FSS WORKING GROUP Monthly Virtual MEETING  
November 10, 2020

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<td>1 WFP VAM updates on web survey round 2 on Assessing and Monitoring the socio-economic impacts of COVID-19 &amp; Economic crisis</td>
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<td>Beirut Blast explosion occurred in the context of different crises Lebanon is facing: (i) economic crisis economic crisis with inflation, spiraling unemployment and exodus; (ii) increasing COVID-19 cases reaching almost 85,000 cases as of beginning of November 2020 and (iii) the resignation of the Lebanese government as of 20 November 2020.</td>
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Objectives:
- (i) Monitor the situation of both Lebanese and Syrians impacted by these crises; (ii) identify the vulnerable population of the most affected for better targeting of support and (iii) Triangulate results to other sources and surveys such as mVAM |
Survey Tool Used: Web surveys

- Advantages in Lebanon is the high percentage of people connected to the internet (78 percent) and the high literacy rate (95 percent)

Scope and Coverage:
- Representative for Lebanese and Syrian populations at national level
- Surveys completed, exceeded the targets (1,920) and reached 2,169 surveys in total
- The second round of data collection was carried out from 21 August 2020 to 16 September 2020
- Respondents' gender were almost equally distributed: for Lebanese and for Syrians 49 percent were women and 51 percent were men
- 60 percent of Lebanese respondents' age are over 60 years versus 38 percent for Syrians
- 41 percent of Lebanese respondents have an education degree (University) while 39 percent of Syrian respondents completed their primary cycle

Main topics covered in the survey
- Impact of the Beirut explosion (damages) to the respondents' houses (59 percent Lebanese; 42 percent Syrians)
- Accommodation after the blast: 68 percent of Lebanese reported to be staying in their houses versus 43 percent for Syrians- In the country, 23 percent of respondents reported to host a family impacted by the explosion;
- Impact on Livelihoods: around 45 percent of Lebanese respondents reported to having their income reduced or lost mainly due to the public
unrest in October 2019 with same percentages in Beirut and at governorate levels

- As for Syrians, almost half reported to have their income reduced or lost jobs due mainly to COVID-19 pandemic in Beirut and at governorate levels
- Almost two-third of respondents (same percentages for Lebanese and Syrians) reported to having lost their jobs during August-September 2020 and almost a third having experienced a reduction in salary
- For Debt: 55 percent of Lebanese respondents in Beirut reported having borrowed money during August-September 2020 (versus 65 percent for Syrian respondents), the main reasons were for rent purposes (32 percent) versus 54 percent for Syrian respondents and to buy food (23 percent) versus 35 percent
- Concerns on not having enough food to eat: Syrian respondents in Beirut were more concerned (76 percent) versus 44 percent for Lebanese respondents
- Food consumption during the previous day of the interview: 35 percent of Syrian respondents in Beirut reported not having consumed any meal or only one versus 19 percent for Lebanese
- Half of Lebanese respondents and half of Syrian respondents reported having eaten less expensive food as a food-based negative coping strategy
- The main livelihoods coping strategies used by respondents were: spending less on food (25 percent in Beirut and 30 percent in other governorates) both for Lebanese and Syrians, and spending savings (24 percent for Lebanese) while the second main livelihoods coping strategy for

Main Recommendations

- Impact to food availability and consumption of population needs to be addressed
- Food assistance needs to be expanded to those not receiving any support in light of the different crises
- Actions are underway to mitigate the impact of the economic crisis on vulnerable population through different assistance (financial, other resources etc..)
- Mitigate the disruption to livelihoods by supporting the government in strengthening their Social Safety Net System
- With the beginning of the winter period, nutrition surveys needs to be conducted
- Investigate how best to connect household and community support to cover increased needs.
Syrians was asking help from family or friends (as 15 percent in Beirut and 22 percent in other governorates)

- Healthcare provision: while 52 percent of Syrians respondents in Beirut reported not having access to health care, 30 percent of Lebanese respondents reported that health care provision have deteriorated
- Accessing essential medicine: 24 percent of Lebanese respondents in need of medicine reported that clinics ran out of these medicines during August-September 2020 while out of the Syrian respondents in need of medicine, 53 percent reported not affording to buy medicines anymore
- Safety in the environment respondents live:
  - Lebanese respondents tend to feel unsafe due to protests and riots
  - Syrian refugees are feeling unsafe due to violence in the community and discrimination

