



# **Rural Context in Lebanon**

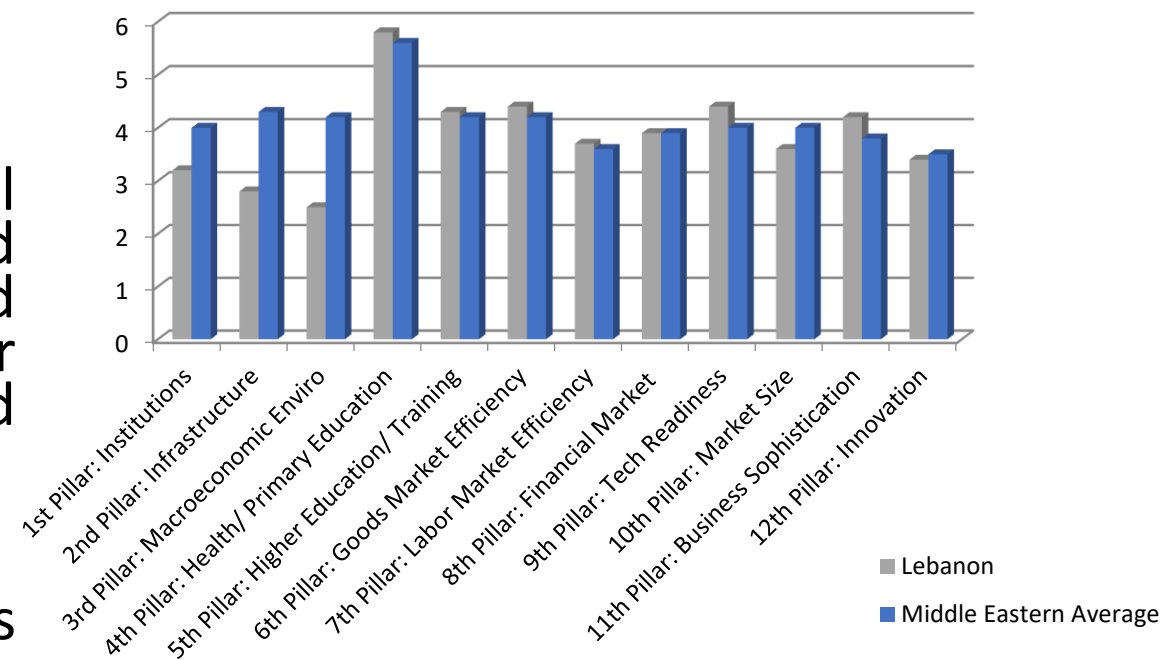
Regional Initiative for Promoting Small-Scale Renewable Energy  
Applications in rural areas of the Arab Region  
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- Lebanon ranks significantly lower on the strength of institutions, infrastructure, and macroeconomic environment, market size and innovation.
- While the country meets the regional average in terms of financial markets, and slightly higher in health, primary and higher education, good market and labor market efficiency, tech readiness and business sophistication.
- Lebanon should therefore increase its efforts in promoting innovation, building its infrastructure, and improving the overall economy and business environment.



Data collected from the World Economic Forum,  
Global Competitiveness Report 2018


# Socio-Economic Indicators



	2017	2016
<b>GDP</b>	56.7 billion USD (in 2018)	54.2 billion USD (in 2017)
<b>GDP per Capita</b>		12,013 USD (2017)
<b>Debt to GDP Ratio</b>	152%	148%
<b>GDP Growth</b>	1.5%	1.7%
<b>Fiscal deficit</b>	- 9.3% of GDP	
<b>Inflation Rate</b>	6.5%	<i>(highest in five years)</i>
<b>Average Inflation Rate</b>	3.1%	
<b>CPI</b>	107.23	
<b>Economic Activity rate</b>	48% (in 2009) for the population aged > 15 years	

