



Project Information Document/ Identification/Concept Stage (PID)

Concept Stage | Date Prepared/Updated: 12-Mar-2021 | Report No: PIDC243929

**BASIC INFORMATION****A. Basic Project Data**

Project ID	Parent Project ID (if any)	Environmental and Social Risk Classification Low	Project Name
P176444			The Skilling Up Lebanon (SUL) Project
Region	Country	Date PID Prepared	Estimated Date of Approval
MIDDLE EAST AND NORTH AFRICA	Lebanon	12-Mar-2021	
Financing Instrument	Borrower(s)	Implementing Agency	
Investment Project Financing	Beirut Digital District (BDD) Talent Development Hub	Beirut Digital District (BDD) Talent Development Hub	

PROJECT FINANCING DATA (US\$, Millions)**SUMMARY**

Total Project Cost	0.35
Total Financing	0.35
Financing Gap	0.00

DETAILS**Non-World Bank Group Financing**

Trust Funds	0.35
Lebanon Syrian Crisis Trust Fund	0.35

B. Introduction and Context

Country Context

Advancements in technologies will continue to have an increasingly significant impact on jobs in the coming years and decades. According to the 2019 World Development Report (WDR), technologies are having an impact on how firms operate, creating new business models and expanding job opportunities. Technology also opens opportunities to create new tech-enabled independent work as well as entrepreneurial activities. This offers additional income opportunities to offset the deficit in traditional job creation. The skill sets that are in high demand today did not exist five years ago and the pace of this trend is expected to accelerate. For



example, LinkedIn revealed the skills that are mostly in demand by employers relate to: cloud and distributed computing, statistical analysis and data mining, middleware and integration software, web architecture, user interface design, etc.[1] In addition, the changing nature of work significantly raises the expectation of having multiple careers which requires continuous, lifelong learning.

The lockdown period due to COVID-19 health crisis accelerated and showcased the importance of digitalization and digital transformation. Although social distancing, lockdowns and temporary closure of stores has led to dramatic impact on firms, at the same time, it led to a sharp increase in online and delivery services. Firms that had higher level of digital engagement were more resilient and were able to shift smoothly their operations and adapt to the new reality. Some businesses are now working remotely by leveraging e-commerce platforms, particularly for food and grocery shopping. Similarly, educational platforms have risen considerably given the closure of all schools and universities nationwide. Thus, firms' transitioning to new digital business models could help mitigate the impact of the outbreak and keep their operations running smoothly in the short term and improve productivity over the long term. The COVID-19 lockdown derived some lessons and can serve as the catalyst for greater reliance upon digital platforms and services. Now, more than ever, all workers, including those in vulnerable communities, will need to learn new digital skills to remain or rejoin the workforce as demand for tech-enabled, digital economic opportunities will continue to rise.

As such and as the crisis response will eventually shift toward the recovery stage, it is important for the government to provide the foundation for a digital economy that would support firms and get them ready to adjust to what may be a rapidly evolving external environment. The government should urgently lay the foundation for the government's digital transformation as well as for companies to benefit from the digital economy. For the latter, this can be done through: (i) conducting reforms that would help improve the business environment; (ii) improving access to or lowering the cost of basic infrastructure and services (e.g., electricity, broadband Internet, transportation) required for production and commercialization; (iii) providing tax incentives and credits for investments in digital infrastructure; (iv) upgrading school and university curriculums to reflect the needs of a digital economy in terms of workforce skills; (v) facilitating the matching between university students in technology and/or digital majors and companies looking to make their digital transformation; (vi) procuring government solutions from local technology companies (i.e. government as customer); and (vii) facilitating fintech transactions and cashless payments. Such measures are, without any doubt, long-term and will take time to materialize but are of critical importance.

[1] <https://blog.linkedin.com/2018/january/11/linkedin-data-reveals-the-most-promising-jobs-and-in-demand-skills-2018>

Sectoral and Institutional Context

The Lebanese workforce is ill-equipped with skills to thrive in a digital economy, and without the right skills the country may not benefit from the opportunities afforded by disruptive technologies and digital firms.



Results of the recently launched Human Capital Index, which is a measure of human productivity, showed low results, mostly driven by low quality of education outcomes. In Lebanon, a child born today will only be 54 percent as productive as she could be had she had complete education and full health. Also, the lack of good quality work experience today undermines future job prospects and lowers future growth potential. Without the right skills sets, youth can become marginalized, disappointed and frustrated - characteristics which can contribute to social unrest.

