

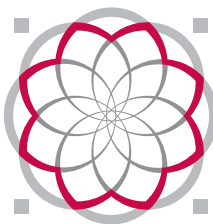
Implementation of the

2030 AGENDA:

opportunities and challenges

in LEBANON

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OBSTACLES AND CHALLENGES TO IMPLEMENTATION OF THE 2030 AGENDA IN LEBANON: A FOCUS ON THE SUSTAINABLE DEVELOPMENT GOALS 1, 8 AND 10

2030 AGENDA: LOCALIZATION AND INSTITUTIONAL FRAMEWORK-GOVERNANCE STRUCTURE

Lebanon lacks a comprehensive institutional/governance structure dealing with the implementation of the Sustainable Development Agenda 2030 and there are currently no specific initiatives taken by the State to implement and localize the Agenda. Lebanon does not have a national overarching sustainable development strategy or an integrated strategic planning entity having lead responsibility for sustainable development. Instead, a number of key actors play complementary and sometimes overlapping roles. This fragmented approach likely results in inefficiency and lost resources at the national level, particularly because a lack of streamlining may cause duplication of work. A fragmented approach also makes it difficult to establish a single accountability mechanism encompassing all sectors working on the sustainable development goals (SDGs). It may also exclude the voices of certain groups, especially those left furthest behind.

Yet, over the past 10 years, various Lebanese ministries have formulated policies supportive of sustainable development. An ESCWA report published in 2015 identified several priorities set by various actors in the Lebanese state, which are in line with sustainable development priorities (1). The report identified the top six priorities based on recent authoritative national documents; they are:

- “Achieve employment generating economic growth;
- Build institutional and administrative capacities and improve governance;
- Improve social protection systems for all groups and address inequalities;
- Achieve energy security;
- Develop infrastructure and sustainable cities;
- Protect natural habitats and biodiversity.”
-

However, **planning and implementation of these policies lack comprehensive sectoral and geographical approaches.** They are limited to some targeted interventions with a special focus on specific

groups. They also lack an **inclusive, participatory mechanism.** The process does not allow the inclusion of all the relevant stakeholders and the participation of civil society in decision-making. When it exists, this participation is limited to implementation. Most policies have been elaborated drawing on the support of UN or development agencies, yet not all policies are available for the public; such as the Solid Waste Management plan issued in 2014 and the poverty eradication strategy. Some policies become available to the public when they get approved by the cabinet, but reporting back on the implementation is rare, which weakens accountability and responsibility. However, some documents have been revised and re-issued, highlighting the issue of monitoring and follow-up.

Often, national plans include **high aspirations without clear road-maps/strategies of implementation.** For example the National Social Development Strategy of Lebanon issued in 2011 has a strong social focus on inequality, participation, workers’ rights, and strengthening social protection. Yet it is not comprehensive, since it covers only four sectors: health, education, environment, and social affairs. Moreover, it does not suggest clear targets nor does it frame strategies to achieve them. There is a tendency for ministers, as political actors, to adopt strategies with quick and tangible results. Thus, they suggest policies with **short term vision.** Moreover, only a few strategies have time-bound, quantitative indicators with identified goals.

Lebanon’s Economic and Social reform plan (2012-2015) shows many shortcomings in this respect and lacks a long term-vision (2). It covers four years and identifies short and medium term goals. Moreover, there is no mention of the means of implementation and it does not suggest quantitative targets. The document does not refer to any mechanism for monitoring and accountability or to any process of consultation in developing the strategy—all key tenets for successful localization of the SDGs.

The lack of a rights-based approach is also a challenge. For instance, the National Poverty Targeting Program (reformulated as the Emergency National Poverty Targeting Program in 2015) targets only specific segments of society. It focuses on increasing income for the poorest families. Such an approach can barely address intergenerational transfer of poverty, which can only be addressed by guaranteeing economic and social rights for

everyone, including access to health, education, housing, clean water, and so on. Moreover, some important sectors are still excluded from the effort to adopt a comprehensive developmental agenda, including employment, industrialization, agriculture, transportation, energy, social protection, urban planning, and many others. These shortcomings are not confined to the policies mentioned, but rather appear to be a common trend, raising concerns on the effectiveness of the strategies devised.

Furthermore, the lack of up-to-date national-level data represents a crucial obstacle to the monitoring and implementation of the SDGs. For instance, Lebanon does not have comprehensive, recent data on poverty (the last figures dating back to 2004), governance or inequality. With regard to access to information, although the free flow of information and freedom of access to it is a basic human right, the law on access to information still lacks in Lebanon. Access to information is vital for increasing transparency and accountability, to increase public awareness and ensure a participatory democracy. Thus, it must be a priority on the Lebanese government's agenda.

POLICY GAPS

In general, there are a number of identified policy gaps. Concerning the environment, food security, trade, and industry, no strategy appears to have been put in place in the last 10 years. Moreover, governance pillars are usually downplayed in economic and social policies and less often explicitly addressed. As acknowledged by the national assessment of ESCWA, no national plan has been devised to enhance implementation mechanisms which, as outlined in goal 17 of the SDGs, will be crucial for successful implementation of the goals. These include capacity building, trade, policy coherence, multi-stakeholder partnerships, data, monitoring, and accountability. In contrast to the lack of an overarching national vision and plan for sustainable development, the private sector has been preparing for a major role in that respect. The Higher Council for Privatization (HCP) prepared a draft law on public-private partnerships (PPPs). In the accompanying guide, it claimed that PPPs are the only available means to fund and develop Lebanese infrastructure, also linking this endeavor to the question of combatting unemployment and 'brain drain' (3). More recently, at a national workshop of development effectiveness, the head of the HCP Ziad Hayek maintained that development goals, once applied, would strengthen

the middle-class as an engine of development in the country. He indicated that the HCP is preparing a development plan in coordination with the United Nations and the European Union and that 15 out of the 17 SDGs are being implemented by the private sector (4), which plays a major role in Lebanon's liberal economic environment by contributing over 80 per cent to the GDP (5).

