Roadmap for Scaling Up Green Entrepreneurship
Lebanon

SwitchMed Programme is funded by the European Union

Photo credit: @Kassem Mahfouz
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1.1 Methodological Approach

As part of the policy component of the SwitchMed Green Entrepreneurs and Civil Society component, an extensive and participatory assessment has been conducted to analyse main barriers and drivers leading to the development of the Circular and Green Economy in Lebanon. A White Paper has been developed in 2017 to gather and reflect the view and experiences of green entrepreneurs, CSOs, BSOs and key institutional stakeholders on the challenges, opportunities and strategies for the promotion of green entrepreneurship and grassroots ecological and social innovation in Lebanon. The following document completes the “Switchers Support Programme – Regional Scaling Up Roadmap” and relies on a mixed-methods analysis approach based on data collection and semi-structured interviews undertaken from January 2017 till June 2018.

1.2 Initial situation

Lebanon has great-untapped potential to move specific value chains toward green development in addition to a flourishing, highly resilient and liquid financial economy with an intense consumption pattern and poor public service delivery system.

Green and social entrepreneurship appear to be on the rise in Lebanon. However crosscutting contextual, legal, financial and technical challenges limit sector aggregation and expansion.

Most of the services offered in Lebanon follow a similar model and are focused on harnessing the power of entrepreneurialism to create measurable impacts as the result of successful ventures. Lack of specialisation and quality delivery mechanisms together with the absence of programme exit points hinder the efforts national Business Support Organizations (BSOs) devoted to green early stage entrepreneurship programmes. Green and social entrepreneurial services and service providers are not efficiently connected to the detriment of match-making and specialisation. BSOs aggregation and sector definition would greatly help to focus on environmental impact, leveraging aid effectiveness and raising investments.

To establish high quality support programs and attract external resources to support technically and financially these programs, the Business Support Organisations should be more integrated and should embed aggregated impact measurement at sector level.

Sustainability of the whole impact business support system is at stake if opportunities across different value chains are not seized and networking and delivery mechanisms do not adapt to a more flexible and integrated system.

Lebanon is gradually restoring its political stability and advancing at strategic level to mainstream SCP and Green and Circular Economy in different sectors. However there is a substantial lack of regulatory, economic and communication instruments exacerbated by the absence of permanent multi-stakeholder mechanisms and voluntary instruments.

Efforts are expended to limit, exclude or substitute use of harmful substances and to promote extended producer responsibility for the treatment or disposal of post-consumer products.
Green Entrepreneurship Ecosystem Map*—Lebanon

*The map structure has been built upon the World Bank report “Igniting Climate Entrepreneurship in Morocco” - World Bank Group, April 2017

**International**

**Support Programs**
- ARABNET
- HIVOS Impact Investments
- Med Up (Oxfam)
- ENDEAVOR
- UNIDO
- The Next Society
- SANAD
- SwitchMed

**Academic & Research**
- Saint Joseph University
- AUB, Nature Conservation Centre
- Industrial Research Institute
- ESA
- Industrial Research Institute
- LCPC

**Business Support Organisations**
- **Incubators and Accelerators**
  - Fondation Diane
  - Flat6Labs
  - BIAT
  - UK Lebanon Tech Hub
  - South BIC
  - Speed
  - Bader
  - Nawaya Network Smart ESA
  - Tripoli E. Club
- **Berytech**
- **Agritech**
- **South BIC**
- **Ait City**
- **Makzhoumi F.**
- **INJAZ Lebanon**
- **Make Sense**
- **Beyond R&D**
- **ELCIM**

**Donors**
- World Bank
- IFC
- AICS
- AFD
- EU MADAD FUND
- EBRD
- EU EIP
- European Inv. Bank

**Finance**
- Kalafat
- IM Capital
- Al Fanar Lebanon MEVP
- AEP
- Viridis Fund
- IDAL
- Banque du Liban
- ZOOMAL
- IBL Bank

**Networks**
- Lebanese Social Economy Network
- Rural Entrepreneurs Lebanon
- Livelihood Cluster –LHF
- Lebanese Center for Energy Conservation
- Ministry of Environment
- Ministry of Industry Prime Minister Office
- Central Bank of Lebanon Ministry of Social Affairs Ministry of Water and Energy
- Council for Development and Reconstruction

**Government**
- Lebanese Center for Energy Conservation
- Ministry of Environment
- Ministry of Industry Prime Minister Office
- Central Bank of Lebanon Ministry of Social Affairs Ministry of Water and Energy
- Council for Development and Reconstruction
3 Vision and Leverage Points

3.1 Vision

A systemic approach has been used by breaking the program reference system into minimum and iterative components to facilitate the identification of leverage points, effective interactions or specific shifts which have the power to produce positive changes.

