



World Food
Programme

WFP RAM & Retail/Supply Chain Unit Lebanon

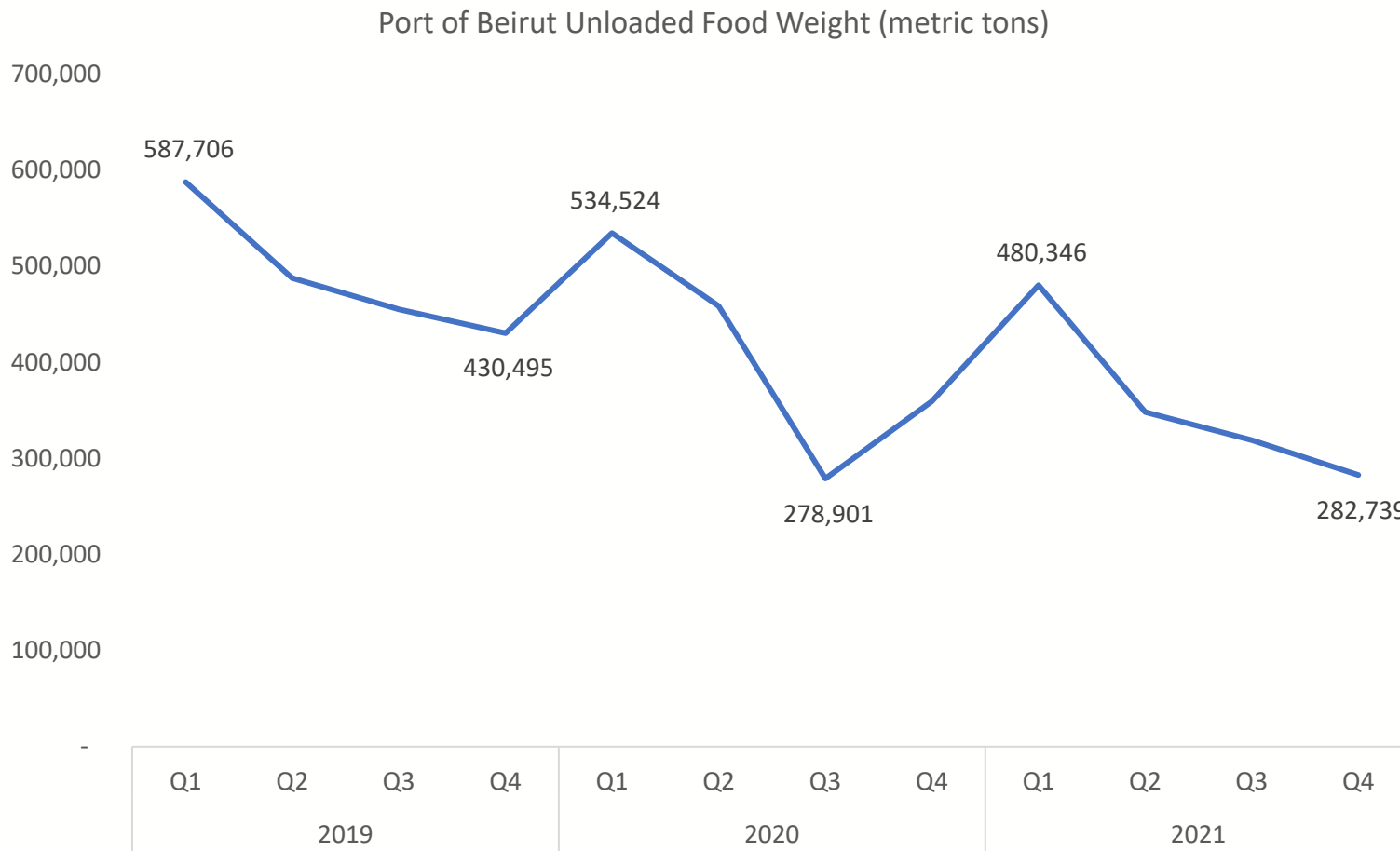
National FSSWG – Food Security and Markets Situation Analysis

