ANNEX I: SECTORS PRIORITIZATION*

These sectors have been prioritized by the "Women Economic Empowerment through Advancing Womenled Enterprises in Lebanon" project for their growth and export potential and their ability to generate employment opportunities, particularly for women.

1- AGRO-FOOD SECTOR

The sector includes all activities related to food and beverage manufacturing and processing.

2- COSMETICS & CLEANING PRODUCTS

The sector includes all types of essential oils and resinoids, cosmetics and soaps, perfumery, organic surface-active agents, washing and cleaning preparations.

3- CREATIVE INDUSTRIES

The sector includes the production of high-end crafts, jewellery designed products and textile-based products.

ANNEX II: PURCHASE OF ESSENTIAL MATERIALS

Description

This activity involves the acquisition of raw materials or essential materials critical for the production process.

Objective of the Grant Component

- Ensure Production Continuity: Provide the business with the necessary essential materials to maintain production processes without interruption.
- **Address Supply Chain Disruptions**: Mitigate the impact of disrupted supply chains due to the crisis by enabling the business to procure essential materials, including high cost imported products.
- **Support Economic Stability**: Help the business sustain its operations, thereby preserving jobs and contributing to the local economy during challenging times.

Justification

- Businesses must demonstrate a critical need for cash flow to sustain their operations.

Eligible Costs (Included)

The company can allocate the received grant for one or more of the eligible activities below:

- **Purchase of primary raw materials**: The list of essential materials depends on the industry and sector under which the business is operating, however ensure that you only include products that are essential for your production process (refer to the list of excluded items).
- **Semi-Processed Inputs**: Materials that are partially processed and will undergo further manufacturing or assembly as part of the final product.

Ineligible Costs (Excluded)

- **Consumable Inputs:** Fuels, gases, adhesives required for manufacturing processes.
- **Non-Operational Supplies:** Office supplies, furniture, or items not directly involved in manufacturing.
- **Promotional Materials:** Items used for marketing rather than production.
- **Finished Goods for Resale**: Fully finished products intended for retail rather than production inputs.
- **Luxury Packaging**: High-cost packaging materials that do not directly protect or contribute to the functionality of the product.

- (1) Justification: cash flow statement or any other evidence highlighting liquidity challenges or insufficient working capital to purchase essential materials.
- (2) **Detailed List of Required Materials**: Quantities, specifications and intended use.
- (3) **Supplier Quotations or Invoices**: Proforma invoices/quotations from suppliers.
- (4) List of end-products

ANNEX III: SUPPORT FOR WORKERS

Description

This grant category is designed to cover the wages of full-time workers for a duration of up to 3 months. It aims to ensure that businesses retain their workforce and avoid layoffs or contract terminations, particularly for vulnerable workers.

Objective **of** the Grant Component

- **Retain Employment and Support Affected Communities**: Ensure job stability for workers, particularly in vulnerable regions.
- **Maintain Business Operations**: Help businesses sustain their workforce, keeping operations running smoothly during a crisis.

Justification

- Businesses must be in need to cover the wages of one or multiple employees for the purpose of retaining jobs.

Eligible Costs (Included)

- Salaries for Full-time Workers: Covers the wages of full-time employees.
- **Mandatory Benefits**: Payment of social security contributions or other mandatory employee benefits for registered workers, if applicable.

Ineligible Costs (Excluded)

- **Part-time workers**: Wages for employees who are not full-time.
- Non-Salary Benefits: Benefits such as allowances, bonuses, or perks that are not directly tied to salaries.
- Owner or Management Wages: Salaries of business owners.
- **Fraudulent Claims**: Double-claiming wages for workers already covered under other subsidies or grants.

- (1) Justification: List of full-time workers who will be covered, including their roles, contracts, and payrolls.
- (2) **National Social Security Fund (NSSF) Registration Records**: Documents verifying social security registration of workers (if applicable).

ANNEX IV: LOGISTICS-RELATED COSTS

Description

The grant covers essential logistics-related expenses to help businesses adapt to disrupted supply chains during crises. Eligible expenses include temporary or permanent storage facilities due to operation/storage displacement and/or through third-party logistics services.

Objective of the Grant Component

- Adapt to Disrupted Logistics Systems: Ensure businesses can maintain business operations by addressing logistical challenges caused by conflict or instability.

Justification:

- Businesses must be currently experiencing significant disruptions in their supply chains that impact their ability to operate effectively.

Eligible Costs (Included)

- **Safe Storage Solutions**: Costs associated with securing storage facilities in Lebanon due to operational or storage displacement (this includes third-party logistics services).