The scaling-up vision for Lebanon is to support the transition to a greener, more circular and fairer economy by efficiently leveraging the social and networking capital entrepreneurialism brings, providing services and products to a more integrated industrial system and harnessing regulatory and economic instruments.

Operation, Management, Policy and Mind-set areas have been explored analysing the existing casual nexus with a higher potential to leverage a change in the whole reference system and gaining traction toward Green and Circular Economy in the Country.
## 3 Vision and Leverage Points

### Level of Intervention | ID | Potential Leverage Actions |
<table>
<thead>
<tr>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td><strong>OPERATION</strong></td>
<td>1</td>
<td>• Increase and diversify geographic service’s outreach</td>
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<tr>
<td></td>
<td>2</td>
<td>• Encourage cross-cutting approaches and increase mentorship match-making</td>
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<td></td>
<td>3</td>
<td>• Focus on quality rather than quantity by increasing support in A2M and A2F</td>
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<td></td>
<td>4</td>
<td>• Innovate service delivery mechanisms using digital platform and remote management tools</td>
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<td></td>
<td>5</td>
<td>• Implement monitoring and evaluation to build and communicate environmental impact</td>
</tr>
<tr>
<td><strong>MANAGEMENT</strong></td>
<td>6</td>
<td>• Establish a Public-Private Green Entrepreneurship Service Network</td>
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<td></td>
<td>7</td>
<td>• Foster integration of services along the ‘entrepreneurial journey’</td>
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<td></td>
<td>8</td>
<td>• Set impact communication joint strategies</td>
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<td></td>
<td>9</td>
<td>• Improve multi-stakeholder and multi-disciplinary consultations and engagement of research and academic institutes</td>
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<td></td>
<td>10</td>
<td>• Improve mutual accountability mechanisms through performance monitoring</td>
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### Institutional support

- • Partnership building among national-based BSOs and local authorities (Dpt. of Municipal Affairs)
- • Access to data and prospects at value chain level (MoI, MoF, MoET)
- • Establishment of climate oriented public-private financial mechanisms (Central Bank of Lebanon)
- • Trust-building and technical assistance measures in favour of public and private stakeholders to stimulate green entrepreneurship-oriented support mechanisms
- • Promotion of arm’s length markets and development of green market infrastructures using existing entrepreneurship programmes
- • Fine-tuning, standardisation and technical transfer of green business development methodologies
- • Capacity building to integrate Result Based Management from the outset of incubation processes
- • Existing SDGs-oriented BSOs with established business development programme in the country and key public stakeholders promoting sustainable development services
- • Ministry of Environment and sector-focused BSOs to facilitate networking processes around three strategic areas: Service Delivery, Policy and Advocacy/Communication
- • Development of an ad hoc national working group, e.g. Technical Assistance Task Force, focused on promoting integrated business development services
- • Development of an ad hoc national working group, e.g. Communication and Advocacy Task Force, engaging specialised entrepreneurship media outlets and education-based BSOs
- • Inclusion of Research/Academic institutions in the working groups of specific Networks.
- • Technical assistance to build performance management review processes at cluster/sector level and optimisation of performance monitoring procedures
- • Link strategic sector/cluster communication plan to performance monitoring
3 Vision and Leverage Points