In addition, and even before the October 2019 revolution and multiple crises that followed (including the Beirut Explosion on Aug 4, 2020 and its impact on the private sector), the Syrian refugee crisis has had a significant impact on the local labor market, with youth bearing the brunt. The influx of refugees has resulted in a large increase in labor supply in Lebanon, with negative impacts concentrated in lagging regions – especially in the North and Bekaa – which already faced poor labor market outcomes. Labor market prospects for Lebanese youth have been particularly hard hit, as they are more likely to compete, both sectorally and occupationally, with Syrian refugees in the labor market. They are also likely to be concentrated in sectors (tourism and trade), where growth is most impacted by the multiple crises.^[1] A 2013 World Bank report on the analysis of the impact of Syrian refugees in Lebanon^[2] shows that areas with high refugee influx, which coincide with economically lagging regions have witnessed a sharp unemployment increase among young Lebanese men, from 10 percent in 2010 to 36 percent in 2015. Forty-four percent of Lebanese host community households cited competition for jobs as the biggest factor driving community tensions^[3]. Creating more jobs in the economy or improving access to the economic opportunities that exist, is critical for addressing the needs of both Lebanese and Syrian refugees.

[1] In 2010 more than half of the employed youth worked in tourism and trade, compared with only 33 percent in 2015.

[2] World Bank (2013), Lebanon: Economic and Social Impact Assessment of the Syrian Conflict.

[3] UNHCR, UNICEF, and World Food Programme (2017), “Vulnerability Assessment of Syrian Refugees in Lebanon 2017”.

Relationship to CPF

The Government of Lebanon (GoL) has placed digital transformation and digitalization as a cross-cutting objective across its Government Reform Plan. In addition, during the First Digital Mashreq Forum in Amman, June 2019, and as presented in the “Amman Communiqué”, the Government of Lebanon (GoL) committed to building a Digital Nation and to transform Lebanon into a regional technology and innovation hub. The GoL has the ambition to double the knowledge economy’s contribution to GDP and the employment in this sector over the next decade. To achieve this, the government intends to leverage the pool of skilled and entrepreneurial talent in Lebanon and abroad to build a digital economy focused on innovation and private



initiative, increase the number of start-ups fivefold, double yearly venture capital funding and address the existing skills gap by preparing the youth for the global, digital jobs of the future.

The proposed project is in line with the CPF Focus Area “expand economic opportunities and increase human capital”. Specifically, the SUL will contribute to CPF Objective 2c “Improved delivery of education services and skills development” as it focuses on designing and implementing a model that aims to increase access to market-relevant digital skills for children, youth and the workforce in Lebanon. Through this grant, training activities will be implemented and expected to reach at least 800 trainees across the country.

This project is also in line with the Lebanon roadmap of priority interventions for stabilization from the Syrian conflict. It is in line with the following objective in the roadmap: “Restore and expand economic and livelihood opportunities, particularly to vulnerable groups, and create an enabling environment for private sector investment.” Specifically, it is relevant under the third and fourth tracks of interventions in terms of private sector engagement and as “PPP development for longer term infrastructure and social service sector investment and service delivery” (quote from the Roadmap). In fact, the proposed TA will support and provide lessons learned to the GoL in operationalizing its ambitions through piloting an innovative Public-Private Partnership (PPP) model for the provision of market-relevant skills.

C. Project Development Objective(s)

Proposed Development Objective(s)

The overall Development Objective (DO) of the proposed project is to develop a Public-Private Partnership (PPP) model for increasing access to market relevant digital skills for youth in Lebanon.

Key Results

The expected results of the proposed projects are the following:

1. Establish the SUL model at the BDD Talent Development Hub with the core team hired and systems established.
2. Implement 5 pilots, benefiting a total of 800 youth in Lebanon, 50% of which are women.

The main beneficiaries of the proposed activities listed in this proposed project are Lebanese youth (aged between 15-34). Vulnerable Lebanese youth negatively impacted by the Syrian conflict will especially be targeted and gender-balanced participation will also be sought.

D. Preliminary Description



Activities/Components

This proposed project will support the promotion of digital skills under the Skilling Up Lebanon (SUL) initiative launched by the World Bank in 2019. This initiative aims to prepare young women and men for the local, regional and global jobs of the future and attracting digital technology (DT) players to invest in the region. The specific outcomes expected for this component are to: (i) provide a proof of concept for the PPP model proposed under the SUL with a view to attract additional funding to scale up and sustain the model; (ii) design and implement five pilot digital skills programs and training of approximately 800 young men and women.