Ineligible Costs (Excluded)

- **Tracking and Monitoring Tools**: Expenses for GPS systems or monitoring devices unrelated to resolving immediate logistics challenges.
- **Packing and Handling Equipment**: Costs for tools or materials used for packaging or handling goods.
- Insurance and Risk Mitigation: Premiums for cargo insurance or temporary storage insurance.
- **Premium Vehicle Upgrades**: Costs for luxury or high-end vehicle upgrades.
- Unrelated Transportation or Storage Expenses: Costs that do not directly support their business operations.
- **High-Cost Luxuries**: Expensive and high-end storage solutions or transportation methods not justified by the crisis.
- Facility Maintenance and Repairs: Costs for maintaining or repairing storage facilities in affected areas.

Required Documents

- (1) Justification of disrupted supply chains
 - Documentation of logistical challenges or supply chain disruptions caused by the conflict.
 - Photos or Damage Reports: Evidence of damaged storage or transport facilities (if applicable).

(2) Invoices or Cost Estimates: Quotations for storage facilities fees or alternative logistical solutions.

ANNEX V: PURCHASE OF EQUIPMENT OR MACHINERY

Description

This grant category supports businesses in acquiring critical equipment or machinery that directly impacts their ability to produce essential goods. It includes the purchase of new equipment or replacement of machinery damaged due to conflict.

Objective of the Grant Component

- Maintain Business Operations: Supports the continuity of businesses, preserving jobs and contributing to economic stability.
- Increase Productivity: Enhance productivity and efficiency through equipment upgrades.

Justification

- **Must be in need for the new equipment/machinery, and it should** be critical to their core operations and directly contribute to producing essential goods.

Eligible Costs (Included)

- Essential Equipment for Production: Purchase of brand-new machinery essential for manufacturing, or to meet increased demand or service provision or acquisition of equipment to replace machinery damaged or destroyed due to conflict.
- **Equipment Installation and calibration**: Costs associated with the delivery, installation, and commissioning of the new equipment.
- **Training for Staff**: Expenses for training employees on the operation and maintenance of the new equipment.

Ineligible Costs (Excluded)

- **Energy-Efficient Equipment**: Equipment focused on energy efficiency is excluded under this category as it falls under a different grant category.
- Logistics and Distribution Equipment: Vehicles or equipment for transportation and distribution purposes are not covered.
- **Non-Essential or Luxury Equipment**: Equipment not critical to core operations or considered luxury items.
- Personal or Unrelated Purchases: Purchases not directly related to the business activities.
- Maintenance Costs: Routine maintenance or repair costs of existing equipment.
- **Non-Operational Machinery/Equipment**: Equipment that is not immediately functional or relevant to current operations.
- **Excessive or High-Cost Purchases**: Equipment with costs that are unjustifiably high without clear necessity or cost-benefit justification.
- Used/secondhand machineries: purchase for pre-owned equipment, ensuring focus on new, reliable solutions
- **Purchase of generator**: generator purchases are not covered under this grant category.

- (1) Justification including:
- A detailed description of the equipment to be purchased, including specifications, safety regulations and quality standards.
- **Proof of Loss or Damage (if applicable)**: Documentation evidencing the loss or damage of equipment due to conflict (e.g., incident reports, photographs, insurance claims).
- (2) **Quotations or Proforma Invoices**: from suppliers for the equipment, installation, and training costs.
- (3) **Implementation Plan**: Timeline and steps for purchasing, installing, and integrating the equipment into operations.
- (4) **Staff Training Plan (if applicable)**: Details of training programs for staff on using the new equipment.

ANNEX VI: PRODUCT INNOVATION

Description

This grant category empowers businesses to innovate by modifying existing products or developing new offerings, enabling them to effectively respond to market demands with creativity and adaptability. Objective of the Grant Component

- **Promote Resilience**: Strengthen business ability to adapt and thrive in a changing economic environment.
- Enhance Competitiveness: Position the business as an innovative leader in the market, driving long-term growth and success.

Justification

- Businesses must integrate innovation to streamline their production processes.

Eligible Costs (Included)

- **Product Modification**: Expenses for adapting or redesigning existing products (if modifying or scaling existing product).
- **Prototyping and Testing**: Costs associated with developing and testing new prototypes for the adapted product.
- **Compliance and Certification**: Costs for obtaining quality assurance or regulatory certifications for the adapted product.
- Training and Upskilling: Workforce training to handle new production methods or product design.
- Technology Integration: Incorporating technology to enhance product features, such as digital components, smart technology, or automation.

Ineligible Costs (Excluded)

- **Non-Essential Innovations**: Adaptations or innovations that do not address community / crisisdriven needs or are unrelated to the business's core products/services.
- Maintenance of Existing Products: Costs for routine maintenance or updates that are not considered innovative.
- Unjustified Costs: Expenses without a clear link to the adaptation or innovation process.
- **Non-Operational Modifications**: Changes that do not result in a functional or marketable product.
- **Luxury Features**: High-end features or additions that are not essential for addressing community needs.

Required Documents

- (1) **Justification including detailed description of the proposed product, objectives, design,** expected outcomes and the business' capacity to sustain the adaptation process.
- (2) Quotations: for equipment, tools, or resources needed for innovation.
- (3) **Compliance Documentation**: Any certifications or regulatory approvals required for the innovation (if applicable)

Additional Considerations

- Ensure that the new product aligns with sustainable practices where possible (e.g., using ecofriendly materials).