<table>
<thead>
<tr>
<th>Level of intervention</th>
<th>ID</th>
<th>Potential Leverage Actions</th>
<th>Institutional support</th>
</tr>
</thead>
<tbody>
<tr>
<td>POLICY</td>
<td>11</td>
<td>• Extend the scope and sectors of green entrepreneurship financing mechanisms via soft-loans addressing entrepreneurs at different business cycle stages</td>
<td>• Public-private financing mechanisms able to operationalise economic instruments to enable sustainable development measures</td>
</tr>
<tr>
<td></td>
<td>12</td>
<td>• Extend existing interest-free, long-term loans to other key strategic sectors</td>
<td>• Banque du Liban to replicate NEERA extending green financing mechanisms</td>
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<td></td>
<td>13</td>
<td>• Develop Public Private Partnership (P3 and CBPP3*) to arrange financing and delivery of long-term services enabling green entrepreneurship</td>
<td>• Ministry of Interior and Municipalities (MOIM) liaising with Ministry of Environment and Local Authorities to pilot PPP in key SCP and circular economy sectors</td>
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<tr>
<td></td>
<td>14</td>
<td>• Establish policy dialogue pathways which can stimulate sector aggregation and legal recognition of green enterprises</td>
<td>• Ministry of Environment and LSE Association to promote legal definition of green enterprises</td>
</tr>
<tr>
<td>MINDSET</td>
<td>15</td>
<td>• Engage in Citizen Science and crowd-sourced research activities on key issues at national level (i.e. solid waste management, water and energy efficiency, marine and coastal ecosystems protection)</td>
<td>• Academic institutions (UAB, Saint Joseph University) already engaged in sustainability research projects and outreach educational programmes</td>
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<tr>
<td></td>
<td>16</td>
<td>• Establish and formalise a national community of Green Entrepreneurs and network it at regional level to envisage global challenges, offering local solutions</td>
<td>• Switchers Community and existing social economy networks (LSE Association) empowered to develop advocacy and communication strategies</td>
</tr>
<tr>
<td></td>
<td>17</td>
<td>• Reinforce and highlight solutions offered by Green Entrepreneurs by developing impact-oriented storytelling strategies for the sectors</td>
<td>• Switchers Community supported by specific media outlet (ARAB NET, WAMDA) and impact-oriented agencies (ALFANAR) to pool communication and awareness-raising efforts</td>
</tr>
<tr>
<td></td>
<td>18</td>
<td>• Enhance the demand of green upstream services and product supply at value chain level triggering markets opportunities and symbiosis</td>
<td>• National and local Chambers of Commerce, industries councils and public administrations to include green entrepreneurs among their constituents</td>
</tr>
</tbody>
</table>

*Community Based Public Private Partnership*
4.1 Scaling-up Roadmap

The suggested roadmap is the result of an in-depth analysis conducted in the 8 target countries and validated through 14 interviews to key stakeholders in Lebanon. The Roadmap harnesses selected mapped leverage points to envisage change pathways and trigger green entrepreneurship in Lebanon.

### Level of the Intervention – Operation

<table>
<thead>
<tr>
<th>Leverage Point</th>
<th>Activity</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>• Developing A2F self-diagnostic tools to enable ideation/early stage Green Entrepreneurs understand and manage their financial needs.</td>
<td>Short-term</td>
</tr>
<tr>
<td></td>
<td>• Mobilizing financial support by intensifying A2F capacity building and facilitating impact financing instruments.</td>
<td>Medium term</td>
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<tr>
<td></td>
<td>• Increasing awareness and visibility of impact financing by analysing trends and evolution of main impact investing stakeholders.</td>
<td>Long-term</td>
</tr>
<tr>
<td></td>
<td>• Developing A2M self-diagnostic tools to enable ideation/early stage Green Entrepreneurs understand and manage their market needs.</td>
<td>Medium term</td>
</tr>
<tr>
<td></td>
<td>• Establishing a funding facility to sponsor Green Entrepreneurs’ participation to fairs and business event.</td>
<td>Short-term</td>
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<tr>
<td></td>
<td>• Improving existing program’s multi-sided marketplace and organize.</td>
<td>Medium term</td>
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<tr>
<td>4</td>
<td>• Systematizing and fine-tuning existing business model development and incubation methodologies and developing an integrated technology to support green entrepreneurs.</td>
<td>Medium term</td>
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<tr>
<td>5</td>
<td>• Developing a MEAL system enabling performance measurement both at program and business level.</td>
<td>Short-term</td>
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</table>

