humanitarian agencies (and include housing for families) • Same as for proposal to establish pre-fab housing on private land	- Better security around site - Improving accessibility to job opportunities as labourers don't pay for shelter or transport - Temporarily addresses shelter issues	- Temporary - Low level of living conditions (access to services?) - Requires availability of land and approval of land owners	- **High** - **Short to medium** **TARGET POPULATION:** Unskilled Syrian labour
9	Paid apprenticeship/scholarships payments for youth	- Increasing employability of youth as learning phase is subsidized - focus on youth - can be linked to more long-term development projects eventually	- requires appropriate vetting of on-the-job trainers - costly - potential limitations in terms of certification/acceptance of training	- **Medium** - **Medium to long term** **TARGET POPULATION:** Unskilled Lebanese and Syrian youth

	Response Option	Advantages	Disadvantages	Feasibility (High, low, medium and why?) and timing (short, medium, long-term)
1	Skill building on interviewing, CV writing, job search	- youth focused - supports orientation of newly arriving refugees to different labour market - creating mutual support group - easy entry point for other activities	- no immediate income generation might deter participation	- **High** - **Short to medium** **TARGET POPULATION:** Unskilled Lebanese and Syrian youth
1	Support workers to form groups to facilitate placements, training, rights advocacy	- Can function as information hub - support structures for self-driven advocacy - Provides access point for projects, e.g. training etc. - can be continued/utilized in Syria eventually too	- might cause additional tensions/discrimination - limited rights enforcement in country to begin with	- **Medium** - **Short to medium** **TARGET POPULATION:** Lebanese and Syrian labourers

	Response Option	Advantages	Disadvantages	Feasibility (High, low, medium and why?) and timing (short, medium, long-term)
1	Advocacy for reduced costs of work permit extension	- Lift constraints on labour flow throughout the country	- Opposition likely from government and communities	- **Low** (opposition by government) - **medium** **TARGET POPULATION:** Syrian labourers
1	Youth scholarships for host communities to partake in TVET centres under dual system	- provide more appropriate/practical training - integration into existing development efforts - youth focus	- no immediate income opportunities - generate limited interest due to downwards trend in construction	- **Low** - **Medium to long-term** **TARGET POPULATION:** Lebanese youth

Annex 2 – TVET Institutions

الم هنية ا سم	المحاف ظة	Location	ن وع ال تعل يم
ال فنية ب زال مدر سة	عكار	Akkar	ر سمي
م شتى-ال فنية ال حريري رف يق مدر سةال شه يد حمود	عكار	Akkar	ر سمي
ال فنية ذن بو مدر سة	عكار	Akkar	ر سمي
ال فنية م شمش مدر سة	عكار	Akkar	ر سمي
ال حدي ثة ال مهنية ال ع لوم مدر سة	عكار	Akkar	خاص
ال فنية ال شرق ين درة معهد	عكار	Akkar	خاص
عكار - الارث وذك سي ال مهني ال معهد	عكار	Akkar	خاص
ال ت قنيه ح لبا مدر سه	عكار	Akkar	خاص
- وال ت قني ال مهني ل ل تعل يم ال وطنى المركز عكار	عكار	Akkar	خاص
عكار ال عماره ال فنيه ال شمال مدر سه	عكار	Akkar	خاص
-(وال كم ب يوت ر وال ع لوم ال ق ب يات) ال غد مهنيه عكار	عكار	Akkar	خاص
عكار ال مهنية ال براءه مدر سة	عكار	Akkar	خاص
ال فنية خالد وادي مدر سة	عكار	Akkar	خاص
ال ل بناني ال ت قني ال معهد	عكار	Akkar	خاص
ال كوم ب يوت ر ب رمجه مركز	عكار	Akkar	خاص
ال ت قنية وال ع لوم ل ل ترب ية ال عالي ال معهد والاداري ة	عكار	Akkar	خاص