Component 1: Support to the SUL PPP model (US\$150,000)

This component will provide financial and technical support to the Beirut Digital District (BDD) Talent Development Hub, to establish the SUL PPP model. The BDD, a tech hub and community hosting about 1,500 members and 135 companies all working in the Tech industry, has been selected as the SUL anchor given its unique position in the Lebanese digital ecosystem as both provider and user of digital skills. It has established an NGO called the BDD Talent Development Hub whose objective is to close the skills gap and upskill the workforce in Lebanon with the necessary and relevant digital skills to thrive in the local and global economy.

The financial and technical support for the SUL PPP set-up phase would cover the following activities:

- i. **TEAM MEMBERS:** a core team will be hired consisting of an executive director, an administrative assistance, a chief operating officer as well as a marketing and community officer. Fiduciary responsibilities will be handled by the BDD's current staff.
- ii. **SYSTEMS AND PROCESSES:** two of the following three key systems and processes would need to be put in place: (a) *a SUM Online Platform*: to provide continuously updated information about SUL and could potentially be tailored to different stakeholder types based on the information needed; (b) *Career and Internship Portal*: to publish internship and career opening and enable an efficient matching between employers and the right candidate from the SUL community; and (c) *M&E platform* to allow for accurate impact measurement of the activities implemented and track participants.
- iii. **MARKETING AND BRANDING:** BDD Talent Development Hub will propose a branding and main theme for the SUL including a logo, slogan, and hash-tag (#) for Social Media (Twitter, Facebook, Instagram, etc.) and all the branding collaterals. It will also develop a marketing and outreach strategy campaign detailing the different approach and messages for each stakeholder.

Component 2: Support to Digital Skills pilots (US\$200,000)

This component will finance the design and implementation of five pilot digital skills programs by the BDD Talent Development Hub. This Hub will leverage the job market digest methodology and the private sector committee to ensure that the developed programs are based on the real skill needs of the digital economy sector. The training will be delivered by training providers to be selected based on a competitive process. These pilots will equip the BDD with key learnings that will feed into the subsequent development programs of the SUL. It is aimed to train between 800 and 1,000 youth through these pilots. Several options for these



pilots have been developed. Suggested criteria to select the pilots are: (i) geographical coverage to cover various areas in Lebanon; (ii) select one pilot per track to include children at school, youth in universities and working or unemployed youth; (iii) possibility to conduct the course in line with health precautionary measures related to COVID-19; and (iv) reach the highest number of beneficiaries.

Environmental and Social Standards Relevance

E. Relevant Standards

ESS Standards	Relevance
ESS 1 Assessment and Management of Environmental and Social Risks and Impacts	Relevant
ESS 10 Stakeholder Engagement and Information Disclosure	Relevant
ESS 2 Labor and Working Conditions	Relevant
ESS 3 Resource Efficiency and Pollution Prevention and Management	Not Currently Relevant
ESS 4 Community Health and Safety	Relevant
ESS 5 Land Acquisition, Restrictions on Land Use and Involuntary Resettlement	Not Currently Relevant
ESS 6 Biodiversity Conservation and Sustainable Management of Living Natural Resources	Not Currently Relevant
ESS 7 Indigenous Peoples/Sub-Saharan African Historically Underserved Traditional Local Communities	Not Currently Relevant
ESS 8 Cultural Heritage	Not Currently Relevant
ESS 9 Financial Intermediaries	Not Currently Relevant

Legal Operational Policies

Safeguard Policies	Triggered	Explanation (Optional)
Projects on International Waterways OP 7.50	No	
Projects in Disputed Areas OP 7.60	No	

Summary of Screening of Environmental and Social Risks and Impacts

The environmental risk is assessed to be low since the project components are expected to have limited to no impact on the environment. All the project activities are of soft type (improving governance, hiring experts, online platform, career internship portal, logos, hashtags, and delivering of training) that will not generate any adverse risks or impacts on human population or the environment. This project will not support any civil works. The social risk rating is assessed to be 'low'. The risks are mainly associated with potential risk of sexual exploitation and abuse, and sexual harassment (SEA/SH) where female students may be in close



contact with male trainers during training sessions which will be conducted for approximately 800 young men and women. The project will need to ensure an inclusive consultative process during the project preparation and throughout project implementation and as outlined in the disclosed SEP. In addition, a robust grievance mechanism with SEA/SH referral pathways and capacitated staff will need to be put in place.

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