# Socio-Economic Indicators



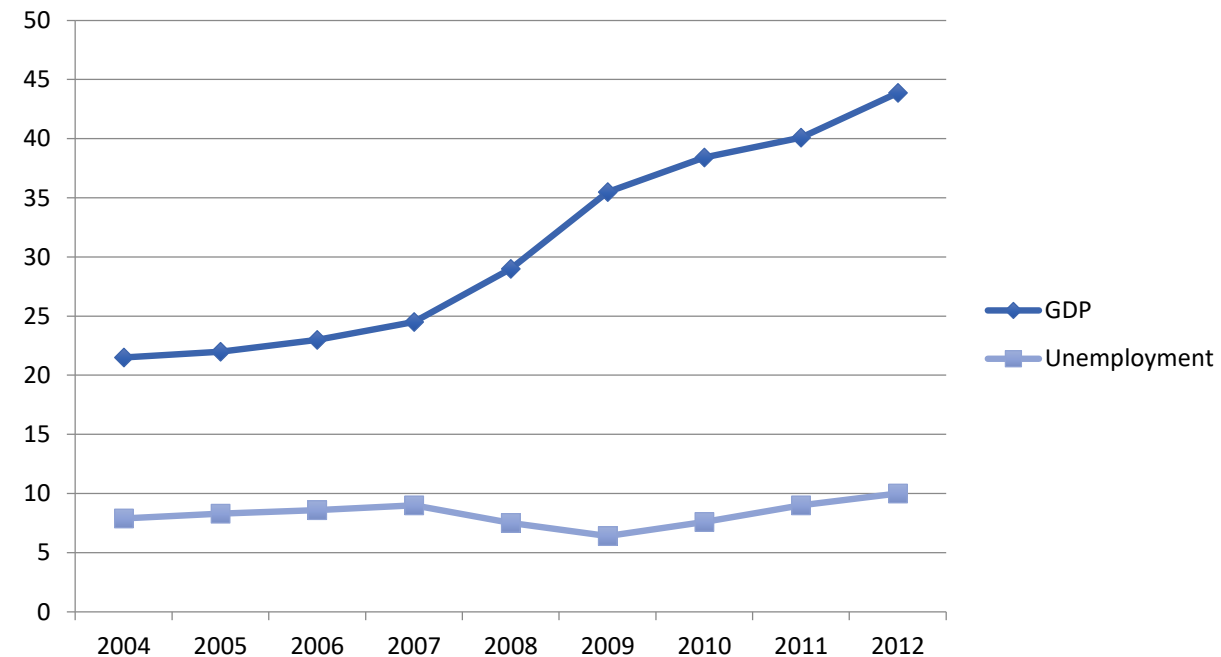
	2017	
Human Development Index	0.757 	high human development category
Human Development Index Rank	80 out of 189 countries	(by contrast, Jordan’s HDI is 0.735)
Gender Inequality Index*	0.381	85 out of 160 countries (by contrast, Jordan’s rank is 108)
Environment Rank	94 <sup>th</sup> out of 180 countries (2016 Environment Performance Index)	
Poverty rates	27% live below 3.15 USD/ day and 7% live below 2.40 USD/ day	
Unemployment Rate	15-25% / reported elsewhere as 40%	
	Job creation is dominantly in low productivity activities	
Adult Literacy Rate	89.1% (2009)	
	Gender parity is achieved at primary level	
Education	Almost 90% primary education, 72% Intermediate and 54% secondary levels	
* reflects gender-based inequalities in three dimensions – reproductive health, empowerment, and economic activity		

## *Unaddressed, structural economic issues*



The Lebanese economy has structural issues impacting the labor market and prohibiting job creation despite GDP increase:

- Low export capacity leading to trade deficit
- Large share of employment within the public sector
- Lack of sustainable and equal development across regions