المهنية اسم	المحافظة	Location	نوع التعليم
المهنيةوالتقنية للعلوم الجومة مدرسة	عكار	Akkar	خاص
التقني فارس مركز	عكار	Akkar	خاص
الهدى نور مهنية	عكار	Akkar	خاص
الحديثة والتكنولوجيا العلوم مركز	عكار	Akkar	خاص
الوطنيه عكار مهنيه	عكار	Akkar	خاص
التقنية عكار مهنية	عكار	Akkar	خاص
الفنيه الهرمل مدرسه	الهرمل بعلبك	Baalbek-Hermel	رسمي
النموذجية الهرمل مدرسة	الهرمل بعلبك	Baalbek-Hermel	رسمي
الفنية شيت النبي مدرسة	الهرمل بعلبك	Baalbek-Hermel	رسمي
الفنيه بعلبك مدرسه	الهرمل بعلبك	Baalbek-Hermel	رسمي
الفنيه بدنايل مدرسه	الهرمل بعلبك	Baalbek-Hermel	رسمي
الفنية عرسال مدرسة	الهرمل بعلبك	Baalbek-Hermel	رسمي
الفنية شعث مدرسة	الهرمل بعلبك	Baalbek-Hermel	رسمي
الفنية شمسطار مدرسة	الهرمل بعلبك	Baalbek-Hermel	رسمي

المهنية اسم	المحافظة	Location	نوع التعليم
- بعلبك - للتمريض الفنية الططري مدرسه	الهرمل بعلبك	Baalbek-Hermel	خاص
- التجاريه والفنون الالكترونيك مركز - بعلبك -	الهرمل بعلبك	Baalbek-Hermel	خاص
للتمريض الامل دار مستشفى مدرسة	الهرمل بعلبك	Baalbek-Hermel	خاص
الفني المهدي الامام معهد	الهرمل بعلبك	Baalbek-Hermel	خاص
الخاص الفني بعلبك معهد	الهرمل بعلبك	Baalbek-Hermel	خاص
جدين جب- والمهن للعلوم التنمية معهد	البقاع	Bekaa	رسمي
الفنيه مشغره مدرسه	البقاع	Bekaa	رسمي
رفيق الشهيد/الفنية برالياس مدرسة الحريري	البقاع	Bekaa	رسمي
الفنيه راشيا مدرسه	البقاع	Bekaa	رسمي
الفنية روحا خربة مدرسة	البقاع	Bekaa	رسمي
الفنية رياق مدرسة	البقاع	Bekaa	رسمي
الفنيه زحله مدرسه	البقاع	Bekaa	رسمي
الصناعات لاختصاصات الفني المعهد الياس قب- الغذائية	البقاع	Bekaa	رسمي
الخياره - والتقنى المهنى البقاع معهد	البقاع	Bekaa	رسمي
الفنية الياس قب مدرسة	البقاع	Bekaa	رسمي

المهنية اسم	المحافظة	Location	نوع التعليم
ال فنية ال بقاع مدرسة	ال بقاع	Bekaa	رسمي
كولدج تكنيكال انترنشيونال	ال بقاع	Bekaa	خاص
كولدج يوني فرسال اميركان	ال بقاع	Bekaa	خاص
ال فنيه لعلوم زحله اكاديميه	ال بقاع	Bekaa	خاص
(تعنايل) ال تعزيه سيده	ال بقاع	Bekaa	خاص
ال عال يه ال فنيه شتورا	ال بقاع	Bekaa	خاص
ال بقاع فتاه بيت	ال بقاع	Bekaa	خاص
(زحله) المرب ين لاعداد ال لبنانى المعهد	ال بقاع	Bekaa	خاص
-جدي تا- ل ل فنون ال لبنانى المركز	ال بقاع	Bekaa	خاص
ال تقنى شتورا مركز	ال بقاع	Bekaa	خاص
ال فرزل - المهنيه ال صداقه دار	ال بقاع	Bekaa	خاص
وال تقنى المهنى ال بقاع معهد	ال بقاع	Bekaa	خاص
زحله سعدب يوتى	ال بقاع	Bekaa	خاص
ال بقاع/المشرق ال غد مهنيه	ال بقاع	Bekaa	خاص
زحله-المهنيه لعلوم ال بقاع مركز	ال بقاع	Bekaa	خاص
شتوره- ال تقنى هاشم مركز	ال بقاع	Bekaa	خاص
زحله / والمهنيه ال فنيه ال علوم	ال بقاع	Bekaa	خاص
ال تقني ل يباذ يل معهد	ال بقاع	Bekaa	خاص
ال فني المعهد ال شرق ية ال كلية معهد	ال بقاع	Bekaa	خاص
والمهن لعلوم ال لبنانى المعهد	ال بقاع	Bekaa	خاص