The Lebanese government has maintained partnerships with a variety of actors, including NGOs, academia, and the private sector. These partnerships have been formed to provide a variety of services, including telecommunication services, infrastructure development, healthcare, and other public services (6). For example, the Lebanese mobile phone networks, established in 1993 after the end of the civil war, are a result of a partnership between the Ministry of Telecommunication and the private sector (7). During this time, the Lebanese government also partnered with the private sector in order to modernize the national postal services (7). The government has also partnered with the private sector to rebuild the Lebanese infrastructure (6). These partnerships extend to include the management of water networks in several governorates in Lebanon (8,9). A more recent project, led by the private sector, aims to funnel investments to PPPs for infrastructure projects related to power, and waste management via a structured investment vehicle (10). Furthermore, the Ministry of Public Health (MoPH) has partnered with NGOs for both vaccination campaigns and preventive programs, while the MoSA has partnered with NGOs to provide services for PwDs and elderly people (6). In 2015, the Ministry of Education partnered with several UN agencies and other donors to provide free education for all children in Lebanon, both local and refugees, up to the 9th grade (11).

Nevertheless, an important question remains unanswered relating to the localization and prioritization of Agenda 2030, which is the role of the Lebanese state as a whole and national ownership of the development agenda. The strive of donor and international bodies, as well as the globalized private sector, play a leading role in the implementation of development plans, limit national ownership and the possibility of determining needs and options and to participate actively in their achievement by beneficiaries and stakeholders. In addition, Lebanon faces deep governance issues, with widespread corruption, endemic impunity and

lack of transparency, and political interference in the judiciary. According to Transparency International, Lebanon ranked 136/176 in terms of corruption perception in 2016. Budgetary transparency is also problematic. The last official budget law was approved by the Parliament in 2005, and Lebanon has not had a national budget since then, which has resulted in millions of wasted taxpayer dollars (12). Nevertheless, in 2017 a draft budget has been proposed which introduces a series of new taxes meant to increase public revenues to cover, among other things, increased wages for civil servants (12). Furthermore, Lebanon faces difficulties in forming and maintaining a regular government, and holding parliamentary elections (1). Despite the election of a president in 2016 after a 29 month long vacuum, the country remains in a political deadlock. In 2014, parliamentary elections were postponed for a second time, this time till 2017, and have yet to take place. Both the election of the president and the extension of the Lebanese parliament's mandate are in direct violation of the constitution. National social dialogue, as well, has been put on hold, as the Economic and Social Council, which is fundamental to enhance transparency and inclusiveness in policy making, has been paralyzed since 2005 due to the government's inability to agree on and appoint members for the council assembly (13). In this context, policy planning and implementation become extremely difficult to achieve.

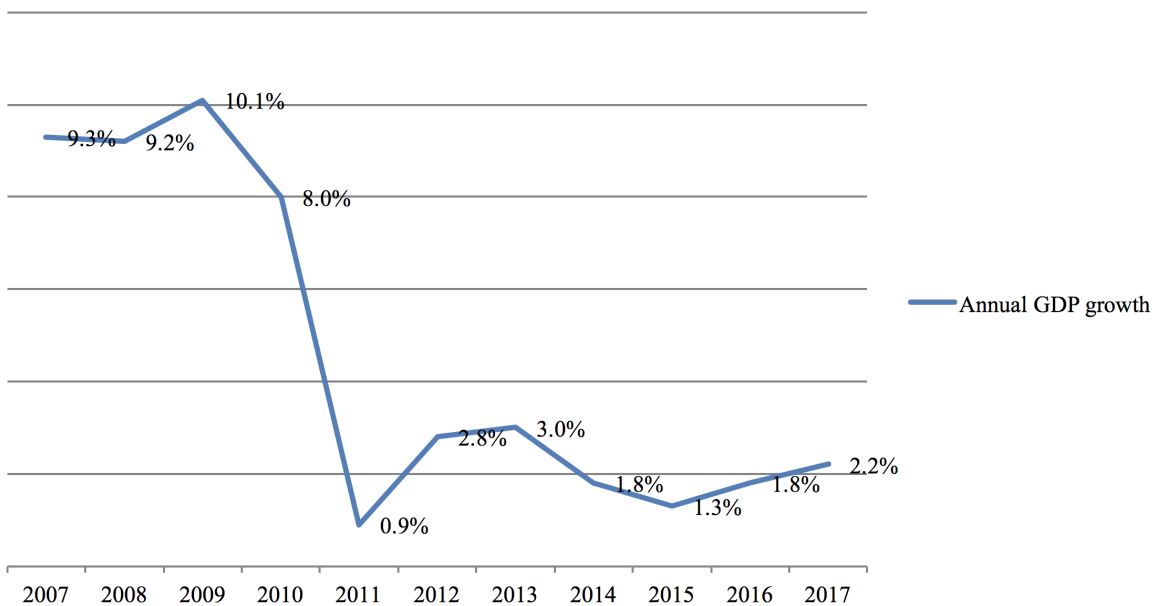
THE SYRIAN REFUGEE CRISIS

The situation in Lebanon is further complicated by the protracted Syrian refugee crisis, which is now going into its 6th year. The crisis adds an important burden on the country's economy, puts a strain on the fragile balance in the country, and increases pressures on the already poor infrastructure. There are approximately 1.5 million Syrians residing in Lebanon, in addition to large numbers of Palestinian refugees from Syria, Lebanese returning from Syria, and Palestinians who were here before the crisis (14). This reflects an increase of at least 30% in the Lebanese population since March 2011 (15). The crisis has had a large impact on Lebanon's poorest, with the Lebanon Crisis Response Plan (CRP) 2017-2020 reporting that the "conflict in Syria has significantly impacted Lebanon's social and economic growth, caused deepening poverty and humanitarian needs, and exacerbated pre-existing development constraints in the country" (14). The report further highlights the constraints the crisis has had on public services and infrastructure, public health, and unemployment (14).

The current crisis suggests a dilemma challenging the implementation of Agenda 2030; particularly the ability to combine humanitarian intervention with a long-term development approach. On one hand, humanitarian assistance should focus on the socio-economic stabilization of both the Syrian refugees and the host communities. It should aim at preparing the prerequisites and incentives for their return when it becomes possible. On the other hand, interventions should overcome the institutional deadlock caused by the current political crisis and the prevalence of corruption at the political, institutional and administrative levels. This can happen by proposing, adopting and implementing institutional and economic reforms aiming at addressing structural and economic challenges.

According to the CRP 2015-2016, "public institutions cannot cope with the added volume of needs in a country, where major development challenges pre-existed the crisis, and the private sector traditionally delivers many public services"; it further states that "the crisis is having a far-reaching impact on Lebanon's society, services and economy, hitting young people the hardest. Nearly half of all those affected by the crisis are children and adolescents" (15). This is reiterated in the more recent plan for 2017-2020, which states that "at least 1.4 million children under 18, including Lebanese, Syrians and Palestinians, are currently growing up at risk, deprived, and with acute needs for basic services and protection." For example, nearly 250,000 Syrian children are out of school, and those that do attend public schools have placed additional strains on an already weak public school system, which faces high rates of repetition and dropouts (16). Furthermore, unemployment is almost three to four times higher among youth as compared to the overall rate, and has almost doubled in some of Lebanon's most deprived areas, placing additional strains on host communities. In addition, informal labor is on the rise (14); and this raises questions of social protection. Lebanon's GDP growth has been less than 3% per year since 2011, well below the GDP growth observed prior to the crisis (17) (Figure 1); as a result, job creation in the country has been stagnant (14).