FSSWG Meeting

8 February 2022

SAVING
LIVES
CHANGING
LIVES

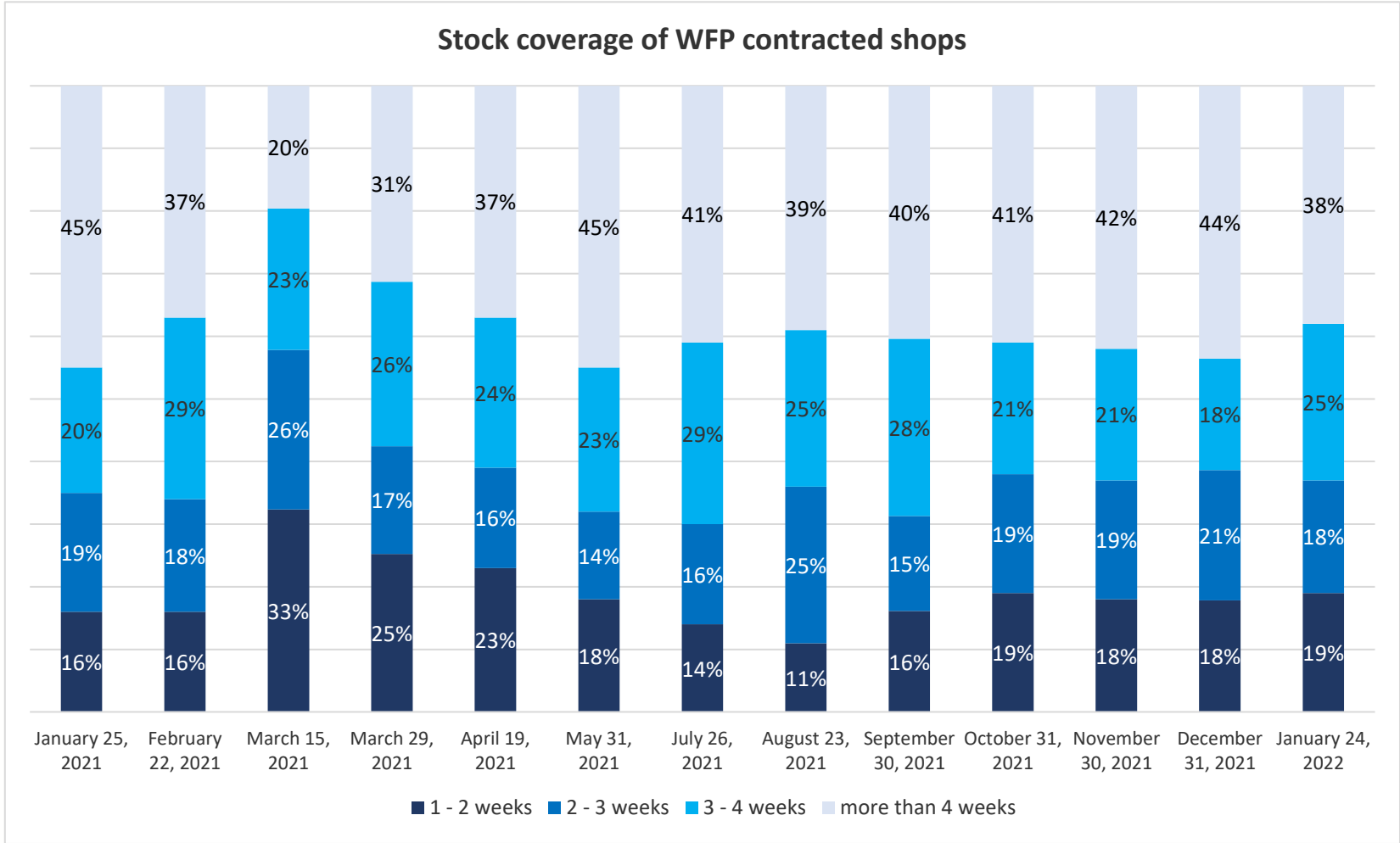
Decreasing trend (- 12 percent) in food imports continue in 2021



- A decrease of 12 percent is registered when comparing 2021 figures to 2020 and 27 percent decrease when comparing them to 2019 figures.
- Decrease in 2021 versus 2020 led by the following imports categories decreases:
 - 38 percent in edible vegetables & live animals
 - 13 percent in fat & oils.
 - 6 percent in cereals
- A 25 percent decrease in 2021 fourth quarter versus same quarter in 2020
- **Subject to change for the 2021 figures as more data is released**

Source: Port of Beirut data, 2019-2021 as of February 7, 2022, subject to change.

Food Stocks availability remains stable in the first month of 2022



- Stock level remain stable at the beginning of 2022.
- Shops with more than 2 weeks of stock coverage at 81 percent.
- 10 percent of shops reported disruptions in receiving new orders in January 2022 (versus 9 percent in December and 11 percent in November 2021). Disruption mostly due to bad weather conditions.
- 52 percent of shops reported electricity outages (both generator and EDL) up from 44 percent in December and 47 in November 2021. 94 percent of those shops had contingency measures: own generator, UPS, etc.