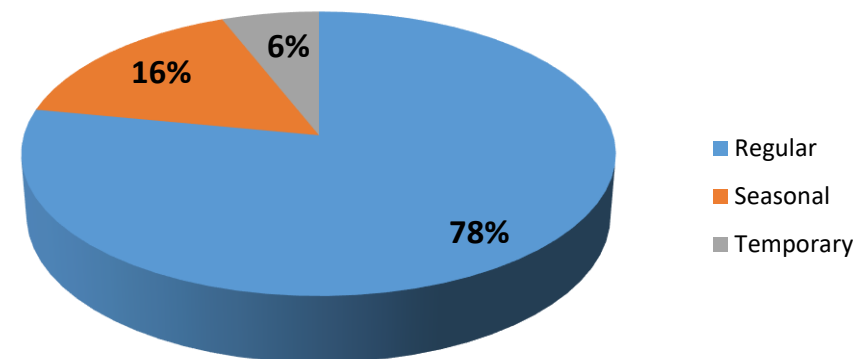


**Trends in GDP and unemployment rate.**  
Data from Trading Economics



## ***High dependence on aid and politics, and low competitiveness***

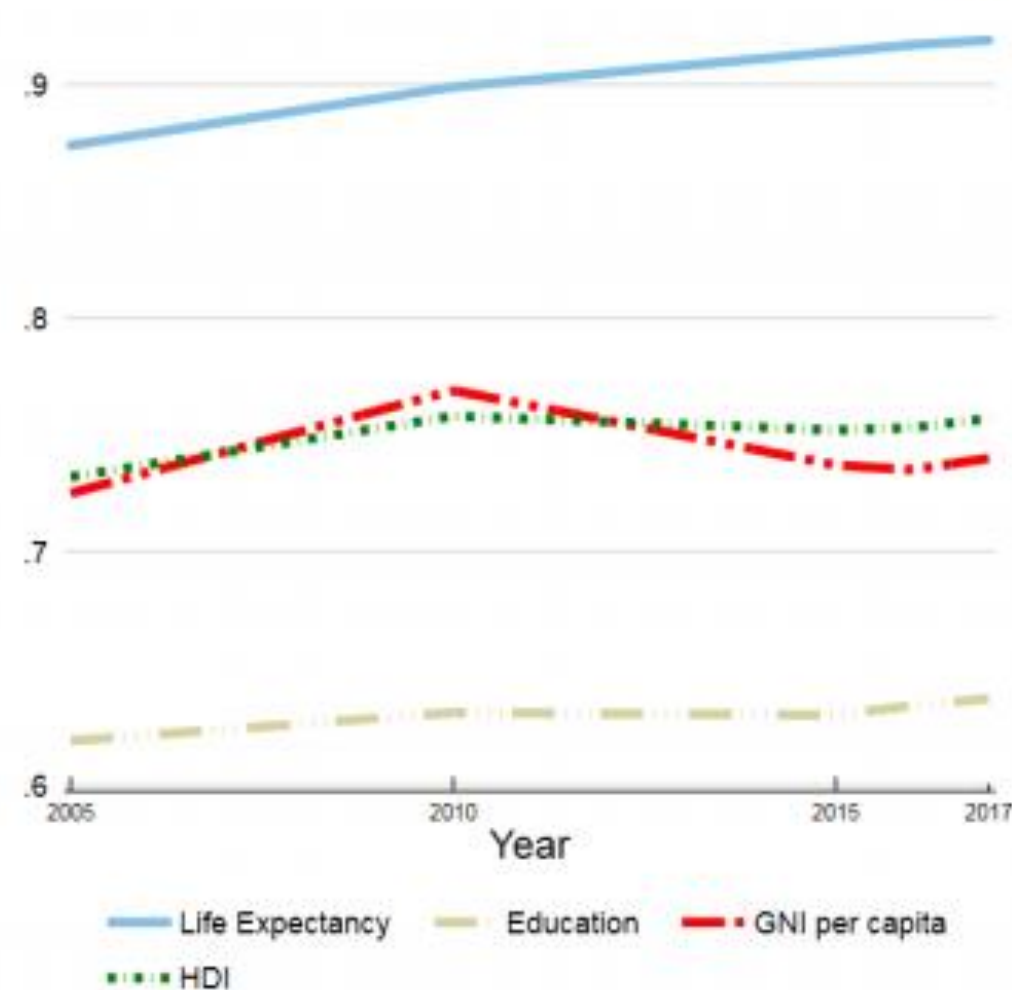
- The economy is dependent on foreign aid, with a weak business investment climate and lack of efforts in addressing the economy's structural issues.
- SMEs constitute 93 to 95% of all companies, highlighting an inability to grow and low competitiveness on the national, regional, and international levels.
- SMEs' growth is hindered by the high operating costs driven by the elevated cost of energy.