Figure 1: Lebanon's Annual GDP Growth (%) (17)



However, the focus on the Syria crisis and measuring the impact of the crisis on the National GDP does not reflect the complexity of the situation: the negative impact on the environment, the high degree of uncertainty and its negative impact on investment and brain drain, the degradation of the infrastructure, the political instability, the threat on the social cohesion and the mounting xenophobia and racist tendencies, the pressure on the labor markets due to the substitution effect, and so on should all be taken into consideration in adopting a response. Another issue that should be considered is the donor community's distrust of corrupt institutions, which impacts pledges to support the refugee crisis. The ill-functioning political system is causing Lebanon to lose its reputation as a functioning democracy and more importantly to lose the support of the international community.

NATIONAL LEVEL INITIATIVES TAKEN TO IMPLEMENT AGENDA 2030

Lebanon committed to Agenda 2030 in 2015, but made little progress towards implementing it until the establishment of a new cabinet in 2017. During this time the government worked on drafting a National Sustainable Development Plan in line with Agenda 2030, but contextualized to the Lebanese context, in consultation with the relevant ministries and other government agencies (18). On

June 21, 2017, the Lebanese Prime Minister called for the establishment of a national committee to spearhead the implementation of Agenda 2030. This was solidified by an agreement signed by the president of the Lebanese Council for Development and Reconstruction and by the UN Development Program Resident Representative in Lebanon of a project titled, "SDGs in Lebanon: Analyzing Gaps and Reporting Progress". The project, consisting of two components, aims firstly to conduct a gap analysis concerning the SDGs in Lebanon, and secondly, to provide a framework for reporting progress on achievement of the SDGs (19).

STRUCTURAL OBSTACLES TO IMPLEMENTING AGENDA 2030

Agenda 2030 and the accompanying sustainable development goals can be an important tool to achieve economic rights, especially in relation to Goal 1 (End poverty in all its forms everywhere), Goal 8 (Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all), and Goal 10 (Reduce inequality within and among countries). However, several types of obstacles to the achievement of these goals persist in Lebanon, especially concerning two of the main pillars of the Agenda: People (Ending poverty and hunger in all their forms and dimensions, and ensuring that all human beings

can fulfill their potential in dignity and equality and in a healthy environment) and Prosperity (Ensuring that all human beings can enjoy prosperous and fulfilling lives and that economic, social and technological progress occurs in harmony with nature).

Lebanon has always followed the liberal economic model enshrined in the constitution. It relies mainly on the banking system, services (mainly financial), and tourism. Production and agriculture were relatively active sectors. However, in the post-war period (since 1990), more attention has been given to financial services. Reconstruction relied on over-borrowing. This induced the stabilization of the exchange rate to increase its global competitiveness – a measure highly adopted by developing countries in the post-conflict period. As a result of this over-borrowing, public debt as a percentage of GDP increased from 50% in 1992 to an estimated 205% in 2014 (20), forcing Lebanon to adopt austerity measures as part of International Monetary Fund (IMF) transfer conditionalities. Today, the Lebanese banking sector continues to greatly influence national monetary, fiscal, and other government policies, and in turn, 43% of the sector's assets are controlled by current or previous politicians and their families, or individuals closely linked to political elites (21).

The main investments generated by the increased borrowing targeted reconstruction and services sectors and the delegation of public tasks and responsibilities was largely given to private actors. This process of privatization gained ground in Lebanon with the support of the World Bank and the IMF as a condition to give loans. It has touched many areas, particularly: the reconstruction of downtown Beirut, waste management, postal services, telecommunication services – while creating a duopoly – and more recently the creation of the Special Economic Zone in Tripoli.

It should be noted that the privatization phenomenon was governed by corruption and clientelism. After more than two decades of donor-backed socio-economic reforms, the Lebanese economy has fallen short of achieving the desired levels of development and in decreasing its deficit. This especially after the Syrian crisis where exports have decreased at an annual rate of -13.3%, falling from US\$4.99 billion in 2010, prior to the crisis, to US\$2.44 billion in 2015 (22). In addition, the Lebanese economy has failed in jumpstarting inclusive and sustainable growth needed to ensure better provision of economic and social rights.

Aside from the mounting debt problems, the Lebanese economy has not generated sufficient and decent job

opportunities, serving as a low-added value service-based economy, externally oriented, and dependent on foreign capital. Sustainable economic growth has been highly impeded by the lack in economic diversification, and the concentration of economic activity in sectors that have failed to generate positive spillovers into the overall economy, such as real estate, which accounts for approximately 14% of the GDP (23), and finance. Currently, additional measures are recommended and pushed for by the donor community that risk hindering all possibility to override the liberal policies that have been carried out for the past decades.

This matter is translated in the recent and ongoing economic and investment measures showcasing the defined orientation of Lebanon towards adopting more pro free-market and free trade measures. This is obviously without taking into consideration the reforms that need to be introduced to the national economy and strategic economic sectors such as industry, agriculture and services. This approach relies on the sole consideration of the market economy's analysis, focusing on growth as the key to development, and hence on security and stability, especially with the current strains of the Syrian migration crisis. Consequently, it is continuously promoting the implementation of PPPs, which are considered to be as an essential tool to improve public services. However, while drafting a new law on PPPs and the empowerment of entrepreneurs and SMEs, decision makers fail to define strategic sectors for job-creation.

Within this orientation, Lebanon has re-launched the World Trade Organization (WTO) accession negotiations, entailing bilateral agreements with several member countries and an expansion of the Lebanese market. The aim is to increase the market's competitiveness, yet, these negotiations ignore the fragile status of both the industrial and agricultural sectors as well as the services and consequently the lack of employment protective mechanisms and measures.

OBSTACLES TO ACHIEVING SUSTAINABLE DEVELOPMENT GOALS 1, 8, AND 10

This section will look into those obstacles related to poverty, employment, and inequalities, in addition to systemic and structural challenges related to the economic nature of the Lebanese regime and cross-cutting issues, such as taxation and social protection.

