Port of Beirut Good Movement from January 2019 till March 2021 (in mt)

- A decrease of 20% is noticed when comparing Aug 2020 - Mar 2021 figures against the same period the previous year.
- A decrease of 18% is registered when comparing Jan to Mar 2021 figures to the same period in 2020.
- A decrease of 5% is registered when comparing Mar 2021 figures to Mar 2020 figures.

Source: Port of Beirut data, 2019-2021 as of April 12, 2021, subject to change.
Lebanese Customs Imports Statistics Periods Comparison – Net Weight (mt)

<table>
<thead>
<tr>
<th>Imports</th>
<th>Jan – Nov 2019</th>
<th>Jan – Nov 2020</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cereal</td>
<td>1,180,479</td>
<td>1,212,510</td>
<td>3%</td>
</tr>
<tr>
<td>Total Food (excluding cereals)</td>
<td>1,541,782</td>
<td>1,320,066</td>
<td>-14%</td>
</tr>
<tr>
<td>Total Food</td>
<td>2,722,261</td>
<td>2,532,576</td>
<td>-7%</td>
</tr>
<tr>
<td>Total</td>
<td>18,445,961</td>
<td>12,255,956</td>
<td>-34%</td>
</tr>
</tbody>
</table>

Between January and November 2020, and in comparison, to the same period in 2019:

- Total imports decreased by 34%.
- Food Imports (excluding cereals) decreased by 14%.
- Food imports decreased by 7%.
- Cereal imports increased by 3%.

Source: Lebanese Customs Agency Data – as of April 5, 2021, subject to change.
Between January and November 2020, Lebanon imported 592,056 tons of wheat, based on the Lebanese Customs published data, 20% higher than the same period in 2019 (see blue line).

Based on WFP shipment data (see orange line), Lebanon imported through the Beirut & Tripoli Ports:

- In 2020, 622,443 tons of wheat.
- Between January and March 2021, 89,438 tons of wheat, 49% less than same period the previous year (176,054 tons).
- In March 2021, 38,738 tons of wheat, 35% less than the same month last year (60,032 tons).

Source: Lebanese Customs Agency Data (blue line) & WFP Shipment Data (Beirut & Tripoli ports) (Orange line), March 2021, subject to change.
Stock coverage evolution of WFP contracted shops (as of April 23rd 2021)

- Stock coverage remained nearly stable throughout most of the first quarter of 2021.
- Large scale market disruptions registered mid March, with shops and suppliers suspending or limiting temporarily their operation, due to the rapid depreciation of the Lebanese Lira. Operation resumed once a more stable rate emerged later in the week.
- Large scale disruptions led to drop in stock coverage:
  - 67% & 70% of shops in the weeks of March 19 & March 26 reported having more than 2 weeks of stocks, down from 85% on March 12.
  - 20% of shops reported having more than 4 weeks of stock coverage in both weeks, down from 39% previously.
- Gradual improvement recorded in the following weeks, with 77% of shops reporting having more than 2 week of stock coverage by the week of April 23.
- Shops reporting having more than 4 weeks of stock coverage back to 37% by the week of April 23.
- Head of syndicate of food importers, indicated on April 12th that their current stocks can cover market needs for the next two to two and a half months.

Source: Retail Weekly Shop Phone Survey – as of 23 April 2021 (numbers based on 404 reachable shops, out of a total of 437 contracted shops) & L'orient le Jour
Stock coverage evolution of BML & South WFP contracted shops (as of April 23\textsuperscript{rd} 2021)

- Stock coverage remained nearly stable throughout most of the first quarter of 2021.
- Large scale disruptions led to drop in stock coverages, with considerable increase in percentage of shops having 2 to 3 weeks coverage:
  - 84\% & 86\% of shops in the weeks of March 19 & March 26 reported having more than 2 weeks of stocks, down from 94\% on March 12.
  - 26\% & 32\% of shops reported having more than 4 weeks of stock coverage in both weeks, down from 64\% previously.
- Gradual improvement recorded in the following weeks, with 97\% of shops reporting having more than 2 week of stock coverage by the week of April 23.
- Shops reporting having more than 4 weeks of stock coverage back to 60\% by the week of April 23.