**Employment Trends at the National Level.**  
Data from FAO, 2015



## Trends in the indicators of Lebanon's Human Development Index between 2005 and 2017






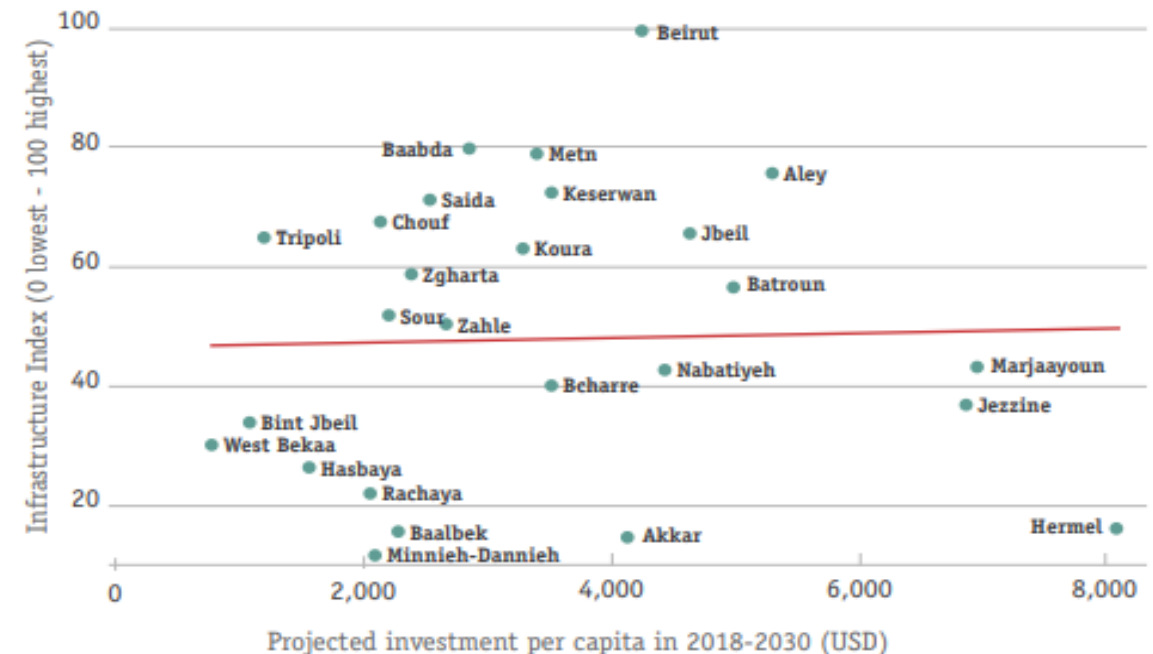
# Rural Development



## *Selective, unsustainable, unplanned and subject to political patronage and local agendas*



- Anecdotal evidence shows that development is based on political patronage, rather than needs' assessment, and on donors' thematic focus and availability of funding.
-  There are large regional disparities, expected to accentuate with the future infrastructure investments' plans "CEDRE"; which should be adequately addressed to enhance the economy and decrease the inequality in living conditions.