OBSTACLES TO ACHIEVING GOAL 1: END POVERTY IN ALL ITS FORMS EVERYWHERE

A review of poverty data over the years demonstrates that estimates range widely, and that in general, there has been no decrease in the poverty rate over the years. The most recent nationwide survey on poverty in Lebanon, the Living Conditions and Household Budget Survey, was conducted by the government and UNDP almost a decade ago (24). However, “the context in Lebanon has changed significantly since then, with the global economic crisis of 2008, the Syria crisis and the ongoing internal political stalemate” (25). The 2004-2005 survey identified national poverty lines to be \$2.4 (lower line) and \$4 (upper line), with 28% of the population living below the upper poverty line and 8% below the lower line (Figure 2). The NPTP estimates that the rate of poverty has increased by 6% post the refugee crisis (14), while a rapid Economic and Social Impact Assessment (ESIA) conducted in 2013 estimated that by the end of 2014, 170,000

additional Lebanese would be pushed into poverty (26). Of those households living below the lower poverty line, 45% live in the North, while 21% live in Bekaa and 19% live in Mount Lebanon (14,27). There is no differentiation between urban or rural areas. Furthermore, continuous rural-urban migration has resulted in poverty pockets around big cities like Beirut and Tripoli in the North (5). Geographical disparities become visible when comparing the lower poverty rates across governorates—52.6% in Akkar and Tripoli in the North, of which 17.7% are living under extreme poverty conditions, versus 5.8% in Beirut (5). A map developed by the UNHCR demonstrates that some of the most vulnerable localities in Lebanon, including those that face the highest pressure on resources, are located in North Lebanon, Baalbek/Hermel, and the Beqaa valley, where high percentages of refugees reside (Figure 3) (28).

Figure 2: Percentage of population living under the poverty line (24)

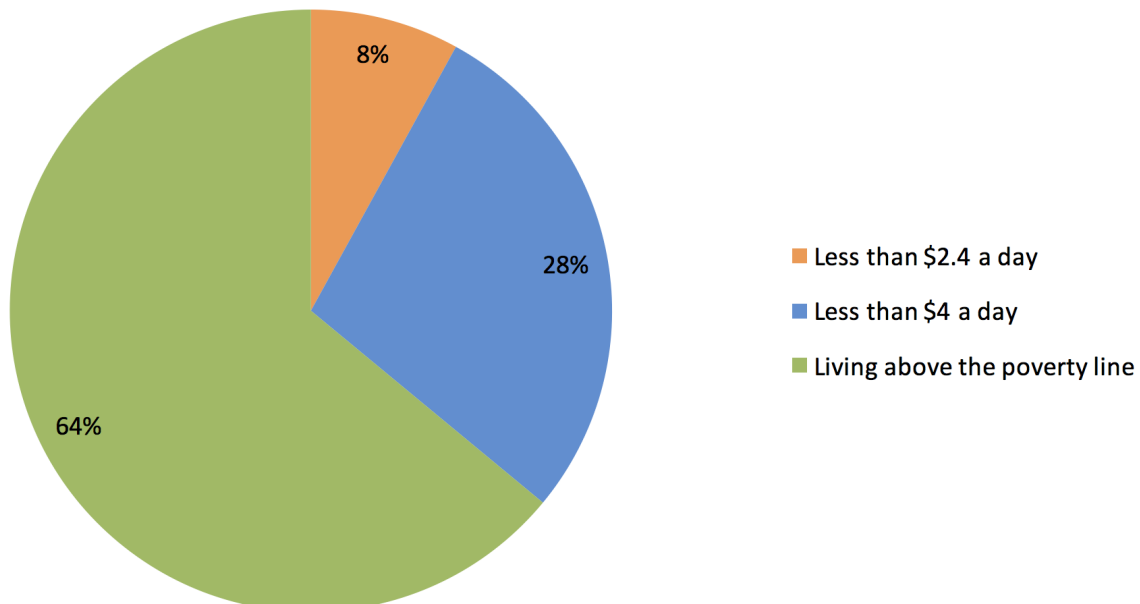
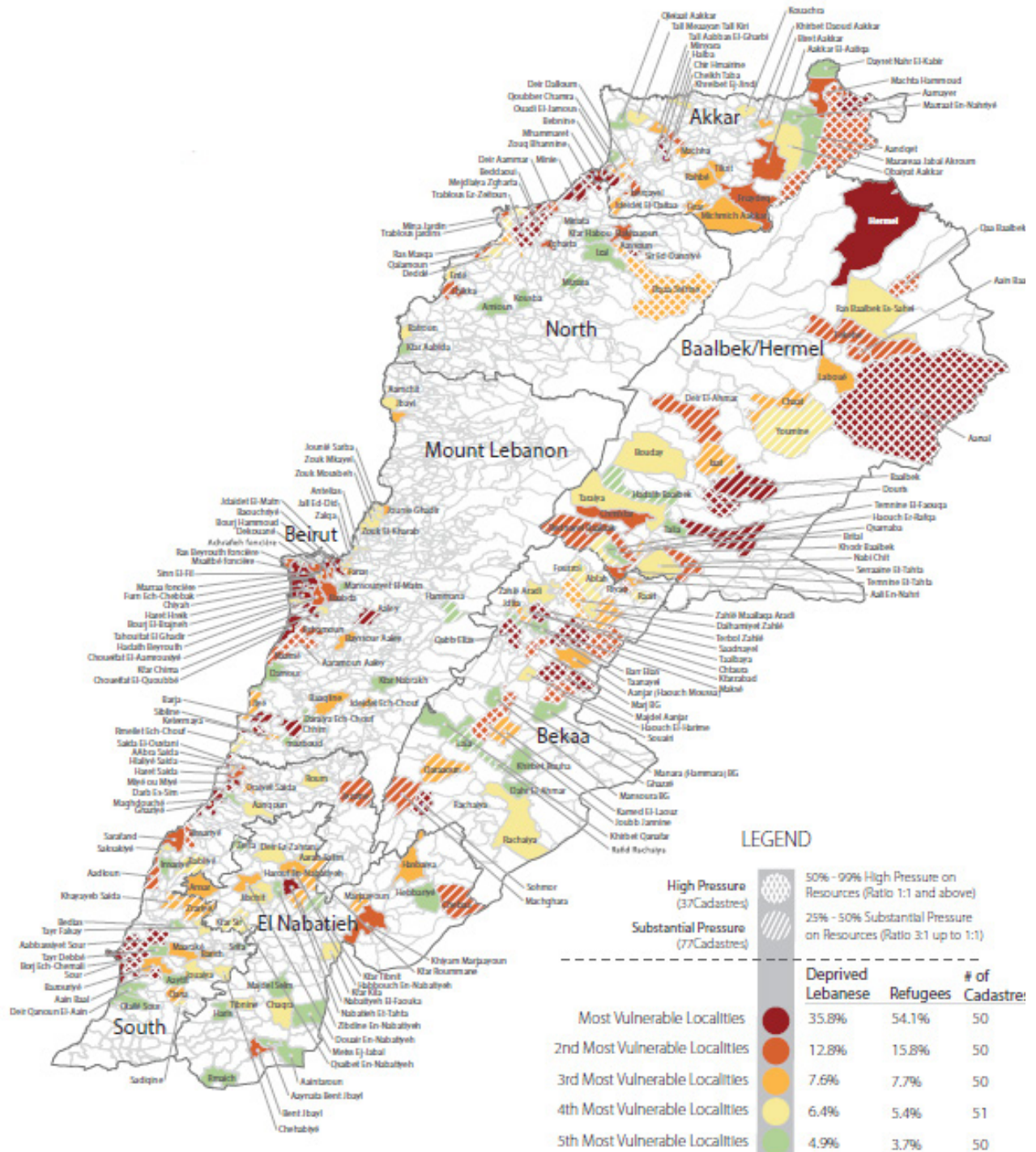