Source: Retail Weekly Shop Phone Survey – as of 23 April 2021 (numbers based on 152 reachable shops, out of a total of 168 contracted shops in BML regions)
Shops across the country witnessed several social tensions incidents over subsidized products, with customers fighting over available products. Reports that Syrian customers in several areas were denied access to such goods.

Based on April 23rd weekly shops assessment survey results from WFP contracted shops:

<table>
<thead>
<tr>
<th>Reported</th>
<th>National</th>
<th>BML &amp; South Regions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Scarcity in certain Products</td>
<td></td>
<td></td>
</tr>
<tr>
<td>First week of March 2021</td>
<td>68%</td>
<td>79%</td>
</tr>
<tr>
<td>Week of April 23, 2021</td>
<td>55%</td>
<td>43%</td>
</tr>
<tr>
<td>Expecting to receive new orders within one week</td>
<td>94%</td>
<td>99%</td>
</tr>
<tr>
<td>Suppliers delivering full ordered quantities</td>
<td>62%</td>
<td>52%</td>
</tr>
<tr>
<td>Scarcity in subsidized items (at rate of LBP 3,900)</td>
<td>38%</td>
<td>53%</td>
</tr>
<tr>
<td>Availability of subsidized products</td>
<td>79%</td>
<td>95%</td>
</tr>
<tr>
<td>Suppliers accepting new subsidized products orders</td>
<td>64%</td>
<td>66%</td>
</tr>
<tr>
<td>Receiving full ordered subsidized products quantities</td>
<td>1%</td>
<td>0%</td>
</tr>
</tbody>
</table>

Sources: Retail Weekly Shop Phone Survey – as of 23 April 2021 (numbers based on 407 reachable shops, out of a total of 437 contracted shops) – Al Arabiya
Daily (official and unofficial) exchange rate development between mid October 2019 and April 28, 2021

- Black market rate (red line) mostly trading between LBP 12,000 and 13,000 since beginning of April 2021.
- Rate for withdrawal from non-fresh money dollar account in LBP currently set at LBP 3,900. Circular allowing such withdrawals extended till September 30, 2021 (yellow line).
- The Central Bank rolled out the new currency exchange platform “Sayrafa” in a training session on April 20. However, it did not specify the rate at which changers will be allowed to exchange or the application launch date.
- Limited categories allowed to buy foreign currencies through the platform, including importers of basic necessities. This is thus seen as resulting in an additional exchange rate in the country, as those who do not qualify to buy through the platform will have to continue buying through the current informal market.

Source: [http://lebaneselira.org](http://lebaneselira.org) & [https://lirarate.com](https://lirarate.com) – reported rates for black market and syndicate are the average of the buy and sell rates – L’Orient Le Jour
Revised Food SMEB recorded a 13% increase between February and March 2021, at LBP 176,203.

The cost of the revised food SMEB in March 2021 is higher than August 2020, the date the basket was initially set, by 49%.

The cost of the revised food SMEB in March 2021 is more than three times the cost of the basket back in October 2019 (232% increase).

Source: WFP price data, 2020, & 2021 as of 21 April 2021, subject to changes. The weights of the commodities used in the calculation of the price of the basket was further updated in the calculation of the basket cost from February 2021 onwards. Further revisions to the previously published prices might take place in the future.
Revised Food SMEB weekly price recorded a 43% increase between mid February and mid April, based on preliminary data from WFP retail database.

Between the weeks of March 8th and April 19th, the basket recorded an increase of 32%, based on preliminary data from WFP retail database.

Source: WFP retail price database, 2020, 2021 as of 26 April 2021, subject to changes. The weights of the commodities used in the calculation of the price of the basket was further updated in the calculation of the basket cost from February 2021. Further revisions to the previously published prices might take place in the future. March - April weekly data based on around 60 percent of shops data.
Annual Consumer Price Index (CPI) and Food Price Index Development (FPI) (October 2019 – March 2021)

➢ Between October 2019 and March 2021:
  ➢ The Consumer Price Index (CPI) witnessed an annual inflation of 200%.
  ➢ The Food Price Index (FPI) registered an inflation of 605%.

