<table>
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<tr>
<th>Agenda item</th>
<th>Main discussion points</th>
<th>Takeaways/action points</th>
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| 1 Supply chain and WFP contracted shops situation | **Supply chain and WFP contracted shops situation:**  
  *Lebanese Customs Imports Statistics Periods Comparison*  
  - Total unloaded imports weight of food, decreased by 18 percent between January and November 2020 in comparison to same period in 2019;  
  - A decrease of 28% is noticed when comparing Aug-Nov 2020 figures against the same period in 2019;  
  - A decrease of 18 percent is registered when comparing Nov 2020 figures to Nov 2019 figures;  
  - Based on WFP shipment data, Lebanon imported 588,043 tons of wheat between January 2020 and November 2020 through its Beirut & Tripoli ports; | In-depth analysis is needed to understand whether the increase in wheat imports in comparison to the same period in 2019 suggests a behavioral sign ahead of the removal of subsidies or due to the loss of stocks following the Beirut explosion; |
• Between August and November 2020, Lebanon imported 227,471 tons of wheat, based on shipment data, versus 173,490 for the same period in 2019, through Beirut and Tripoli ports (Source: WFP shipment data).
• Between January 2020 and October 2020, 574,117 tons of animal food (corn, soya & barley) were imported;
• Between August and November 2020, 232,018 tons of animal food were imported versus 199,358 tons for the same period in 2019.

**Stock coverage evolution of WFP contracted shops (as of 4 December 2020)**

• 82% (72% on July 24th) of WFP contracted shops reported to have more than 2 weeks of stocks;
• 12% of WFP contracted shops reported scarcity in certain products, such as oil & fats and subsidized products.
• 32% of WFP contracted shops reported suppliers not delivering the full ordered quantities;
• 91% reported having subsidized items at the rate of LBP 3,900.
• 84% reported that suppliers are accepting new orders for subsidized products;
• Only 2% of shops that received subsidized items reported receiving the full ordered quantities.

**Repercussions of explosion on weekly exchange rate based on contracted retailers’ feedback (national level)**

• Exchange rates applied by suppliers of contracted shops continues to follow the informal market developments, albeit at a slower pace.

For animal feed imports, the same applies as above.
In the first week of December, 80 of WFP contracted shops were using an exchange rate between LBP 8000-9000 while 20 were charged between LBP 7 000 - LBP 8 000.

**Demand: food & non-food price developments and exchange rate fluctuations**

*Daily exchange rate development between mid-October 2019 and December 2020:*
- Black market rate heavily affected by developments on the political scene. Rate has been witnessing increases lately;
- Parallel market rate inactive following central bank decision on August 6 to resume paying incoming money transfer in US dollar notes for non financial institutes. Last recorded rate was LBP 3,800;
- Rate for withdrawal from non fresh money dollar account in LBP currently set at LBP 3,900 by the central bank currency exchange platform. Circular allowing such withdrawals extended till March 31st, 2021;
- Official exchange houses rate as set by the central bank currency exchange platform (Sayrafa) is between LBP 3,850 & LBP 3,900.

*The Cost of the Food SMEB price:*
- Food SMEB recorded a slight decrease in November 2020, at LBP 108,869.
- The cost of the SMEB is higher than October 2019 levels by 183 percent;

A new Food Basket with additional food items will be identified and bread will be part of the new food SMEB. As the food SMEB price follows the exchange rate, and since during October-November no major fluctuations were observed of the
- At the national level, the month-on-month variation of the Food SMEB between October and November was minimal (down 0.4 percent);
- At the governorate level, Akkar recorded the highest month-on-month increase (up 1 percent), while Beirut recorded the highest decrease (down 5 percent);
- In parallel with the Food SMEB, the monthly average unofficial exchange rate remained nearly the same between October and November;
- Approx. 198% percent weekly food price (SMEB basket) increase between the week of 14 October 2019 and the week of 30 November 2020, based on preliminary data available from WFP contracted shops;
- An increase of 110% is registered between the week of March 16th, which marked the start of the General COVID 19 mobilization, and the week of November 30th.