Figure 3: Most Vulnerable Localities in Lebanon (28)



Poverty in Lebanon is also associated with marginalized social groups such as the disabled, the elderly and female-headed households (often widows). Of female-headed households, 36% are considered deprived, versus 23% of male-headed households (27,29). People with disabilities (PwDs) tend to be poorer than the general population, as they have low levels of educational attainment, and/or have lower rates of employment. Poor families with children with disabilities face a hard time in covering the costs of medications and rehabilitative care; this is exacerbated by a lack of a national welfare system (30,31).

Other indicators of inequality based on 2004–2005 data show that the distribution of expenditure is also highly unequal, with the poorest 20% of the population utilizing only 7% while the richest 20% utilize 43% of resources, meaning that the share of the richest is equivalent to more than 6 times that of the poorest (5). Furthermore, Lebanon had a GINI coefficient of 86.1 in 2016, implying a large income inequality. In terms of distribution by wealth range, 57.3% of the Lebanese population owns less than USD10,000, while only 0.3% owns greater than USD1,000,000 (32); this can be interpreted as 0.3% of Lebanese owning almost half of the country's wealth. The Mapping of Human Poverty and Living Conditions in Lebanon 2004 (24) clearly showed the differences in the levels of deprivation between the central regions of Lebanon (Beirut and Mount Lebanon) and peripheral regions (North, South Bekaa and Nabatieh). Comparison was made according to 24 indicators spanning five areas, namely housing, education, water, sanitation and electricity, health and economic situation. A recent study of poverty and deprivation in the city of Tripoli in North Lebanon confirmed that the situation has not improved over the past 10 years (Figure 3). Indeed, the report showed that 57% of households in the surveyed districts of Tripoli are deprived while 26% are severely deprived, with economic deprivation being the most widespread (affecting 77% of surveyed households) followed by health and housing deprivation (35% of households), and education deprivation (25% of households) (1). A recent study conducted by Oxfam "found that Lebanese poor households are typically characterized by low incomes; work in the informal labor market in agriculture, construction and service sectors; depend on markets for meeting their basic needs and are therefore highly exposed to the fluctuations in market systems; have low levels of formal education; are dependent on others on a

regular basis for survival; live in poor neighborhoods with poor infrastructure and weak services; and are perceived as poor by the community" (25). Within the informal labor market, poverty is concentrated in the agricultural sector; approximately 75% of farmers do not have NSSF, and about 40% are considered poor (33). The rates of poverty within other informal sectors are also high, with 38% of those working in construction considered poor (33).

The study further noted that "social marginalization is closely linked to income poverty, where the access to resources needed for dignified living are systematically denied, based on social and legal status. Woman-headed households across nationalities i.e. Lebanese, Syrian and Palestinian are most vulnerable to a downward spiral of poverty. In the current context women find themselves in a catch-22 situation as their traditional roles as carers require them to stay at home, whereas the economic stress on the household pushes them to seek work outside the house"(25).

The ESIA also estimated that more than 70% of displaced Syrians, 65% of Palestinian refugees in Lebanon, and 90% of Palestinian refugees from Syria in Lebanon are living under the poverty line (26). The crisis has had a large impact on children, both Lebanese and refugees, with nearly half of those affected being children and adolescents. This translates to 1.4 million children and adolescents living at risk, deprived of their basic needs and rights. As the crisis drags on, refugees who are running out of savings and who have no means of income generation are turning to negative coping mechanisms, such as reducing food spending and opting out of spending on education or health services in order to make ends meet for their families (14).

The social protection system in Lebanon is limited to the narrow approach of social security which in itself is suffering from main gaps and shortages whether on the legal and regulatory framework levels or implementation level. There is no clear national policy or strategy on social protection. Rather, what exists is a set of limited interventions in response to crises and emergency situations, such as the Emergency National Poverty Targeting Program (ENPTP), the National Social Security Fund (NSSF), and social services provided by some ministries. Social protection may also be imparted by non-governmental organizations and welfare institutions which are contracted by the MoSA (25); and by non-state actors, such as religious welfare organizations (34).

The ENPTP, a follow up to the National Poverty Targeting Program (NPTP), and a response to the Syria crisis, is a combination of social assistance and social service provision to 'extremely poor' Lebanese households in the form of partial medical bill payments, school fee waivers, free books, and food assistance. It is funded by the World Bank, the Government of Lebanon, and UNHCR. The ENPTP is implemented by the Lebanese MoSA, and covers 12% of the poorest Lebanese (25).

The NSSF, established in 1963, is the largest independent public social insurance institution in Lebanon and falls under the mandate of the Ministry of Labor (MoL) and the Council of Ministers. The NSSF is a contributory fund that gathers the contributions of employers, employees, and the government; as such, it benefits only employees of the private sector. The contribution to the fund is 23.5% of the wage, with 21.5% borne by the employer and 2% by the employee. Three types of benefits can be accessed through NSSF: End of Service Indemnity, Health and Maternity Insurance, and Family and Education Allowances. However, the NSSF excludes the self-employed, unemployed, and informal workers (25). Furthermore, approximately 38% of all Lebanese do not have any form of health insurance (35). The MoPH offers health coverage for needy or poor families who are not eligible for the NSSF (36,37). However, these kinds of public sector funds may just as likely go to the rich, or to family members of politicians (37). More recently the MoPH has made great strides towards a national network for primary healthcare, investing in accreditation of centers, and the development of a network that provides primary care at affordable prices across Lebanon (38).