Supply chain and WFP contracted shops situation:

**Lebanese Customs Imports Statistics Periods Comparison**

- Total imports decreased by 41 percent between January and August 2020 in comparison to same period in 2019;
- During the same period, food imports decreased by 22 percent (excluding cereals)
- Total food imports decreased by 11 percent
- Cereals imports increased by 6 percent
- Between January 2020 and August 2020, wheat imports to Lebanon reached 457,566 tons (+28 percent in comparison to 2019);
- Between January and October 2020, Lebanon imported 565,043 tons of wheat, based on WFP shipment data, through Beirut and Tripoli ports
- In October 2020, Lebanon imported 29,450 tons of wheat based on WFP shipment data versus 47,958 tons in October 2019 through Beirut and Tripoli ports
- Between January 2020 and October 2020, Lebanon imported 543,213 tons of animal food (corn, soya & Barley) through its Beirut and Tripoli ports (WFP shipment data)
- In October 2020, Lebanon imported 43,378 tons of animal food through its Beirut & Tripoli ports, versus 37,735 tons in October 2019.

**Stock coverage evolution of WFP contracted shops (as of 6 November 2020)**

- 78% (76% on October 8th ) of WFP contracted shops reported to have more than 2 weeks of stocks
- 10% of WFP contracted shops reported scarcity in certain products, such as oil & fats, sugar, fresh products, and subsidized products
- 36% of WFP contracted shops reported suppliers not delivering the full ordered quantities
- 94% reported having subsidized items at the rate of LBP 3,900
- 81% reported that suppliers are accepting new orders for subsidized products
- Only 5% 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 continue to follow the informal market developments.
- Following the recent increase in the informal exchange rate, 98 percent of WFP contracted shops were using an exchange rate between LBP 7,000-8,000 by November 6th, while 2 percent were charged between LBP 6,000-8,000 LBP.

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

Daily exchange rate development between mid-October 2019 and November 2020:
- Black market rate heavily affected by developments on the political scene; Rate has been witnessing small increases lately.
- Official exchange houses rate as set by the central bank currency exchange platform (Sayrafa) continues to be set at between LBP 3,850 & LBP 3,900.

The Cost of the Food SMEB price:
- Food SMEB kept increasing month-over-month, recording the highest price in October 2020 at LBP 109,318. The cost of the SMEB is higher than September levels by 185 percent.
- At the governorate level, Baalbeck-Hermel recorded the highest m o m increase (up to 8 percent), followed by Beirut (up to 6 percent).

- 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 until March 2021).
- WFP will monitor any impact the potential restriction in Lebanese pounds withdrawal will have on food SMEB prices.
- WFP targets were reached as planned because reprogramming was done for some partners.
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| • In parallel with the Food SMEB, the monthly average unofficial exchange rate increased by 1 percent between September and October.  
• A 185 percent weekly food price (SMEB basket) increase is registered between the week of 14 October 2019 and the week of October 2\(^{nd}\) (data from WFP contracted shops) | • Total number of individuals receiving food assistance: 1,173,392 (almost 80 percent through cash-based modalities and 20 percent in-kind)  
• As a response to COVID-19 pandemic, almost 26,000 individuals received in-kind food assistance  
• WFP provided food parcels to 11,250 Lebanese and Syrian families whose children attended schools (school feeding programme)  
• 82,840 new vulnerable Syrians beneficiaries assisted with cash-based assistance due to windfall from negotiated exchange rate  
• A total of USD 154,312,386 have been disbursed by cash-based programs since January 2020  
• Agriculture livelihoods activities were resumed in Q3 but they are far from reaching their targets  
• Exception for the output on temporary or casual labour force to build or maintain agricultural infrastructure | • A further scale-up of food-assistance to a total of 50,000 NPTP Lebanese families is expected to be implemented in late 2020-early 2021 |
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- The Food Security Sector is funded at 54 percent of its needs for 2020
- Partners presented their current interventions and/or their planned ones either in-kind (food parcels, hot meals) or Cash food assistance
- For the agricultural livelihoods activities a new project under EU-MADAD funding will be implemented starting 2021 with main components tackling the farmer registry, farmers voucher schemes for agricultural inputs and social protection. The MADAD project will be implemented by WFP, FAO and IFAD.