CEDRE Projected Investments. Source: LCPS 2018

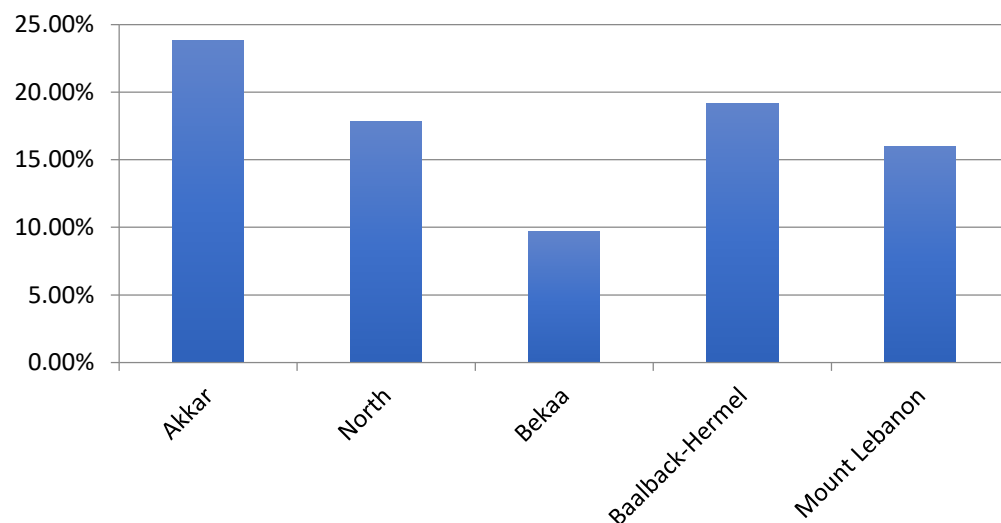
# Rural Indicators



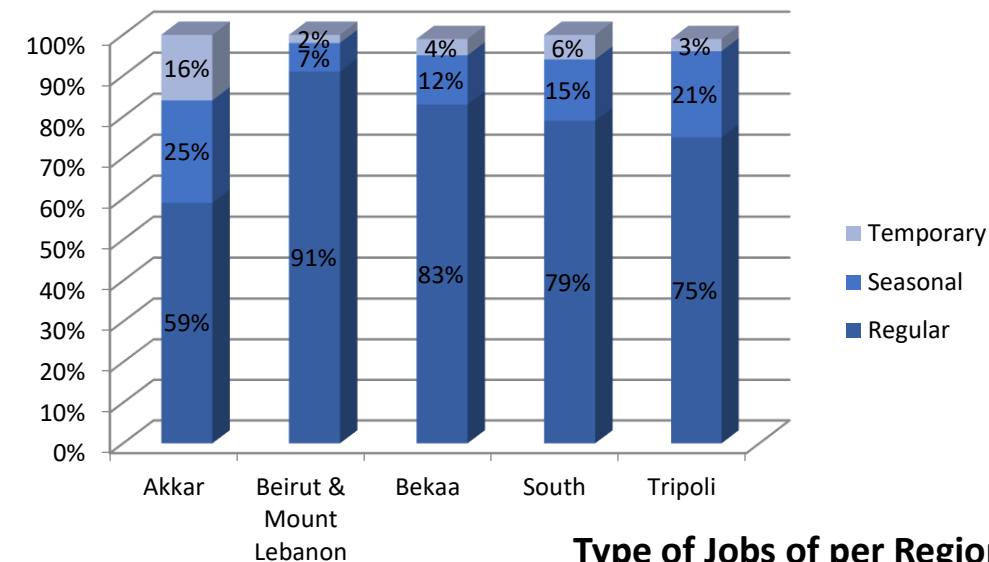
<b>Rural Population</b>	12% of Lebanon's population is estimated to be rural	
<b>Active Population</b>	Rural population accounts for an estimated 20-25% of the active population	
<b>Poverty</b>	Poverty is dominant in the rural areas of Akkar, North, South, Bekaa and Baalbek-Hermel	
	Rural poor are mostly small farmers, wage labourers, fishermen, and women heads of households	
	The most remote rural areas are characterized by low-income levels	
<b>Main Productive Activity</b>	Agriculture, with its related subsectors	
	Agriculture is either the sole source of income or an additional source of income for the majority of the Lebanese rural population	
<b>Women Activity</b>	A study found that in 48% of surveyed Lebanese villages, the primary activity of women is in the agricultural sector, followed by education	



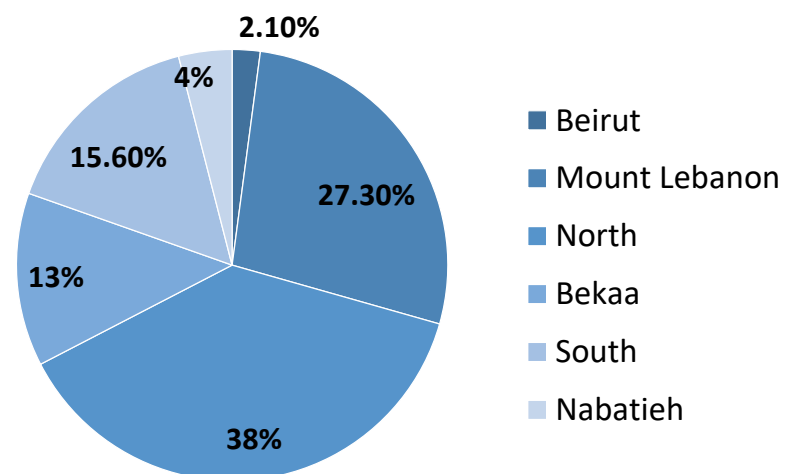
## Low income, high unemployment and small opportunities



Extremely vulnerable households registered  
with the National Poverty Targeting Programme



Type of Jobs of per Region  
Source: FAO 2015



Percentage of poor population by region

# Pillars for the Community's Identification and Selection



- Relatively vulnerable rural area
- Availability of natural resources (agricultural land, springs, rivers, etc.)
- Infrastructure and ease of access
- Human resources and active population
- Availability of productive activities, with growth potential
- Active participation of women in the labor force (or potential)
- Low security risk
- Strong local governance (municipalities)
- Active NGOs



## **The lowest socio-economic indicators are in North and mostly Akkar**

Productive activities in Bekaa and Shouf in general receive more support and CSO's attention than Akkar. The lowest socio-economic indicators are in the North, especially Akkar.

