**FSS WORKING GROUP Monthly Virtual MEETING**
**10 February 2021**

**FSS COORDINATION TEAM:** Carla De Gregorio; Elie Choueiri, Amal Salibi, Hussein Nasrallah(MoA).

**PARTNERS ATTENDING:** UNDP, FAO, WFP, CARE, IOM, MOA, ECHO, French Embassy, UNHCR, Caritas, MCC, MERATH, SCI, LPC, UNIFIL, CESVI, RI, MCC, Tabitha, Camaleon, EU, ACT, Berytech, AGrytech, NUSANED, GVC, Armadilla, ILO, WVI, AVSI, ACTED, UK FCDO, AUB, Intersector, SSSE,

<table>
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<tr>
<th>Agenda item</th>
<th>Main discussion points</th>
<th>Takeaways/action points</th>
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<td>1</td>
<td><strong>WFP/VAM – Situation Analysis updates / Monitoring Results</strong></td>
<td><strong>Exchange Rate development</strong></td>
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<td>-Black market rate heavily affected by developments on the political scene. Rate near the LBP 9,000 level</td>
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<td>-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</td>
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<td>-Rate for withdrawal from non-fresh money dollar account in LBP currently set at LBP 3,900 by the central bank currency exchange platform</td>
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<td><strong>Supply Chain and WFP contracted shops situation</strong></td>
<td>Given the lack of recent data on domestic agriculture production, partners that have information from their own surveys are invited to share them with the sector coordination team.</td>
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<td>Also, please let us know if you are planning for any assessments on agriculture</td>
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<td>Link to VAM reports and assessment to be shared with partners: <a href="https://dataviz.vam.wfp.org/reports_explorer#">https://dataviz.vam.wfp.org/reports_explorer#</a> Please select Lebanon</td>
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<td>VAM will also in the next monitoring include a stronger focus on food security including food availability through agriculture production</td>
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<td>Question on scarcity of food in shops: in the short term linked to the lockdown.</td>
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-Between January 2020 and October 2020, and in comparison, to the same period in 2019:
  - Total imports decreased by 35%.
  - Food Imports (excluding cereals) decreased by 15%.
  - Food imports decreased by 6%.
  - Cereal imports increased by 6%.

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

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

-In the first week of January 2021:
  - 77% of WFP-contracted shops were using an exchange rate between LBP 8,000 – 9,000,
  - 23% reported being charged an exchange rate higher than LBP 9,000.

-The cost of the revised food SMEB in January 2021 is higher than August 2020, the date the basket was initially set, by 17%.

-Between August 2020 and January 2021, an increase of 16% was registered.

-Between December 2020 and January 2021, a 5% increase was registered.

Subsidies Latest Updates

-Through circular 561, the Central Bank organized the subsidization mechanism

  - Wheat imports are partially subsidized (85% of their cost)
  - Combustible fuel imports are partially subsidized (90% of their cost)
  - Medicine, medical equipment, and infant milk are partially subsidized (85% of their cost)
  - The central bank, in coordination with the Ministry of Economy, also subsidizes a basket of nearly 300 items Food and agricultural items, at the rate of LBP 3,900

Need to monitor it in the longer terms to assess.
- Outgoing Prime Minister indicated at the end of December that the country has around USD 2 billion in reserves left for subsidies, which can last for six months if rationing was applied.

- In the last two months combustible fuel costs rising as following:
  - Gasoline tank of 20L cost increased by 20 percent.
  - Diesel tank of 20L cost increased by 25 percent.
  - Cooking Gaz 10KG cylinder cost increased by 31 percent.
  - Increases expected to continue in the coming few weeks.

**Bread Price Updates**

In January 2021, bread price changed to LBP 2,250 for the new 900-gram bread loaf price, while a medium size parcel with a minimum weight of 400 grams price was set at LBP 1,500.

This decision taken due to:
  - The rise of the global wheat price
  - Iraqi flour donation ran out
  - The higher exchange rate

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<th>2 FSS sector updates</th>
<th>1. AI sector</th>
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<td>- For AI indicators update please refer to the presentation in attachment</td>
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<td>WFP Basic Needs Outcome Monitoring (BNOM) For Vulnerable Syrian Refugees (February 2020 and July 2020/December 2020) Shows:</td>
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<td>• A deterioration in the food security, food consumption and use of coping strategies among assisted households</td>
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<td>• Drastic decrease in acceptable food consumption score (FCS) for households receiving cash for food assistance (from 75 to 46%)</td>
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<td>• Food e-card households recipients recorded a 15 percent decrease in acceptable FCS</td>
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<td>• All households are increasingly resorting to negative coping strategies to cover for their basic needs</td>
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<td>• Assisted families experience a deduction in living standards but the assistance</td>
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Please remember to update regularly the service mapping on ActivityInfo

Beirut Blast Emergency Response: for partners with ongoing interventions please update the dedicated AI database
protected them from slipping into extreme poverty.