Nevertheless, social protection systems are increasingly becoming privatized (82% of total hospitalization expenditure goes to the private sector), resulting in widened gaps in wealth, with 53.3% of the population outside any structured health coverage system(39), with 65.5% of the labor force not contributing to social security. The most vulnerable populations, such as the elderly, people with disabilities, the unemployed, migrant workers, refugees, women, farmers, and others working in the informal sector remain outside the framework of coverage of the most formal social protection systems. For example, Lebanese PwDs can register with the MoSa through a disability card system if they suffer from specific impairments, and as a result, receive welfare and other entitlements; however, the welfare budget for this group goes mostly to

residential institutions instead of other necessary social services, which exacerbates poverty among this population (30).

The burden of most social expenditures falls on individuals, families, and private institutions, such as NGOs. Due to the absence of a centralized system of effective social protection, this leads to the strengthening of clientelist practices (sectarian or partisan) (40). According to the World Bank, total social spending in Lebanon is about 21% of GDP, and it is primarily in the areas of health, education, and social protection. The private sector covers the majority of this spending (15%); the state covers only 6% (40). The extent to which the state can invest in public and social programs is hindered by its public debt ratio, especially since interest payments are expected to continue rising. In turn, the lack of a reliable, fair social protection system likely contributes to Lebanon's brain drain, an important factor affecting growth within the economic and labor sectors (41).

OBSTACLES TO ACHIEVING GOAL 8: PROMOTE INCLUSIVE AND SUSTAINABLE ECONOMIC GROWTH

Lebanon suffers from high unemployment rates, mismatches between labor supply and demand, and a high prevalence of both low quality and low-productivity jobs (42). Between 2004 and 2007, only 3,400 jobs were created per year, approximately four times less jobs than those required when considering that an estimated 23,000 people enter the labor market every year (43). According to the World Bank, the unemployment rate in Lebanon reached 6.40% in 2014 (17); the ILO estimates that this value increased to 6.80% in 2016. Still, many argue that these estimates are on the lower end, with some local organizations and Ministries estimating that the unemployment rate in Lebanon is well above 20% (39,44).

The unemployment level increases with the level of education, with around 36.1% of university graduates and 21.8% of those with secondary education unemployed, versus lower rates for lower education (45). For women, participation in the labor market is directly linked to level of educational attainment (5,45). Unemployment by gender was estimated in 2010 at 18% for women, double the rate for men (11%), and the majority of those unemployed were under the age of 35 (45%) (5). In economic terms, women receive less pay for equal jobs (particularly in

high level jobs) despite better educational attainment overall, and as shown above, unemployment is higher among women (1). The national wage gap between men and women for all sectors is estimated at 6% (46). Labor force participation has increased gradually over the years for all groups (considering gender and age) except for youth; and the most notable increase has been among young women aged 25-34, and for women in general up to the age of 54 (45). Yet, among certain marginalized groups the rates of unemployment remain significantly high, the unemployment rate among PwDs aged 18 to 64 was estimated at 94.77% in 2012 (31).

Moreover, according to the World Bank, the informality rate in the labor force in Lebanon was 50% in 2010, reaching 48.3% for urban workers and 66.7% for rural workers. The “share of informal employment is significantly lower among the wealthiest segments of the population,” (82.5% for the poorest quintile compared to 35.1% for the richest) (47). This means that the great majority of the marginalized, who are in most need of social security, cannot benefit from any of its services.

The Syrian crisis has had a negative impact on the Lebanese economy, particularly slowing down GDP growth, and the greatest impact of this economic slowdown has been on youth seeking to enter the labor market. The rate of unemployment amongst youth post the crisis is still very high, with estimates of 22% in 2013(48), and the country is still struggling to create jobs (43,45). Furthermore, the NPTP estimated that 51% of vulnerable Lebanese households are led by an unemployed head (14), and that this number likely increased due to the influx of Lebanese households coming back from Syria. Though unemployment was already a major national problem before the onset of the refugee crisis (43), there are speculations that unemployment has slightly increased post the crisis, and, with the rate of unemployment in some of Lebanon’s most vulnerable locations already at almost twice the national rate, this has placed additional pressures on host communities (14). Furthermore, tensions have risen between host community members and refugees within these communities, due to unsubstantiated beliefs that the influx of refugees has caused an increase in competition for employment within the informal sector, since Syrian refugees rely almost completely on employment within this sector (45). Some experts argue that the situation in the informal labor market has worsened post the crisis, since both refugees and unskilled Lebanese seek jobs in this market (26); however there is no data to back

this claim. If the claim is true, competitive pressure within the informal labor market is likely to increase in the North and Bekaa governorates, and will have the greatest effect on Lebanese women, youth, and unskilled workers (35,49). The Lebanese government has greatly restricted residency policies for refugees, restricting their ability to work, and putting them at risk of exploitation and abuse (50). Furthermore, labor supply increased by an estimated 30% in 2013 due to the large influx of Syrian refugees, mostly within the low- to semi-skilled market (26). This has caused rising tensions with host communities, who perceive that their plight is a direct result of the influx of refugees who are taking their jobs.

The Syrian refugee crisis has also had a negative effect on the child labor market, as child labor has increased, and the conditions in which children are working have worsened (51). The Lebanese government has worked towards decreasing child labor by promoting free education for 200,000 Lebanese and refugee children (51), but approximately 250,000 Syrian children remained out of school during 2015-2016 (50).

The lack of job opportunities in Lebanon, and the increasing number of university graduates act as two major push factors impacting the high levels of emigration. One study found that 25% of Lebanese youth surveyed wish to leave Lebanon; the majority of these youth were from the Mount Lebanon area (40%), and the least were from Nabatiyeh (14%) (52). As a matter of fact, in 2012, there were 602,280 Lebanese migrants residing abroad; 27% in Arab countries, 33.2% in North America, 24.7% in the European Union, and 12.5% in Australia. The majority of emigrants were men (53.6%) (53). In 2015, Lebanon was one of the top remittance receiving countries, with an inflow of USD7.5 billion (54); in previous years, such a high remittance influx has helped to close the Lebanese trade deficit, and has generated significant currency (45).