**The Food Security Sector Strategy for 2021** takes into account the following:

- Dual track approach in response to the challenges in a humanitarian-stabilization continuum
  - To reduce rising food insecurity levels in a context of multiple crises
  - To address i) immediate recovery needs in agriculture and ii) contribute to longer term resilience
  - To strengthen national and local institutions capacities

- The Food security Sector shall advocate in supporting farmers especially small-scale ones to sustain their agricultural activities during 2021
- During the next FSSWG meeting, the MADAD project main components will be presented

- Importance of harmonized selection/targeting of beneficiaries
- Nutrition aspects will be tackled in close collaboration with the Lebanon Nutrition task Force and most possibly the establishment of a Nutrition Sector
|   | • The strategy remains anchored to the four dimensions of food security: availability, access, utilization and stabilization  
• Estimated people in need has risen from 1.5 people to almost 2 million and targets will be updated accordingly in parallel with the preparation of the FSS logframe  
**The main risks identified** during the different field consultations with partners were:  
• deepening of socioeconomic crisis  
• removal of food subsidies  
• rising social tensions/inter-communal tensions driven by competition over jobs, competition over access to services and perceptions of aid bias  
• impact of climate stressors  
**Cross-cutting issues:**  
• Social stability and conflict sensitivity  
• Youth and Children  
• Gender and Age  
• Protection and accountability to affected populations (AAP)  
• Partners willing to work in Food Security Sector are encouraged to be part of the Expression of Interest and to appeal for 2021  
• The Expression of Interest for LCRP 2021 appeal will be in two steps: (i) targeting the geographical area and related output for intervention; and (ii) total budgeting of the planned interventions |
| 6 | **Presentation of the National Agricultural Strategy (NAS) by the Ministry of Agriculture**  
**Purpose:**  
• operational instrument to transform the agri-food sector and contribute to absorb the crises induced economic shocks as well as to recover the Lebanese economy  
• strategic guiding document with a consistent policy and investment framework for the agri-food sector  
**NAS Guiding principles:** |
• Participatory and local consultation process
• Stakeholders inclusion
• Gender sensitiveness
• Evidence-based identification
• Governance
• Alignment with country’s policies
• Building on lessons learnt from previous strategies

Theory of Change:
• improving and restoring the livelihoods of farmers and other actors in agriculture and food industries to:
  o Achieving recovery, growth and sustainability by providing support, incentives and services to sustain in this sector
  o Achieving justice and equality by targeting the most marginalized, especially in rural areas
• NAS aims at addressing both old and new structural problems (with the current different crises)

The Five Pillars of the NAS: Required total budget: USD 710.5 million
• Restoring the livelihoods and productive capacities of farmers and producers (Budget needed: USD 75 million/ current gap: 25 percent)
• Increasing agricultural production and productivity (Budget needed: USD 355 million/ current gap: 93 percent)

5 Flagship programmes identified:
• Inclusive access to inputs and credit for agricultural recovery
• Enhancing governance of the agriculture sector
• Agri-food production and export via investing in smart technologies, markets and efficient organizations: merging priorities of Value
| • Enhancing efficiency and competitiveness of agri-food value chains (*Budget needed: USD 132 million/ current gap: 91 percent*)  
| • Improving climate change adaptation and sustainable management of agri-food systems and natural resources (*Budget needed: USD 105 million/ current gap: 88 percent*)  
| • Strengthening the enabling institutional environment (*Budget needed: USD 43.5 million/ current gap: 72 percent*)  
| **NAS Governance:**  
| • Re-activate the Higher Council for Agriculture  
| • Establish a Higher Inter Ministerial Committee  
| **Investments channeled to:**  
| • Developing human capacities  
| • Engagement in policy dialogue | **Chain networking and modernization coupled with enhanced access to farmers**  
| • Improved and modernized digital services to farmers  
| **Next steps:**  
| • Concept notes preparation (evidence-based)  
| • Governance mechanism  
| • Resource mobilization  
| • Monitoring framework  
| • Public expenditure review |
| 7 | AOB | • Regular FSS Reporting on Activity Info | The FSS will share with partners the communication and outreach materials and video for the Technical Agricultural schools students’ enrollment in first year formal education |