**Sector funding 2020**

Appeal: USD 510.5 M  
Received: USD 391 M

2. Requests for food assistance received under lockdown 22 Jan - 5 Feb (UNHCR-WFP call center)

North: 1,239  
South: 957  
ML: 1,188  
Bekaa: 875  
Beirut: 894  
**Total**: 5,153

3. Lockdown exceptions OCHA update

Additional unexpected modifications on the IMPACT platform in relation to the information to be filled by NGOs when requesting movement authorizations.

Link to AI to input weekly plans

Partners highlighted that the current situation on granting exceptions for humanitarian actors is quite confusing and reached a dead end. Partners are getting very few access permissions through IMPACT, while the new MOIM system requests that NGOs share beneficiary details which is a humanitarian redline which cannot be crossed.

Partners pointed out that there remains little clarity over access processes, engagement of GoL at all levels or a clear framework for humanitarian organisations.

3 LED program - GVC

Promoting the local economy in North East Bekaa

Project partners are Nawaya and John Paul ||

Project Objectives:

1- Regional agricultural products are competitive in price and quality  
2- Business opportunities are seized to support and connect Value Chains (vegetables/fruit trees/aromend plants) with the local economy

GVC will reach out to partners working in the Bekaa through the FSS field coordination WG during this inception phase lasting 6 months.

ACTED will also reach out given their ongoing project
3- Products are commercialized and sold in national and international markets
4- Public and private institutions collaborate for regional economic development

**Localities:** Arsal-Laboue-Nabi Osmane-Bejjeji/Jabbouli-El-Ain EL-Qaa Ras-Baalbek – Fekha/Jdeide

**Target Groups:**
- Farmer, producers and their organizations
- Trader, wholesalers and buyers
- Students receiving job orientation
- Public institutions receive capacity building

**WP0:** Coordination, monitoring and evaluation, dissemination

**WP1:** Farmers and producers diversify production and increase quality along fruit and aro-med value chains, using resources efficiently and sustainably

**WP2:** Farmer and producer organizations enable economies of scale, commercialization, increased collaboration and access to information for better marketing and sale of products at domestic and international level

**WP3:** Income and job opportunities through business creation and matching of qualification with needs, along agricultural value chains

**WP4:** Capacities of public institutions are increased and joint strategies are developed to play an active role in local and regional development planning while ensuring social cohesion

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<th>Agrytech - Berytech</th>
<th><strong>The Agrytech Program by Berytech</strong></th>
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<td>A three phases program under the ACT Smart Funded by the Embassy of the Kingdom of the Netherlands</td>
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<td>Nurturing and growing ideas, and prototypes that has an Innovative scientific, technological, or business model solution with a focus on any of the agri-food sectors</td>
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<td>Agrytech program aims to fund startups, give them access to the prototyping and to the partners can refer to the link below where they can find the start-ups supported to create technology solutions to answer to previous challenges on crop/animal and food production</td>
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https://berytech.org/programs/agrytech/startups/
national and international market. In addition of creating linkages to agri-food community and pool of dedicated experts

The Program Goals:
- Creating jobs
- Advancing the ecosystem
- Developing the sector
- Contributing to SDGs

Opportunities:
- Crop production
- Animal production
- Food Production

On February 19 Agrytech will select the projects for the next batch

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<td>1. Introducing the new sector IMO Kazem El Seblani</td>
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<td>2. Two trainings on FSS AI 2021 for old and new partners took place on Feb 4th and 11th</td>
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<td>3. Follow up daily wages discussion on 3/2</td>
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Follow up daily wages discussion on 3/2:

**ACTION 1:** need to bring the issue of increasing daily wages to the attention of the Intersector senior coordination of the LCRP during the planning workshop on 4 February as this is a cross sectoral issue that affects the credibility of partners and the implementation of programmes on the ground and joint cross-sectoral multiagency advocacy is necessary

**ACTION 2:** Bring together at a common table line ministries including the MoA, MoSA, MOET, MOL, sector coordinators, donor representatives and key UN and NGOs partners to discuss a flexible mechanism that allow to adjust the daily wage to the cost of living or transfer values based on SMEB and ensure buy-in of common approach, to also address geographical dimension and the gender disparities

Complementary advocacy from NGOs from the bottom up to donors should be envisioned and from sectors to OCHA and HCT

A rethinking of CFW Programmes proposing for the future a blended approach complementing CFW with other forms of assistance including linkages with existing safety nets