**Non-Food Items (NFI) Monthly Price Development:**
- Between October 2019 and November 2020, an increase of 183 percent was registered;
- Between October and November 2020, a slight 0.2 percent decrease was registered.

**Annual Consumer Price Index (CPI) and Food Price Index Development (October 2019 October 2020):**
- Since the start of the tracking of the CPI & FPI in 2007, the highest annual increases were registered between October 2019 and 2020:
  - The Consumer Price Index (CPI) witnessed an annual inflation of 137%;
  - The Food Price Index (FPI) registered an inflation of 441%
- latter, the SMEB price was stabilized at 108 thousand LBP.

Agreed to have a WG group to discuss the impact and repercussions of the lifting/removal of the subsidies on food security

**Key Market Risks the Country is facing**
- **Import Subsidies (for details, see VAM presentation given in October):**
  - Collapse of the subsidy system which all country citizens, including beneficiaries, depend on;
  - Lifting or modifying food and non-food subsidies (fuel, medicine, etc.), would lead to significant price peaks, impairing buying power, especially for the most vulnerable.
- **LBP Banknote Liquidity crisis**
  - Any escalation in the LBP Banknote liquidity crisis can further deteriorate the situation and lead to market shortages;
| WFP – Situation Analysis updates / Monitoring Results | • Between September and October 2020, CPI increased by 4%, while FPI increase by 4.6%. | - Access to food can deplete due to limited access to cash if controls on withdrawal limits and access to cash to escalate.

**Key Points December 2020 Way Forward 2021**
- **Import Subsidies:**
  - First ministerial meeting for import subsidies removal/modification took place on December 2020
  - Additional meetings taking place and decision expected to be taken
  - Suggestions include further rationing power supply to save fuel and end non prescribed medicine subsidization
  - Reports emerged that a decision has been taken to end flour subsidization of all products except Pita bread.
  - Removal of all subsidies is not expected, but rather a modification of included elements.
  - Parliamentary Committees met on December 3 to discuss subsidies, however no decision was taken then.
  - Central Bank governing board also exploring possibility of reducing minimum reserve threshold from 15
percent to 12 or 10 percent, in order to continue subsidization mechanism.

- Current foreign reserve estimated at USD 17.9 billion, of which USD 800 millions available for subsidy.

-Central Bank Governor announced that subsidies can continue for only two more months at the current rate.

**Bread Price & Weight:**

- Minister of Economy & Trade set the price of packet of bread at LBP 2,000 for 900 grams, and LBP 1,250 for 400 grams. Decision to run till January 5, 2021.

**Revised SMEB:**

- Revised SMEB/MEB basket has been presented to the BAWG/FSSWG partners and is being applied.

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<th>2</th>
<th>Sector updates: Activity Info reporting and COVID food assistance response + LCRP 2021 appeal outcome for the FSS</th>
<th>Main highlights for November 2020:</th>
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<td></td>
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<td>• Total number of individuals receiving food assistance: 911,116</td>
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<td>• Total number of individuals receiving in-kind food assistance: 7,700</td>
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<td>• Increase of transfer value: 100,000 LBP per person per month for NPTP and food transfer value for refugees</td>
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- Total number of individuals receiving Cash-Based Transfer: **903,416**
- WFP provided food parcels to 11,250 Lebanese and Syrian families whose children attended schools (school feeding programme)
- A total of USD **17,162,874** have been disbursed by cash-based programs
- WFP’s beneficiaries redemption rate for November 2020 cycle: **99%**
- Number of farmers attending trainings on natural resources conservation: **130**
- # of agriculture-related MSMEs receiving technical and/or material support (trainings; capacity building; agricultural inputs, equipment etc.): **18**
- On-going trainings to **540 members of agriculture cooperatives**
- Number of farmers provided with agriculture inputs (seeds, seedlings, livestock, equipment, fertilizers, pesticides, fodder): **466 and 310 reported to receive financial and technical support**
- Number of farmers receiving trainings on farm business management: **92**