ANNEX VII: PURCHASE OF ENERGY-EFFICIENT EQUIPMENT

Description

This grant category supports the purchase of energy-efficient machinery, equipment, and renewable energy sources. It aims to help businesses reduce operational costs and promote business sustainability by adopting energy-efficient practices and integrating renewable energy systems into their operations.

Objective of the Grant Component

- **Reduce Operational Costs**: Enable businesses to lower their energy expenses through the acquisition of energy-efficient equipment.
- **Promote Sustainability**: Encourage the adoption of sustainable energy practices, reducing the environmental footprint of businesses.
- Shift to Energy-Efficient Practices: Facilitate the transition to more efficient energy use, leading to long-term cost savings and operational efficiency.

Justification

- Businesses must need to reduce their energy consumption for production and operations.

Eligible Costs (Included)

- **Renewable Energy Solutions**: Purchase of renewable energy systems such as solar panels, wind turbines, or other renewable energy technologies.
- **Basic Training for Staff**: Costs for training employees to operate and maintain the newly acquired energy-efficient equipment.
- **Energy Monitoring Systems**: Investment in systems to monitor energy consumption and optimize efficiency, such as smart meters or energy management software.
- **Upgrade of Existing Systems**: Costs associated with upgrading current energy systems to improve efficiency, excluding routine maintenance.
- **Upgrade Existing Machinery or Equipment** by incorporating tools or components that enhance energy efficiency.

Ineligible Costs (Excluded)

- **Non-Essential Equipment**: Purchase of equipment that offers minimal or negligible improvements in energy efficiency.
- Luxury or Premium Features: Costs for high-end features or premium versions of equipment that are not essential for energy efficiency.
- Long-Term Investments Beyond Scope: Expenses for permanent infrastructure or large-scale renewable energy projects that do not address immediate operational needs.
- **Repairs or Maintenance**: Routine maintenance or repair costs of existing energy systems or equipment.
- Unrelated Consumables or Accessories: Costs for consumables or accessories that are not directly related to energy efficiency improvements.

- (1) Justification including power usage, high costs, power outages, or inefficiencies, and their impact on operations.
- (2) Quotations or Proforma Invoices: from suppliers or installers for the energy-efficient equipment and renewable energy systems.
- (3) **Technical Specifications**: Detailed technical specifications or product descriptions of the proposed energy-efficient equipment, renewable energy systems or the upgrades.
- (4) Warranty or Service Agreements: Details of warranties or service agreements for the purchased equipment and installations.
- (5) **Proof of Existing Energy Systems**: Documentation verifying the presence and condition of existing energy systems (if applying for upgrades for existing energy systems).
- **(6) Proof of Existing Machinery/Equipment:** Documentation or photos of the existing machinery/equipment being upgraded and records showing the current condition of the equipment. (if applying for upgrades for existing machinery/equipment)

ANNEX VIII: E-COMMERCE AND MARKETING ACTIVITIES Description

This activity involves the implementation of marketing and/or digital tools and/or e-commerce platform that would enable businesses to maintain or expand their market reach, improve customer engagement, and enhance sales channels.

Objective of the Grant Component

- **Market Expansion:** Increased access to new market locations in Lebanon.
- **Boost Revenue Streams:** Enhance businesses' financial stability through higher sales generated.

Justification

- Businesses must be in need to increase their current sales and open new marketing channels.

Eligible Costs (Included)

- **E-Commerce Platforms and Online Marketplaces:** Website development to facilitate online sales, subscription costs for e-commerce platforms, integration of online payment gateways to ensure smooth transactions and training sessions for staff to manage the e-commerce platform.
- Marketing Activities: Development and implementation of marketing campaigns or digital marketing strategies. Companies are eligible to spend a maximum amount of USD 3,000 on such marketing activities.

Ineligible Costs (Excluded)

- Hardware: Procurement of physical devices such as laptops, tablets, or smartphones.
- Internet Costs: Internet subscriptions or monthly bills.
- Non-Business Software: Any software not directly related to digital distribution or marketing.
- Maintenance Costs: Costs related to maintaining pre-existing platforms or tools.
- Unrelated Digital Tools: Tools that do not support distribution, marketing, or customer engagement.
- Logistics and Delivery Management Tools: Inventory management systems and order-tracking software to streamline online operations or subscription to delivery service platforms or integration with logistics providers.
- Unrelated Advertising: campaigns or marketing efforts not tied with the business's core products.

Required Documents

- (1) Justification including current sales and marketing channels (Documentation).
- (2) **Communication Plan**: A document outlining the business' strategy for digital expansion, including planned activities, objectives, timeline and expected impact to be achieved.

Quotations/Proposals: Quotations for the implementation of the e-commerce platforms, and/or digital campaign.