Rashayya and Akoura were also assessed, but:

- The supply of electricity in Rashayya is higher than in other regions due to hydropower
- The cooperative in Akoura was dissolved due to fragmentation

In addition to the high vulnerability, Akkar suffers from lack of support, especially in productive activities.

## ***General Field Observations***



- The trust deficit in government, donors and CSOs is widening, especially in Akkar.
- Similarly to donors' fatigue, the local community is suffering from “assessment and surveys” fatigue.
- The lack of trust and the witnessed fatigue have led to an obvious fear of information sharing.
- The socio-economic indicators seem a lot worse on the ground than they appear in data and figures.
- Women are less active than in other areas, with low entrepreneurship spirit and initiatives.
- The most common barriers for productive sectors in rural areas are the high operating costs, the lack of support, low selling rates of products, lack of marketing capacity, and transport.



# Productive Activities in Akkar



# Energy Consumption in Agriculture in Akkar







# Energy Consumption in Livestock

## Poultry versus cows

### Dairy products

## Energy Consumption in Handicrafts

## Energy Consumption in Eco-tourism





# Akkar Sites' Assessment



# Fnaydek

Strengths	Weaknesses
Presence of a strong woman-led cooperative, employing a significant number of women.	Limited productive activity across the village.  Limited women activities outside the cooperative.  Limited entrepreneurial spirit, especially among women.
Opportunities	Threats
Potential to increase lines of production, revenues, and employment, by reducing operating costs through the implementation of a renewable energy system.	Weak local governance, threatening the successful implementation of the project.  Limited project's beneficiaries and overall impact.





# Fnaydek



## Women Agri-food Cooperative- SWOT Analysis

Strengths	Weaknesses
Strongly active woman-led cooperative, employing a significant number of women.	Low engagement with other local stakeholders.
High participation in exhibitions and ability to sell produce.	Lack of a functioning system.
Opportunities	Threats
Potential to increase lines of production, revenues, and employment, by reducing operating costs through the implementation of a renewable energy system.	Weak local governance, threatening the successful implementation of the project.
	Limited project's beneficiaries, with only one potential beneficiary and overall impact.



# Akkar El Atika



Strengths	Weaknesses
Significant presence of three active cooperatives, catering for a wide range of productive activities; one of which is a woman-led cooperative, employing a number of women.	<p>The municipality has minor internal issues.</p> <p>Limited entrepreneurial spirit, especially among women.</p> <p>Limited experience of the women-led cooperative in marketing, advertising and selling the produce.</p>
Opportunities	Threats
Potential to significantly decrease the operating costs, increasing the profit margin; of which part can be invested in exhibitions' participation, marketing, and better positioning of the cooperative in the local market.	Existing risk of inability of involving a significant share of women in the productive activities.



# Akkar El Atika

## SWOT Analysis Women Agri-food Cooperative

Strengths	Weaknesses
Women-led cooperative providing employment opportunities to women in the village	Lack of support from government  Inability to afford the elevated costs of transport and exhibitions booths  Limited experience in marketing, advertising and selling the produce.
Opportunities	Threats
Potential to significantly decrease the operating costs, and provide economic opportunities and capacity building for more women	Risk of inability to increase production and output selling.