### Level of the Intervention – Management

<table>
<thead>
<tr>
<th>Leverage Point</th>
<th>Activity</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>6 – 8</td>
<td>• Launching a constitutive process to establish a green entrepreneurship network at national level.</td>
<td>Short-term</td>
</tr>
<tr>
<td></td>
<td>• Developing internal management structure and minimum governance standards.</td>
<td>Medium term</td>
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<tr>
<td></td>
<td>• Establishing internal working groups and facilitating functional division of labour among constituents.</td>
<td>Medium term</td>
</tr>
<tr>
<td></td>
<td>• Transferring methodologies/technologies and providing technical and financial assistance.</td>
<td>Medium term</td>
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<tr>
<td></td>
<td>• Developing and implementing a network action plan to foster green entrepreneurship in the Country.</td>
<td>Medium term</td>
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<tr>
<td>10</td>
<td>• Developing an internal business model and articulating a financing scheme to fund network’s operations</td>
<td>Medium term</td>
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<tr>
<td></td>
<td>• Embedding Monitoring and Evaluation frameworks to enable knowledge management and evidence-based advocacy outputs.</td>
<td>Long-term</td>
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</table>
### Level of the Intervention – Policy

<table>
<thead>
<tr>
<th>Leverage Point</th>
<th>Activity</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>11</td>
<td>• Enabling the Switchers Fund in Lebanon and articulating internal financial mechanisms to ensure accountability and transparency.</td>
<td>• Medium term</td>
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<tr>
<td></td>
<td>• Engaging existing impact-oriented financing schemes to allocate funds to 100% green funding mechanisms.</td>
<td>• Medium term</td>
</tr>
<tr>
<td>12 – 13</td>
<td>• Replicating NEEREA funding model to other key sectors such as urban solid waste management engaging Municipalities and in line with the Lebanese Strategy on Integrated Solid Waste Management</td>
<td>• Medium term</td>
</tr>
<tr>
<td></td>
<td>• Piloting PPP at Municipal level using Open Innovation approaches and enabling local green entrepreneurs’ participation through entrepreneurship-sensitive public projects.</td>
<td>• Medium term</td>
</tr>
<tr>
<td>14</td>
<td>• Enhancing visibility and encouraging aggregation of local green entrepreneurs through existing networks (LSE Association, The Switchers Platform).</td>
<td>• Long-term</td>
</tr>
<tr>
<td></td>
<td>• Assisting key public stakeholders to develop ad-hoc legal instruments to support green entrepreneurship under the umbrella of a Social Economy national regulatory framework.</td>
<td>• Long-term</td>
</tr>
<tr>
<td></td>
<td>• Assisting key public stakeholders to uphold green entrepreneurship via multilateral decision-making mechanisms (Barcelona Convention).</td>
<td>• Long-term</td>
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### Level of the Intervention – Mindset

<table>
<thead>
<tr>
<th>Leverage Point</th>
<th>Activity</th>
<th>Time Frame</th>
</tr>
</thead>
<tbody>
<tr>
<td>15</td>
<td>• Mapping existing researches and promoting integration of green entrepreneurs and CSOs in university led climate-change investigations via the Switchers Platform.</td>
<td>• Medium term</td>
</tr>
<tr>
<td></td>
<td>• Disseminating evidence-based reports using non-traditional communication channels and media.</td>
<td>• Long-term</td>
</tr>
<tr>
<td>16</td>
<td>• Establishing and assisting a national chapter of the Switchers Community by linking it to the green entrepreneurship network.</td>
<td>• Short-term</td>
</tr>
<tr>
<td>17</td>
<td>• Implementing evidence-based impact communication and advocacy activities following the green entrepreneurship network’s action plan.</td>
<td>• Medium term</td>
</tr>
<tr>
<td>18</td>
<td>• Implementing communication and awareness-raising activities targeting traditional business sector representatives and promoting ad-hoc agreements.</td>
<td>• Long-term</td>
</tr>
</tbody>
</table>


The SwitchMed Networking Facility is hosted by the Regional Activity Centre for Sustainable Consumption and Production (SCP/RAC).


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