➢ Between March 2020 and 2021:
  ➢ The CPI witnessed an annual inflation of 158%.
  ➢ The FPI registered an inflation of 395%.

➢ Between February 2021 and March 2021:
  ➢ The CPI increased by nearly 8%, while the FPI increased by 11%.

Source: Central Administration for Statistics (CAS)
Subsidies Removal Latest Updates as of April 2021

➢ No official decision on the current subsidization mechanism. Ministerial consultations taking place this week to finalize the financial support card plans. Media sources indicated 750 thousand families will be included, to be provided around LBP 1,300,000 per month.

➢ Finance Minister indicated in an interview with Reuters beginning of April that remaining reserves are around USD 15.8 billions, of which USD 800 millions, covering current subsidy mechanism until end of May at the latest.

➢ Ministry of Economy & Trade (MoET) released an updated list of items in the basket of subsidized food commodities/agricultural and industrial raw materials, on March 24 . The list substantially cuts the number of items included under the subsidized industrial material components to only 4 items, from around 80 items in the previously updated list, back in November 2020.

➢ Several changes to the price & weight of bread package took place – MoET now publishing a weekly price list:

   ➢ Price of the large package initially increased to LBP 3,000 and then brought down back to LBP 2,500 at the end of March. The ministry stated that the central bank accepted its request to raise the subsidy percentage on wheat from the current 85 percent to a full 100 percent. However, no circular in that regard was issued yet.

   ➢ Bakeries syndicate decided to stop distributing bread packages and limit the selling to their shops, following the price decrease. They cited a lack of coordination with the Ministry as the reason and that the latest decision has put additional financial burden on them.

   ➢ Ministry then further revised prices on April 16th. Price now depends on the location of selling. At the bakeries, large package (960 grams) cost LBP 2,500, while medium package (370 grams) cost LBP 1,500. At retail shops, large package cost LBP 3,000, while medium package cost LBP 1,750.

Fuel price remained near the high levels registered in the past few weeks.

Gasoline price has increased by 59 percent, diesel by 61 percent, and cooking gas by 33 percent, between the first week of December 2020 and April 28th 2021.
As inflation and unemployment rates continue to rise, so does poverty. This in turn will lead to further deterioration in the food security status of Lebanon’s residents.

Beginning of 2021, 20 percent of Lebanese, 50 percent of Syrian refugees, and 33 percent of refugees of other nationalities are estimated to be food insecure. With the latest markets development these estimates have likely increased.

Unemployment, another key reason for people’s lack of income, and ultimately ability to purchase/cover essential needs, has been rising over the past year. WFP surveys found unemployment rates for both Lebanese and Syrians to be 39 percent in 2020.

Debt level of Lebanese, Syrian refugees and refugees of other nationalities increased; top reason for borrowing was to buy food.

Among Syrian refugees, the increase in food insecurity goes in line with the increase in poverty (odds ratio equals to 0.74).

In 2020, an increase in the share of food expenditure out of total expenditures was observed for all residents of Lebanon.

In March 2021, the updated WFP/WB/UNHCR report ‘Compounding Misfortunes’ suggests that, the extreme poverty rates of Lebanese will continue to increase by end of 2021.

Expected modification/removal of the current subsidies on key commodities and medicine could potentially further increase inflation trends. Social tensions and civil unrest could once again erupt across the country, as a result of the subsidy removal and decreasing households purchasing power, especially for the most vulnerable.
Thanks!
Questions?

WFP Lebanon

RAM & Retail/Supply Chain Unit
WFP RAM 2020 Key Products

VASyR 2020 (UNHCR/UNICEF/WFP)
Markets Update: January, February, April, May, June, August, December, March 2021
mVAM Assessments (with the World Bank): July/August, September/October, November/December
Web Survey: Round 1, Round 2
Review of the SMEB (2020) (Joint work)
MEB for Syrian Refugees in Lebanon Study
Beirut Port Explosion: Impact on Key Economic and Food Security Indicator
Basic Needs Outcome Monitoring: February, July, December 2020