# Akkar El Atika

## SWOT Analysis Bee Keepers Cooperative

Strengths	Weaknesses
Strong cooperative supporting bee keepers in the village and neighboring villages.	Lack of support from government  High operating costs  Low engagement of women in beekeeping
Opportunities	Threats
Potential to significantly decrease the operating costs, and provide economic opportunities for more beneficiaries	Weak local governance in the village



# Akkar El Atika



## SWOT Analysis Agriculture Cooperative

Strengths	Weaknesses
Strong cooperative supporting farmers in the region.	Lack of support from government  Low engagement of women
Opportunities	Threats
Potential to significantly decrease the operating costs, and provide economic opportunities for more beneficiaries	Weak local governance in the village

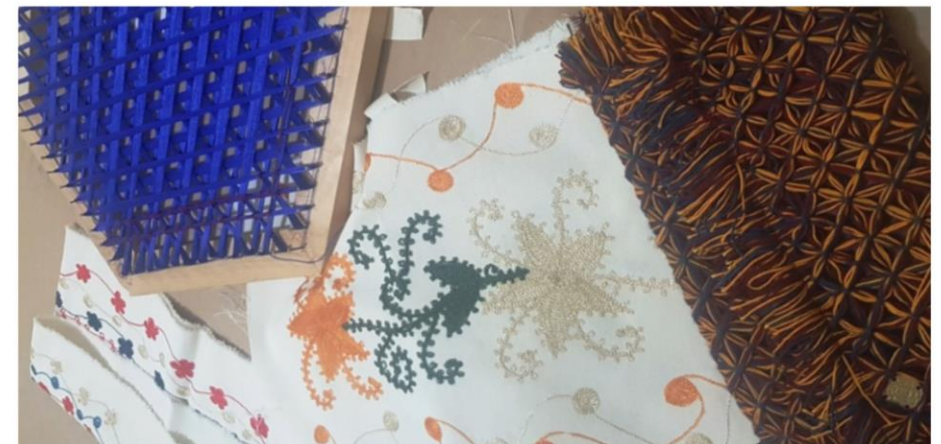




# Shaqdouf



Strengths	Weaknesses
Active local governance, engaged in promoting productive activities, especially for women.	Lack of agricultural sector.
Presence of a sewing workshop, employing women.	Limited entrepreneurial spirit.
Opportunities	Threats
Opportunity in significantly decreasing the operating cost of the sowing facility, increasing its ability to invest in new production lines and employ more local women.	The mayor of the village is also the head of the NGO investing in productive activities.



# Tall Abbas El Gharbi



Strengths	Weaknesses
Strong and engaged local governance.	Very limited entrepreneurial spirit, especially among women.
Presence of two active cooperatives.	Lack of women-led cooperatives or initiatives.
Opportunities	Threats
High ability of follow-up by the municipality, ensuring the sustainability of the project.	Dominant patriarchal society, threatening the engagement of a significant share of women in the productive activities.
Opportunity to reduce the operating costs for the farmers in the village.	





# Tall Abbas El Gharbi



## SWOT Analysis Cooperative

Strengths	Weaknesses
Strong cooperative supporting the farmers in the region.	Lack of presence of women .
Opportunities	Threats
High reduction in operating costs.	Conflict of interest: The mayor of the village also serves as the head of the cooperative.





# Tall Abbas El Gharbi

## SWOT Analysis Agriculture Cooperative

Strengths	Weaknesses
High employment of women.  Provides assistance for local farmers.	Lack of presence of women across the value chain (other than the directly employed).  The cooperative was inactive for several years due to conflicts across its board.
Opportunities	Threats
Expected high impact of an RE project: energy costs for cooling, heating and other machinery.  The reduction in operating costs would result in lower cost of crops for the farmers in the village.	Threat of future conflicts and fragmentation, resulting in dissolving the cooperative.





## Suggested Sites

- Akkar El Atika
- Shaqdouf (locate 4 kilometers away from Akkar El Atika)



# Suggested Interventions





Village	Project Implementation	Capacity Building
Akkar El Atika	<ul style="list-style-type: none"><li>-Solar photovoltaic systems including battery storage, for the three cooperatives.</li><li>-Procurement of equipment and training on their operation to grow current productive activities or develop new ones</li></ul>	<ul style="list-style-type: none"><li>-Managing cooperatives</li><li>-Entrepreneurship</li><li>-Marketing</li><li>-Branding</li><li>-Operation and maintenance of solar photovoltaic systems</li></ul>
Shaqdoun	<ul style="list-style-type: none"><li>-Solar photovoltaic systems including battery storage for the sowing factory.</li><li>-Procurement of equipment and training on their operation to grow current productive activities or develop new ones</li></ul>	<ul style="list-style-type: none"><li>-Starting and managing a cooperative</li><li>-Entrepreneurship</li><li>-Marketing</li><li>-Operation and maintenance of solar photovoltaic systems</li></ul>

# Thank You

