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ILO RESPONSE TO BEIRUT BLAST

A Decent Work Approach for Quick
Recovery and Job Creation

MULTIPLE AND DEVASTATING CRISES

On the 4th of August 2020, a massive explosion ripped through the Port of Beirut, killing hundreds of people and leaving thousands more injured and homeless. A large number of businesses have been destroyed or damaged and various sectors severely affected. The explosion took place at a time when Lebanon is struggling with multiple crises, including a severe economic crisis, compounded by political instability and the COVID-19 pandemic.

Even prior to the explosion, thousands had been dismissed from their jobs or saw their salaries reduced. The COVID-19 crisis has already resulted in a high number of permanent and temporary job lay-offs, particularly among informal workers. A recent rapid assessment examining the impact of the pandemic on workers found that the largest share of Lebanese workers permanently laid-off were those employed in the construction sector (50 per cent), while most Syrians who have been permanently laid-off were in the agriculture (66) and construction (72 per cent) sectors. This may be explained by the irregular and casual nature of work in these sectors[1].

Many of the workers who have lost their jobs since October 2019 due to the economic crisis or as a result of COVID-19 restrictions were already extremely vulnerable to economic shocks, with some living on the streets. Migrant domestic workers have also been largely affected by the crisis and have sought to return to their countries but are trapped and stranded. A study conducted in July 2020 revealed that 77 per cent of surveyed migrants had no source of income (IOM 07/08/2020). They might turn to more and more negative coping mechanisms to survive in the aftermath of the blast. Since the COVID-19 outbreak, live-in women migrant domestic workers have been subjected to increased restrictions on their mobility, with no days off and limited capacity to communicate with family and friends, negatively affecting their mental health. (ILO, 2020).

According to a small-scale enterprise survey conducted in April 2020, around half the sampled enterprises had stopped operations temporarily due to the COVID-19 pandemic and lockdown measures, with only 9 per cent operating as normal and 40 per cent operating with reduced working hours or a reduced number of workers (ILO, 2020). Reduction in demand and sales, restriction on foreign currency and cash flow, as well as political and social instability were cited as some of the biggest obstacles facing enterprises in the coming months.

The explosion on the 4th of August has destroyed or severely damaged businesses and shops, including hotels, bars, cafes and restaurants, which are in proximity of the port. Some business owners may also have used all their savings to maintain their activities during the economic and COVID-19 crises. These business owners and their employees are likely to be pushed closer to poverty, as only few people have access to social safety nets in the country (IFRC 09/08/2020)[2].

In the aftermath of the crisis and the explosion, labour complaints go beyond the capacity of the existing mechanisms to address them effectively, especially unpaid wages of migrant workers, which increases distress of the affected migrant workers and their families and exasperates the socio-economic problems in the country.

The International Labour Organization (ILO) response programme to the Beirut blast contributes to the UN Flash Appeal under the Emergency Response Framework[3] to address the consequences of the explosion from immediate needs to recovery and reconstruction.

[1] ILO June 2020, Facing Multiple Crises: Rapid assessment of the impact of COVID-19 on vulnerable workers and small-scale enterprises in Lebanon https://www.ilo.org/beirut/publications/WCMS_747070/lang-en/index.htm

[2] Emergency Operations Centre Beirut Assessment & Analysis Cell - Analysis of affected areas in Greater Beirut https://reliefweb.int/sites/reliefweb.int/files/resources/20200812_acaps_secondary_data_review_beirut_explosion_0_0.pdf

[3] OCHA, August 2020, Emergency Response Framework for Beirut https://www.politico.eu/wpcontent/uploads/2020/08/Emergency_Response_for_Beirut_2020.pdf



ILO IMMEDIATE RESPONSE

The ILO promotes the principle that employment, livelihoods and decent work are key to the successful recovery and reintegration of crisis-affected people, and this guides ILO's own response. ILO's interventions are in line with the Emergency Response Framework aiming to save lives, protect the most vulnerable and set the stage for subsequent recovery and reconstruction, in particular:

The ILO is conducting a **rapid assessment on the impact of the Beirut explosion on businesses and the labour market**, giving additional attention to sectors that rely on migrant workers. Micro, Small and Medium Enterprises (SMEs) are seen as drivers in economic recovery and reconstruction, both as producers of economic revenues, and as providers of stability and employment opportunities. The assessment will target enterprises most impacted in the area, including retail, transport, hotels and the catering business. The SME questionnaire tool will include questions on the production and operation of the enterprises; employment; financing; business environment; policy evaluation, as well as business owners' confidence about the future, and will aim to assess the potential for decent work and capture factors that may put vulnerable workers, including migrants at risk. The assessment aims to provide useful information for the needed support in the short and medium run. In addition, it will contribute knowledge about the context in which affected households and their members operate.



Through **the ILO's Employment Intensive Infrastructure Programme (EIIP)**, funded by Germany through the German Development Bank (KfW) and Partnership for improving prospects for forcibly displaced persons and host communities (PROSPECTS) funded by the Government of the Netherlands, the ILO is providing support to **create short-term decent jobs for Lebanese nationals and Syrian refugees to clear debris and rubble from the streets of Beirut affected by the explosion**. The ILO is working closely with the Municipality of Beirut to ensure that support reaches the areas that were hardest hit by the explosion. It is also coordinating with UN agency working groups, led by OCHA, to ensure that efforts to create a safer Beirut are coherent and support all those affected by the explosion. In commitment to sustainable development and protecting the environment even at times of crisis and emergency, the ILO is working in full compliance with municipal guidelines to dispose of all glass through approved recycling stations.



