

WFP Lebanon Situation Report

June 2023

Population | **5.7 million** 2021 Human Development Index | **112 out of 191** Income Level (World Bank) | **Lower-middle** 2021 GNI CAPITA (US\$) | **3,450**

OPERATIONAL CONTEXT

Lebanon is now in its fourth year of a deep economic, political, and social crisis. In April 2023, driven by recordhigh currency depreciation, Lebanon recorded the highest nominal food price inflation rate in the world at 350 percent (YoY), as reported by the World Bank.

Since the end of the presidential term on 31 October 2022 without a new president elected, the country faces an institutional vacuum, delaying the implementation of a comprehensive economic recovery plan.

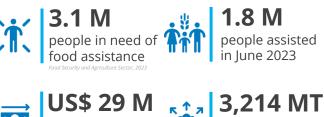
These crises have led to high levels of poverty and food insecurity amongst both Lebanese and refugee communities. The first Integrated Food Security Phase Classification (IPC) analysis in September 2022 projected 1.46 million Lebanese and 800,000 Syrian refugees – 42 percent of the total population – facing acute food insecurity (IPC Phase 3, *Crisis*, and Phase 4, *Emergency*). Results for the second IPC analysis conducted in May 2023 will be available in July.

WFP is at the forefront of the response to Lebanon's economic and refugee crisis, supporting over 1 million refugees and 800,000 Lebanese nationals to meet their food and other basic needs. In addition, WFP implements cash transfers to an additional 400,000 Lebanese individuals through the Government's Emergency Social Safety Net. Together with the World Bank, WFP is a key partner to the Government of Lebanon to strengthen national social safety nets.

FUNDING OVERVIEW

	% Funded	Available	Required
COUNTRY STRATEGIC PLAN (2023–2025)	9%	US\$476 million	US\$5.3 billion
2023 TOTAL REQUIREMENTS	27%	US\$476 million	US\$1.8 billion
Net Funding Requirements (Jul – Dec 2023) US\$ 472 million			

IN NUMBERS



cash-based transfers made



of food (US\$ 4M) distributed

US\$ 32.5 M

cash transfers made to **404,000** people for the Government's Emergency Social Safety Net (ESSN) programme

SITUATION UPDATE

The cost of the food Survival Minimum Expenditure Basket (SMEB) monitored by WFP increased by five percent between March and April 2023, reaching LBP 2.7 million (US\$ 29) per person/month. The cost of the non-food basket also increased by 15 percent for the same period, mainly driven by the increase in rent prices.

The cost of the full basket reached 27.2 million (US\$ 278) for a family of five in April, registering a 10 percent monthly increase and a 350 percent annual increase.

Due to the lack of confidence in the Lebanese pound, which lost 49 percent of its value between January and March 2023 in the parallel market, cash dollarization in the private sector has accelerated significantly in recent months, with businesses setting prices and denominating most of their contracts and salaries in the US dollar.

The Governor of Banque du Liban, Riad Salameh, is set to step down at the end of July 2023 as his term ends, with no political agreement to appoint a successor, raising the possibility of a Central Bank without leadership amid the deep economic crisis.





Cash Assistance for Refugees

In June, WFP provided cash assistance to 1,043,000 refugees through three modalities where people can redeem their assistance at ATMs, money transfer agents, or shops contracted by WFP.

Significant operational improvements were observed in May and June compared to April, following the re-introduction of dual currency disbursement of cash assistance for the refugee response. Key among these were reductions in crowding, waiting times, and tensions at redemption points. Read more <u>here</u>.

Economic Crisis Response for Lebanese

WFP supported 275,000 vulnerable Lebanese individuals (74,000 households) with food parcels in June as part of its response to the economic crisis. Aiming to support the local agrifood economy, WFP finalized the lab testing of locally produced pasta and burghul to be introduced into the in-kind food parcels starting August 2023.

School Meals

Through WFP's school meals programme at 130 public schools, 62,000 students received snacks and 11,000 students received cold meals prepared by 103 women volunteering at eight school kitchens. 39,000 students also received one litre of sunflower oil.

In June, WFP launched a pilot in two schools that explores the benefits of decentralization and direct procurement of cold meal ingredients by the school kitchens through WFP-supported retail shops.

Support to Social Protection Programmes

WFP processed social safety net payments of over US\$ 41 million in June for 380,000 Lebanese individuals (68,300 families) through the National Poverty Targeting Programme (NPTP) and for 404,000 Lebanese individuals (93,600 families) through the Emergency Social Safety Net (ESSN). This included 1,500 new families who received assistance for the first time as part of the NPTP scale-up, and 3,900 students who received a first-time education cash transfer through the ESSN programme to cover the direct costs of schooling.