**Mapping on the basis of partners/NGOs (regional coordinators’ tracking tool) and Activity info for COVID-19 Response:**
- To note that total food parcels reported on Activity Info is **27,549 parcels**, only 18% of the data collected (including food E-cards, cash for food, and food portion of MPC). Implemented by WFP in October for the NPTP and in November for the refugee’s assistance

**Please remember to update Activity Info on a monthly basis:**
- LCRP 2020 database (regular LCRP programme);
- COVID-19 response (for activities by partners that did not appeal under the FSS in 2019 and sector partners implementing additional interventions under COVID-19 response);
- Beirut Blast Emergency Response: for partners with ongoing interventions please update the dedicated AI database
### Updates from partners on their interventions

- Updates from partners were provided regarding the following topics:
  - Adjustments of the transfer values for CBT (WFP increased to 120,000 LBP per beneficiary);
  - LCRP/COVID-19 agricultural livelihood activities (LOST/CARE/WHH/ACF/CONCERN/FAO)
  - Voucher Schemes for agricultural inputs

- Upon the VASyR results in 2020, review the vulnerable population versus the new beneficiaries and avoid discontinuation

### LCRP 2021 appeal outcome for the FSS

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<th>Partners:</th>
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<td>52 partners appealed</td>
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<td>18 new partners 2021</td>
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<td>9 2020 partners did not submit appeal for 2021</td>
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**Budget appealed by partners:**
- Increased to USD 826 million from USD 500 million in 2020

**Sector needs-based budget:**
- Increased to USD 858 million from 510 million in 2020
- Needs-based targets:
  - Lebanese: 435,000
  - Syrians: 1,320,000
  - PRS: 27,000
  - PRL: 13,500
  - Other refugees: 10,000

### Presentation of the FAO-WFP /EU MADAD Project:

**Project:** “Enhancing resilient livelihoods and food security of host communities and Syrian refugees in Jordan and Lebanon through the promotion of sustainable agricultural development”

**Impact:**
The social and economic inclusion and cohesion of the populations affected by the Syrian crisis in Jordan and Lebanon, is strengthened through local agriculture development

**Outcome:**
Livelihoods and food security of vulnerable agriculture based host communities and Syrian refugees in Jordan and Lebanon

**Beneficiaries:**
- Ministry of Agriculture
- Small and medium-scale farmers
- Dairy Sector including dairy cooperatives
- Syrian Refugees & host communities workers

**Partners:**
- Ministry of Agriculture and Green Plan

**Implementing Agencies:**
- FAO/WFP/IFAD

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- Proposal from Al Majmouaa to brainstorm on having a blended loan + grants schemes for larger outreach and sustainability purposes
- Farmers to be referred to NPTP (study linkage with NPTP)
- A draft law has been prepared by MoA for registration to regulate the registration process
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<th><strong>Funded by</strong>: European Union</th>
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<tr>
<td><strong>Expected Results:</strong></td>
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<tr>
<td><strong>Support System:</strong></td>
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<tr>
<td>• Farmer Registration system (50,000 farmers)</td>
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<td>• Vulnerable farmers sub-registry (to access NPTP)</td>
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<td>• Disaster-risk reduction mechanism</td>
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<td>• CBT support (5,000 farmers)</td>
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<td><strong>Productive Capacities:</strong></td>
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<tr>
<td>• Grants for on-farm infrastructure’</td>
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<td>• Support to cooperatives</td>
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<tr>
<td>• Small-grants fund</td>
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<tr>
<td>• Trainings to farmers and displaced Syrians</td>
</tr>
<tr>
<td>• Creation of temporary/casual jobs</td>
</tr>
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<td><strong>Institutional Capacities:</strong></td>
</tr>
<tr>
<td>• MoA agricultural centers rehabilitated to be training centers</td>
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<tr>
<td>• Master trainers</td>
</tr>
<tr>
<td>• Knowledge/platform sharing</td>
</tr>
<tr>
<td><strong>Natural resources</strong></td>
</tr>
<tr>
<td>• Forests Management</td>
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<tr>
<td>• Afforestation/reforestation</td>
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<tr>
<td>• Irrigation canals rehabilitation</td>
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