المهنية اسم	المحافظة	Location	نوع التعليم
شذنلر لودف يك يوحنا	البقاع	Bekaa	خاص
والتاهيل الاجتماعيه للخدمات الوطنيه الجمعيه المهنى	البقاع	Bekaa	خاص
الموسوى عباس السيد الشهيد معهد	البقاع	Bekaa	خاص
التجارية والفنون الاكترونيك مركز	البقاع	Bekaa	خاص
الفنيه الشرق مدرسه	البقاع	Bekaa	خاص
الفنية المستقبل مدرسة	البقاع	Bekaa	خاص
الفنية لينكولن مدرسة	البقاع	Bekaa	خاص
الفنية الشعلة جمعية مدرسة	البقاع	Bekaa	خاص
الفنية نحاش راس مدرسة	الشمال	North	رسمي
الرسمى الفنى عمار دير معهد	الشمال	North	رسمي
الرسمية الفنية بخعون	الشمال	North	رسمي
الفنية أميون مدرسة	الشمال	North	رسمي
الفنية شكا مدرسة	الشمال	North	رسمي
الفنيه دوما مدرسه	الشمال	North	رسمي
الفنية بشري مهنية	الشمال	North	رسمي
الرسمى الفنى زغرتا معهد	الشمال	North	رسمي
الفني طرابلس معهد	الشمال	North	رسمي
طرابلس-الصناعي الفني المعهد	الشمال	North	رسمي
سمرا ابي/طرابلس الفنية المدرسة	الشمال	North	رسمي

اسم المهنية	المحافظة	Location	نوع التعليم
معهد طرابلس الفني الرسمي	الشمال	North	رسمي
المعهد الفني التربوي - طرابلس	الشمال	North	رسمي
المعهد الفني الفندقي - طرابلس	الشمال	North	رسمي
مدرسة عكار العتيقة	الشمال	North	رسمي
المعهد المهني الارثوذكسي العالي	الشمال	North	رسمي
مدرسة حلبا الفنية	الشمال	North	رسمي
مدرسة وادي خالد الفنية	الشمال	North	رسمي
مدرسة تكريت الفنية	الشمال	North	رسمي
مدرسة القنطرة الفنية	الشمال	North	رسمي
مدرسة ببنين الفنية	الشمال	North	رسمي
مدرسة القبيات الفنية	الشمال	North	رسمي
مدرسة أكروم الفنية	الشمال	North	رسمي
البترون الفنيه العاليه	الشمال	North	خاص
مركز سان بازيل المهنى - البترون	الشمال	North	خاص
معهد مركز البترون الثقافي	الشمال	North	خاص
معهد مار يوحنا العالي للتربية والتكنولوجيا	الشمال	North	خاص
الليسية التقنية للمهن والتمريض	الشمال	North	خاص
المهنية الدولية للعلوم الفنية والتقنية	الشمال	North	خاص
المعهد الوطني التقني (شكا)	الشمال	North	خاص
معهد الكوره التقني	الشمال	North	خاص

المهنية اسم	المحافظة	Location	نوع التعليم
ال عالية ال فنية ددة مدرسة	ال شمال	North	خاص
ال كوره-ال فنية الارثوذكسية ب ك فتين مدرسة	ال شمال	North	خاص
المهنية تريزيا ال قديسة راهبات مدرسة	ال شمال	North	خاص
ال عالية ال فنية ب حبوش	ال شمال	North	خاص
ال عالية ال فنية حصرون	ال شمال	North	خاص
ال فنية تريزا ال قديسة راهبات	ال شمال	North	خاص
ج بران خليل ج بران	ال شمال	North	خاص
زغرتا - ال شمالى ل بنان معهد	ال شمال	North	خاص
زغرتا - ال تقنى انطونيوس مار معهد	ال شمال	North	خاص
زغرتا/ال جديده/ال شمالى ل بنان معهد	ال شمال	North	خاص
المهنيه اجيع مدرسه	ال شمال	North	خاص
كولدجيوني فرسال صيدون	ال شمال	North	خاص
ال عاليه ال فيحاء ل يسيه	ال شمال	North	خاص
(طرابلس) لعلوم المهنيه ال ليسيه	ال شمال	North	خاص
ال تقنى طرابلس معهد	ال شمال	North	خاص
(طرابلس) المقدسه ال عائله مدرسه	ال شمال	North	خاص
طرابلس - ال عاليه المهنيه حيدر اكاديميه	ال شمال	North	خاص
-طرابلس- ال شمال مهنيه	ال شمال	North	خاص
طرابلس - ال تقنى نورثون معهد	ال شمال	North	خاص
طرابلس - ال تقنى المناره معهد	ال شمال	North	خاص