The assistance disbursed to Lebanese in June is significantly higher than the usual, as families received cash transfers retroactively. This flexibility has been possible due to significant operational improvements made on the refugee assistance side following the re-introduction of dual currency redemption.

Livelihoods

WFP and its partner Berytech finalized the transformation packages of 12 new Lebanese small businesses to be supported for six months as part of the third cycle of the Food System Challenge. In addition, WFP and Berytech organized a series of workshops on food safety and quality control for 30 small businesses already participating in the Food System Challenge; and a "contract farming" workshop to explore efficient contract farming models.

Nutrition

As part of its ongoing collaboration to enhance the wheat value chain in Lebanon, WFP presented the results of a study on the acceptability of fortified Arabic bread in a regional consultation on fortification and anaemia prevention organized by WHO. The findings suggest that the acceptability of fortified Arabic bread with WFP's premix was like that of regular bread.

GENDER & SOCIAL INCLUSION, PROTECTION & ACCOUNTABILITY TO AFFECTED POPULATIONS (AAP)

WFP received 49,000 claims in June through its call centre, of which 98 percent were resolved in the same month, up from 96 percent in May. Fewer claims were received compared to May (76,600) as communication on dual currency redemption was provided.

In June, 37 percent of claimants requested WFP assistance (down from 44 percent in May), 35 percent requested information on various topics, 16 percent expressed concerns mainly related to validation and distribution sites, 11 percent requested to update their personal data, and 2 percent of the calls were protection-related.

On 19 June 2023, WFP signed a three years Memorandum of Understanding (MoU) with UN Women to promote gender equality, women's empowerment, and social inclusion in Lebanon. This collaboration involves conducting regular research to integrate and evaluate gender equality and social inclusion aspects in assistance programmes.

WFP completed a study (available <u>here</u>) to better understand the needs of assisted population with disabilities and identify how initiatives can have a positive and transformative impact on people with disabilities. Findings from the study resulted in a three-year action plan for WFP Lebanon, touching on every aspect of its operation and programmes.

In June, WFP assistance reached 51,400 households with members with disabilities.

MONITORING & ASSESSMENTS

ATM monitoring continued to show a significant improvement in the average waiting time for assisted families to redeem their assistance at ATMs and MTOs.

For assisted Syrians, the average waiting time to redeem their assistance decreased significantly from 41 minutes in April to 12 minutes in May.

For Lebanese, the average waiting time to redeem at an ATM or MTO has been consistently around 15 minutes over the last few months.

In the first week of cash disbursement of June's assistance to refugees, the monitoring of redemption points shows a significant decrease in ATMs running out of cash and less tension at both ATMs and money transfer operators. 12 percent of the ATMs were out of cash during the monitoring visits compared to 20 percent in May.

KEY CHALLENGES

WFP is facing significant funding shortfalls with only 27 percent of its 2023 funding requirements met so far. The shortfalls are particularly critical for cash assistance programs for refugees from September 2023 onwards and in-kind food assistance programs for Lebanese from October onwards. WFP continues to advocate for funds to meet the high needs, including through strategic engagements with key donors and exploring funding opportunities with new donors.

WFP COUNTRY STRATEGY

COUNTRY STRATEGIC PLAN (2023-2025)

Strategic Result 1: Everyone has access to food

Strategic Outcome 1: Economically-vulnerable and food insecure people in Lebanon, including refugees, meet their basic needs during and in the aftermath of crises. *Focus area: Crisis response*

Activities: Provide unconditional assistance to crisisaffected people in Lebanon, including refugees

Strategic Result 1: Everyone has access to food

Strategic Outcome 2: Extremely poor and vulnerable people in Lebanon, including children, are more resilient through inclusion in national social safety nets throughout the year.

Focus area: Resilience building

Activities: Provide unconditional cash transfers to extremely poor Lebanese through national safety net programmes.

Provide nutritious school meals to Lebanon and refugee children.

Strategic Result 4: Development of sustainable food systems

Strategic Outcome 3: Individuals, households and communities vulnerable to economic and climatic shocks in Lebanon have more resilient livelihoods by 2025. *Focus area: Resilience building*

Activities: Provide vulnerable Lebanese and refugee communities with integrated resilience and area-based livelihood support through conflict-sensitive and gender transformative approaches.

Strategic Result 5: Developing countries have strengthened capacity to implement the SDGs

Strategic Outcome 4: National institutions in Lebanon have increased capacity to manage social safety nets and other programmes by 2025.

Focus area: Resilience building

Activities: Provide technical expertise, capacity strengthening and policy advice to enhance Government capacity.

Strategic Result 8: Enhanced global partnerships

Strategic Outcome 5: Humanitarian stakeholders benefit from enhanced coordination and mandated services to deliver assistance during, in the aftermath, and in anticipation of crises.