OBSTACLES TO ACHIEVING GOAL 10: REDUCE INEQUALITY WITHIN AND AMONG COUNTRIES

Lebanon has signed most of the core international human rights treaties, and has a constitution that enshrines several economic and social rights. Yet more efforts are needed to ratify human rights treaties and their optional protocols, in particular on matters relating to migrant workers, forced disappearance, and persons with disabilities. In addition, where treaties have been signed,

implementation remains problematic, with many draft laws on human rights remaining stalled (39). As for ILO conventions, Lebanon has ratified more than 50 – including 7 out of the 8 core documents – with the exception of Conventions 102, 118, 121, 128, 130, 157, and 168 (pertaining to domestic workers).

GENDER INEQUALITY

Although gender parity has been achieved at all educational levels in Lebanon (Figure 4), this is still not the case for labor force participation. A 2010 survey found that only 24% of working-age women participated in the labor force, compared to 70% of working-age men. Participation of women in the labor force has been increasing gradually (for example, from 21% in 2007), indicating that more women are becoming economically active with time. Notably, the highest rate of labor force participation for women (47%) is between the ages 25–29 years (5,46).

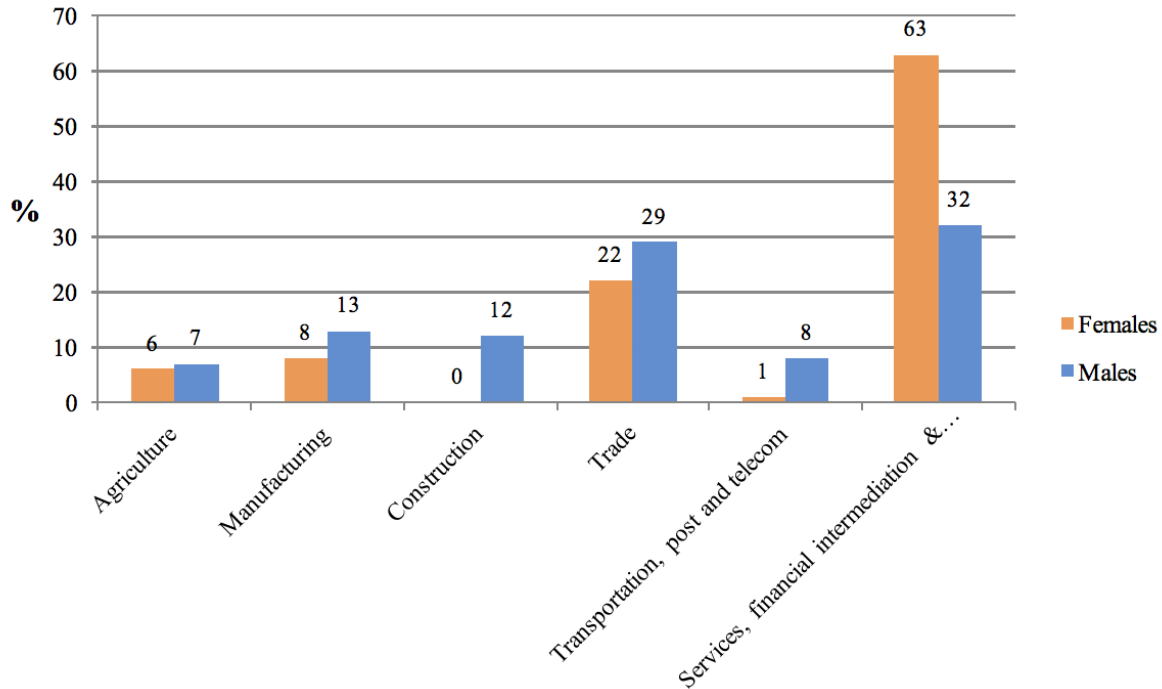
social protection, maternity leave, wages and social services; as a result, women tend to exit and re-enter the labor market more often than men, especially during the childbearing and rearing periods of their lives (5). Furthermore, roughly one third of the female labor force in Lebanon is comprised of foreign domestic workers (45). This translates to approximately 250,000 women, who are bound by the *Kafala* system, and who cannot benefit from labor law protections (50).

Figure 4: Tertiary education by gender in Lebanon (55)



Great strides still need to be made in terms of balanced gender participation within different economic sectors in Lebanon. Participation is most balanced within the agricultural sector, though this raises questions of inequality, fair opportunities, and social protection. While females dominate office related sectors, their participation is greatly lacking in sectors such as manufacturing, transportation and construction (Figure 5) (5,46). Most striking is the lack of female participation in government—the proportion of seats held by women in the national Lebanese parliament is only 3% (17). Lower labor participation by women may be explained by a number of factors, including a lack of policies for

Figure 5: Distribution of employment by sector for males and females in Lebanon (46)



TAX POLICIES

Lebanon's tax system is designed with the objective to increase public revenues and not as a tool for the redistribution of wealth and to address inequality. The regulations are unfair, relying heavily on indirect taxation through the Value Added Tax (VAT) on consumption, which ultimately impacts the poor. Indirect taxes make up 70% of public revenues and around 12% of the GDP, versus direct taxes, which represent only 6% of the GDP. Taxes on individual income are partially progressive and range between 4% and 21%, while limited liability companies pay a flat rate of 15% (56). The tax system in Lebanon does not reach rich individuals despite several proposals by the labor movement during the last three years to shift towards a more just system.

Tax evasion remains a major obstacle, with the volume of tax evasion estimated at 70%, despite the existence of an active administration of public financing by the Ministry of Finance and the Central Bank. The new proposed draft national budget, which has yet to be passed by the parliament, is no different, once more mainly affecting Lebanon's poorest, while politicians and the rich are left almost unaffected. In order to increase civil servant wages, the draft proposes to increase VAT from 10% to 11%, to increase the price of stamps for a number of public services, and to modify taxes on revenue and income, among 22 additional proposed tax hikes. Meanwhile politician salaries and benefits, and taxes on banks and other sectors will remain almost untouched (12,12).

AWARENESS OF AGENDA 2030

Except for a few opinion pieces and news stories, the Lebanese media failed to cover the adoption of Agenda 2030 or the implementation of the SDGs. A local TV channel featured a program introducing the SDGs, but this did not gain traction. Similarly, there have been almost no campaigns or government initiatives, despite several meetings held by UN agencies, namely UN-ESCWA, in Lebanon and the region. One recent exception that could be found is a meeting on ISO standards held by the Energy Ministry at the beginning of May 2016, which mentioned that the National Plan on Energy Efficiency 2016-2020 is in line with the concept of sustainable development (57).