المهنية اسم	المحافظة	Location	نوع التعليم
طرابلس-الحديث التعليمى المركز	الشمال	North	خاص
طرابلس-التقنى الزيتون معهد	الشمال	North	خاص
طرابلس مستشفى في التمريض معهد	الشمال	North	خاص
طرابلس - للتمريض الهدى مدرسه	الشمال	North	خاص
سمرا ابو و طرابلس-الفنية الزهراء دار	الشمال	North	خاص
طرابلس الفنى الجنان معهد	الشمال	North	خاص
والمعلوماتية للتقنية الحديث المركز	الشمال	North	خاص
فرح معهد	الشمال	North	خاص
الفنية الكرملية	الشمال	North	خاص
الحديثة للعلوم اللبنانية الاكادمية	الشمال	North	خاص
واللغات للعلوم العربي اللبناني المركز	الشمال	North	خاص
كولدج يونيفرسال امريكان	الشمال	North	خاص
المهنية اليتيمه دار	الشمال	North	خاص
طرابلس - للشابات المسيحية الجمعية	الشمال	North	خاص
-والتقنيه المهنية للدراسات العالي المركز طرابلس	الشمال	North	خاص
الفنية الكرملية مدرسة	الشمال	North	خاص
طرابلس-اللبناني الاحمر الصليب	الشمال	North	خاص
والتقني المهني والاصلاح العلم مركز	الشمال	North	خاص
العالمي التقني المهني المركز	الشمال	North	خاص

المهنية اسم	المحافظة	Location	نوع التعليم
ال تقني ال ياس مار معهد	ال شمال	North	خاص
الهند سيه ال فنون مدر سه	ال شمال	North	خاص
ال تقني وال تعليم ال ترب يه دار	ال شمال	North	خاص
ال عالى المهنى المركز	ال شمال	North	خاص
ال فني نادر	ال شمال	North	خاص
المهنيه ال ي ت يمه دار	ال شمال	North	خاص
ل ل تجميل حرب اكادي م يه	ال شمال	North	خاص
ال فنيه الدرا سات معهد	ال شمال	North	خاص
وال كم بيوت ر ل لعلوم ال ل بناني المركز	ال شمال	North	خاص
ال كم بيوت ر علوم مركز	ال شمال	North	خاص
والعلوم ل ل تمريض المقدسه ال عائله معهد ال تقنيه	ال شمال	North	خاص
وال قباله ال تمريض مدر سه	ال شمال	North	خاص
الاهليه للعنايه ال تقنيه المدر سه	ال شمال	North	خاص
المهنيه ال سلام فجر مدر سه	ال شمال	North	خاص
عطا الله فريدى معهد	ال شمال	North	خاص
الانطونيات للراهبات المهنيه	ال شمال	North	خاص
المستقبل مهنية	ال شمال	North	خاص
الالكترونية الحاسبات برمجة معهد	ال شمال	North	خاص
المهنية ال بلاغة نهج مدرسة	ال شمال	North	خاص

الـمهـنـيةاسم	الـمحافـظة	Location	نـوع الـتعلـيم
الـ لـ بـناذي الاوروبـ ي الـمعهد	الـ شمال	North	خاص
الـ فـنـية الـربـ ى مدرسة	الـ شمال	North	خاص
والـ تمريـض لـ لمهن الـ تـقـنـية الـ لـ يـسـيه	الـ شمال	North	خاص
والـ تـقـنـي الـمهـنـي الـ صديـق بـ كر ابـ ي	الـ شمال	North	خاص
الـ عالـي الـ فـنـي الـمـقدسة الـ عائـ لة	الـ شمال	North	خاص
الـ تطـ بـ يـقـ يـة لـ لـعـلوم الايـ مان معهد	الـ شمال	North	خاص
بـ ولـ يـ تـكـنـيك سـي الـ بـ ي مدرسة	الـ شمال	North	خاص