Focus area: Crisis response

Activities: Provide sector coordination and mandated services to humanitarian partners.

Provide on-demand services, including resources transfers, to Government and other partners.

Donors

Australia, Austria, Canada, Cyprus, European Union, France, Germany, United Kingdom, Ireland, Italy, Japan, Lebanon's Presidency of the Council of Ministers, Malta, Norway, Poland, Private Donors, Republic of Korea, Russian Federation, Switzerland, USA

FOOD SECURITY & AGRICULTURE SECTOR

In **May**, WFP and 25 sector partners reached 1.83 million refugees and Lebanese through cash and food assistance. The estimated amount of cash disbursed is US\$ 24.9 million and LBP 2.38 billion, while around 11,000 people were provided with ready-to-eat meals. In addition, around 4,400 farmers and 78 agricultural cooperatives, associations, and small businesses were supported through capacity building and/or inputs and assets provision. The estimated amount of cash disbursed to enhance agricultural production is US\$ 232,000.

ADVOCACY, COMMUNICATIONS & PARTNERSHIPS

In June, WFP received the visit of Australia's Assistant Minister of Foreign Affairs, Tim Watts, who visited WFP's largest warehouse in Lebanon. The warehouse holds food parcels distributed monthly to families impacted by the economic crisis. During his visit, WFP welcomed a contribution of AUD 7 million from the Government of Australia to provide life-saving assistance to vulnerable families across the country.

Also in June, WFP hosted the European Union Delegation for Relations with the Mashreq countries (DMAS), headed by Ms Isabel Santos, Chair of the Delegation. During the visit, the delegation had the opportunity to meet with Syrian families at an informal tented settlement in Bekaa and better understand the situation of Syrian refugees in Lebanon (<u>published video covering the visit here</u>).

WFP published two videos covering field visits to an inkind food assistance site (<u>watch here</u>) and to a food business under the Livelihoods' Food System Challenge (<u>watch here</u>), with a word from WFP Lebanon's Country Director and Representative, Abdallah Alwardat.



Hayat proudly opened her small shop in Baraachit, South Lebanon, 20 years ago.

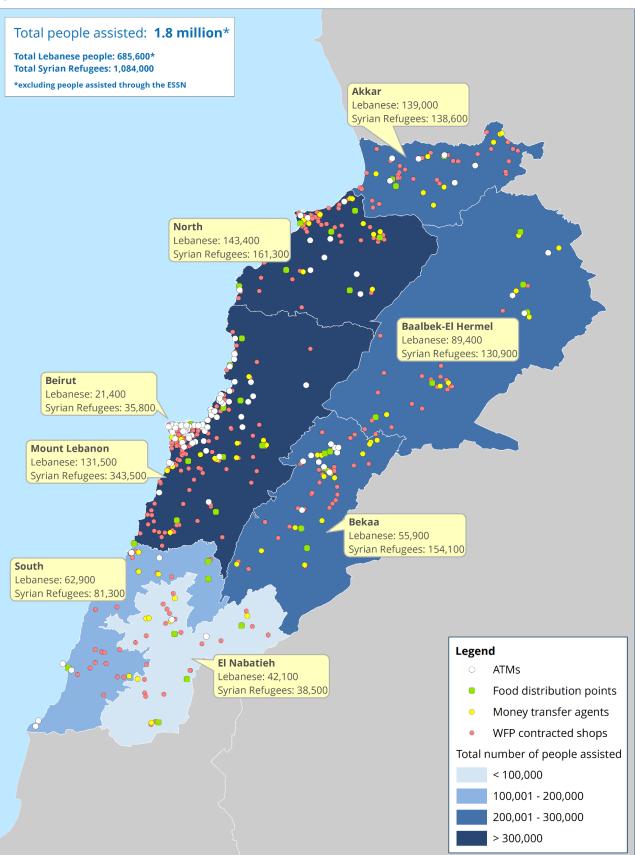
She considers the store her second home, dedicating much of her time to it. As her business grew, Hayat decided to expand into farming. Together with her husband, she built greenhouses and began cultivating seasonal vegetables to sell at the shop.

To enhance her skills, Hayat enrolled in farming techniques and business courses supported by the World Food Programme in Lebanon and CARE International. These courses provided her with new skills and connected her with other small business owners in her town.

Hayat offered her fellow project participants shelf space in her store to sell their products, creating a market link for local producers. She found great joy in the learning experience, often referring to it as "going to school" and embracing the opportunity to be a student once again.

WFP CASH & IN-KIND ASSISTANCE FOR REFUGEES AND LEBANESE

June 2023



WFP Lebanon 😏 @WFPLebanon For more information: www.wfp.org/countries/Lebanon

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