ILO SHORT TERM RESPONSE (3-6 MONTHS)

Emergency Repairs to Public Buildings and Generation of Decent Employment

Many public buildings have been severely damaged by the explosion, including those used by emergency services, such as fire stations, hospitals, and public health care centers[4]. The ILO will scale up its EIIP to assist with the rehabilitation of such centers in efforts to ensure they are operational again in a short period of time. EIIP will create much-needed employment for the most vulnerable populations affected by the explosion, including Lebanese, Syrian and migrant workers, through infrastructure development with a strong focus on decent work and appropriate COVID-19 measures.

The ILO is currently implementing construction projects throughout Lebanon and diverted some of its funds to rapidly respond to the crisis in Beirut by providing labour-intensive rubble removal. The Beirut municipality has requested further support to carry out repair works to damaged public buildings, starting with the Beirut Fire Station of the Civil Defense to ensure full operation of emergency services. A number of other public buildings and emergency shelters critical to the continued emergency response including the COVID-19 health crisis can be quickly identified in coordination with the municipality and other actors.

The ILO will also provide support to the rehabilitation of shelters for migrant workers run by NGOs to prevent further vulnerability of stranded migrant workers.

The proposed intervention includes detailed assessment and repair works. The application of a labour-intensive approach will generate a substantial amount of short term jobs and income to the workers on the project.

The ILO is urgently appealing for **USD 2.3 million** for EIIP activities to respond to urgent needs for health facilities and to provide income opportunities to people who lost their jobs, business and livelihoods.

Cash Grants and Technical Assistance to MSMEs

Next to immediate support to affected households in the form of medical aid, shelter as well as food and cash assistance, it is also of crucial importance to help Micro, Small and Medium Enterprises (MSMEs) to recover in the aftermath of the explosion and restore their businesses as quickly as possible. MSMEs are the backbone of the Lebanese economy, and have been hard-hit by a sequence of crises even before the devastating explosion. As a result, businesses have been left fragile, without savings, and thus unable to cope with the devastation brought about by the explosion. A rapid assessment following the explosion, found that 60 per cent to 100 per cent of small businesses were damaged in Karantina, Karm el Zaytoun, Bourj Hammoud and Geitawi neighbourhoods[4], and urgent assistance is needed to help these businesses repair, rebuild and restock.

The ILO proposes to provide support to MSMEs affected by the explosion with a combination of cash grants, technical support and advice to help them become operational again as quickly as possible. A rapid assessment of affected businesses will determine the extent of the damage done to both the physical infrastructure of MSMEs, as well as merchandise and inputs that are essential to their operations. Based on results of the rapid assessment, cash grants will be provided to affected businesses to help them pay for necessary repairs, rebuild their shops and premises, including through EIIP, and restock with merchandise and required inputs in order to relaunch operations rapidly.

In addition to cash grants, MSMEs will benefit from counselling sessions with experts that will accompany and guide MSMEs in their efforts to relaunch operations quickly. Technical advice and guidance will focus on the one hand on helping MSMEs to find the most cost-effective and rapid ways to rebuild and relaunch operations, and on the other hand on adjusting business plans and operations of MSMEs to help them reduce future risk and become more resilient, for instance by switching to digital technologies or operating more cost-efficiently. To provide expert advice, the ILO can draw on a well-established network of experts that have been trained and certified in the ILO's small enterprise development trainings and business continuity tools.

The ILO is urgently appealing for **USD 2 million** to respond to urgent MSMEs needs.

Support to Migrant Workers through Cash Grants and Complaint Mechanisms and Employment Exchange

The impact of the COVID-19 pandemic, the economic crisis, and the Beirut explosion on migrant workers is a significant cause for concern due to the particular vulnerabilities of this group under the Kafala (sponsorship) system. The crisis magnified many of the structural issues and gaps in human rights protection and decent work associated with this system, and the ILO will continue to propose sustainable solutions to dismantle the system. In the meantime, immediate assistance can help prevent a situation where migrant workers are further marginalized.

Many migrant workers, domestic workers in particular, have already lost their employment as a result of the on-going crisis and many more are at risk of losing their jobs. On losing their jobs, they do not have access to decent living conditions to protect themselves against the pandemic and its socio-economic consequences. While many of them would wish to return to their countries, it may be difficult for some.

Given the weak structure of the care economy in Lebanon and high dependence on migrant domestic workers, most of whom have lost their jobs or wish to leave Lebanon, there is a need to support rights based initiative to place migrant workers in decent jobs, and contribute to the return of Lebanese into the work force and recovery efforts.

The ILO proposes to invest its knowledge on fair recruitment and prevention of forced labour and human trafficking and intersectionality to provide immediate support to migrant workers through a combination of **cash grants, food and rental subsidies, providing legal aid and developing a compliant mechanisms** for migrant workers linked to either trade unions, cooperatives or NGOs, **information campaigns on emerging issues and occupational safety and health training**, and the creation of **a transparent administrative "employment exchange" mechanism**, which would allow the possibility of placement of such workers in decent jobs (if they so wish) and before consideration is given to their repatriation.

The ILO is urgently appealing for **USD 1 million** to respond to urgent migrant workers' needs.

[4] Reports also indicate that more than 80 primary health care centers have been severely damaged. Preliminary assessments show that an estimated 15 hospitals have been significantly impacted by the blast and a minimum of three have been rendered partially or fully inoperable.

[5] ACTED Assessment, August 2020



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FUNDING REQUIREMENT

INDICATIVE BUDGET: USD 5.3 MILLION:

- Emergency repairs to public buildings and generation of decent employment USD 2,300,000
- Cash grants and technical assistance to approx. 400 Micro, Small and Medium Enterprises (MSMEs) USD 2,000,000
- Cash grants and complaint mechanisms for migrant workers USD 1,000,000



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