Furthermore, according to the annual report of the IPU secretary general for 2014, "the Lebanese Parliament reported that the Sustainable Development Initiative was in the agenda of the Public Work Committee between 2009-2010 period, in collaboration with the UNDP. The current political instabilities, however, forced the parliament to shift its priorities" (58). Nevertheless, the same report indicates that the parliament has not been informed of the SDGs and has not taken any steps to discuss them.

Overall, the efforts by the government to increase public awareness of sustainable development goals are not satisfactory. In this regard, measures taken to communicate relevant information and increase public involvement are inadequate and information overall is not easily accessible. This occurs in a context where the space for civil society is shrinking, raising important concerns. The environment for civil society is constantly challenged by repressive policies at the national level that affects freedom of association and expression. Moreover, the lack of access to information is common, representing an important hindrance.

A number of conferences concerning the SDGs have been held at academic institutions in Lebanon. For example, the Center for Research on Population and Health at the Faculty of Health Sciences at the American University of Beirut (AUB) hosted a regional conference on the health SDGs (59). Furthermore, the Suliman S. Olayan School of Business CSR Initiative at the AUB launched the Global Compact Initiative Lebanon in 2015, which aims to drive local stakeholders, such as businesses, civil society

organizations, communities, and the government to do their part for making the SDGs a reality. Together, participants of the network have taken small, but significant steps towards SDG implementation in Lebanon. For example, *Banque du Liban*, the Lebanese national bank, works towards SDG 1 by reducing financial shocks and crises, and the impact they may have on the economy, while a participant hired PwDs as part of SDG 10 (60).

CIVIL SOCIETY ORGANIZATION EFFORTS TOWARDS AGENDA 2030

On 11 April 2016, the Arab NGO Network for Development (ANND) and the Lebanese Transparency Association (LTA), in coordination with the CSO Partnership for Development Effectiveness (CPDE) and the United Nations Development Program (UNDP), held a national workshop on Development Effectiveness entitled "Towards the Implementation of Agenda 2030 for Sustainable Development: Accountability of Actors." The workshop highlighted the principles of development and their need to be respected by the various development actors in Lebanon. It also focused on the principle of partnership between stakeholders to improve developmental performance, with an emphasis on the need for accountability, mutual accountability in particular; researching its mechanisms; and enhancing the role of society in transparency and accountability.

RECOMMENDATIONS

An important task for CSOs today is to draw lessons from the MDGs based on local contexts and examine prevailing assumptions behind economic development paradigms focused primarily on growth. There is a need for a rights-based holistic development model that ensures built-in mechanisms for success and necessary tools for implementation. This would stave off the likelihood of failing to meet development goals as has happened with the MDGs. The failure of economic choices that led to the uprisings in the region is largely predicated – from civil society points of view – on the emphasis on growth at the expense of development objectives and peoples' economic and social rights.

Specifically, civil society is expected to develop and put forward an intelligent and effective mechanism of participation that brings together key development actors at national levels. This would come with an equally important system of monitoring and accountability for Agenda 2030. Such a mechanism would need to be based on mutual respect, openness and substantive consultations, particularly between governments and CSOs, and would need to involve actors such as the private sector, labor unions and international partners, including donor agencies. The implementation of Agenda 2030 should respect developing country specificities by advancing the right development paradigm - with macro- and micro-tools for implementation - that is not based solely on economic liberalization and international integration, rather on enhancing development based on human rights.

Since human rights and social justice remain the main focus of any development agenda, civil society needs to continue - if not intensify - its advocacy at the national levels to demand implementation of existing human rights agreements and a commitment to uphold citizens' inalienable rights. The strong demands for greater participation in the formulation of a new social contract and development model in the region should also be grounded on the expansion of freedoms and social justice.

1. Commit to the consolidated approach and adopt an integrated model among targets and goals. It is time to reject sectoral fragmentation, separating goals from general development plans (61)

It is obvious that a national strategy needs to be put in place in order to fulfill the 2030 Agenda.

2. Establish an independent national mechanism to ensure coordination and monitoring (61)

More efforts are needed to institutionalize the implementation of the SDGs. This requires the creation of an integrated body responsible for the coordination and the implementation of the Agenda, this entity will ensure national and inclusive dialogue. It is fundamental to complement the agenda with defining indicators, both qualitative and quantitative. This should be accompanied by rigorous national-level research to collect up-to-date data, which can serve as a reference or basis to measure progress in

the years leading to 2030. All these steps will help in the localization of the agenda and in identifying challenges and remedial actions towards achieving sustainable goals.

3. Prioritize the principles of transparency, accountability and inclusiveness during the implementation of Agenda 2030 (61)

Ensuring accountability of all involved parties necessitates monitoring the business sector, whose development role has increased, but there is a need for a regulatory framework to be developed. Enhancing transparency and inclusiveness necessitates the active role of the Economic and Social Council with the inclusion of all the relevant stakeholders in the policy-making process.

4. Revisit social and economic policies to ensure their alignment with the rights-based development approach (61)

A new and comprehensive approach to address inequalities, unemployment, poverty reduction and social marginalization ought to be adopted. This includes a shift to productive economy enhancing inclusive growth that generates jobs. This requires reviewing trade and investment policies as to diversify the job market, adopting a tax system that stimulates local productivity

It is necessary to shift the overall government approach to development, and reconsider the way social protection is conceived of in Lebanon. As the right of social protection is part of redistribution policies, programs should be based on the principle of equitable distribution of wealth. There is a need to adopt social policies that increase the scope of coverage to tackle discrimination against most vulnerable groups and ensure their inclusion in society. It is also crucial to ensure the adoption of fair taxation based on a progressive direct taxation and to avoid the negative impacts deriving from VAT increase.

To ensure the right to work, labor laws need to be implemented, and amendments need to be introduced in line with international commitments. All discriminatory clauses need to be removed and the gender gap addressed. This includes canceling the sponsorship system to which domestic workers are subject and granting Palestinian and other refugees full rights in the Social Security and the right to join and practice liberal professions.

Addressing disparities in education requires enhancing the quality of public education, implementing strategies aimed at supporting public schools in rural areas and ensuring Syrian refugees enrollment in schools.

Moreover, revisiting socio-economic policy choices should aim towards achieving equitable partnership for women. This requires their integration in developmental plans and policies and providing the necessary resources. Focus should be put on the question of budgets in general and especially budget allocated towards targeting equality between the sexes. It is also important to integrate the needs of women in national strategies, budgets and programs, based on equality and the classification of data according to gender.

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