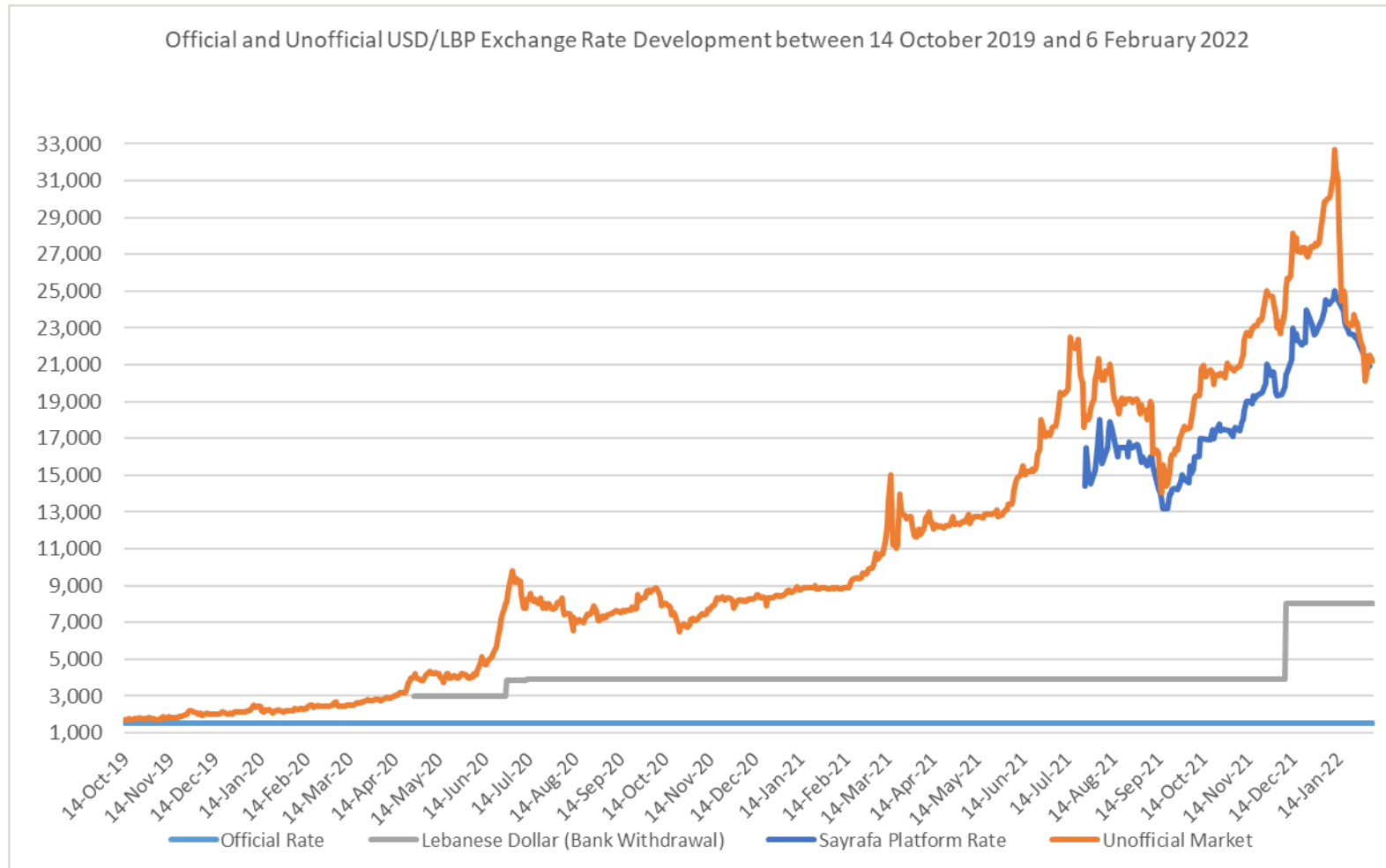
Sources: Retail Unit Shop Phone Survey – as of 7 February 2022

Despite overall situation, supply chain system continue operating efficiently

➤ Based on the retail unit contracted shops assessment survey results:

Reported	Week of Mar 1, 2021	Week of Apr 5, 2021	Week of May 3, 2021	Week of May 31, 2021	Week of Jun 28, 2021	Week of Jul 26, 2021	Week of Aug 23, 2021	Week of Sep 20, 2021	Week of Oct 25, 2021	Week of Nov 22, 2021	Week of Dec 27, 2021	Week of Jan 24, 2022
Scarcity in certain Products	68%	60%	51%	55%	57%	54%	52%	10%	8%	10%	9%	13%
Expecting to receive new orders within one week	94%	83%	95%	97%	85%	94%	82%	94%	97%	95%	96%	97%
Suppliers delivering full ordered quantities	62%	45%	50%	66%	71%	73%	86%	92%	91%	91%	92%	94%

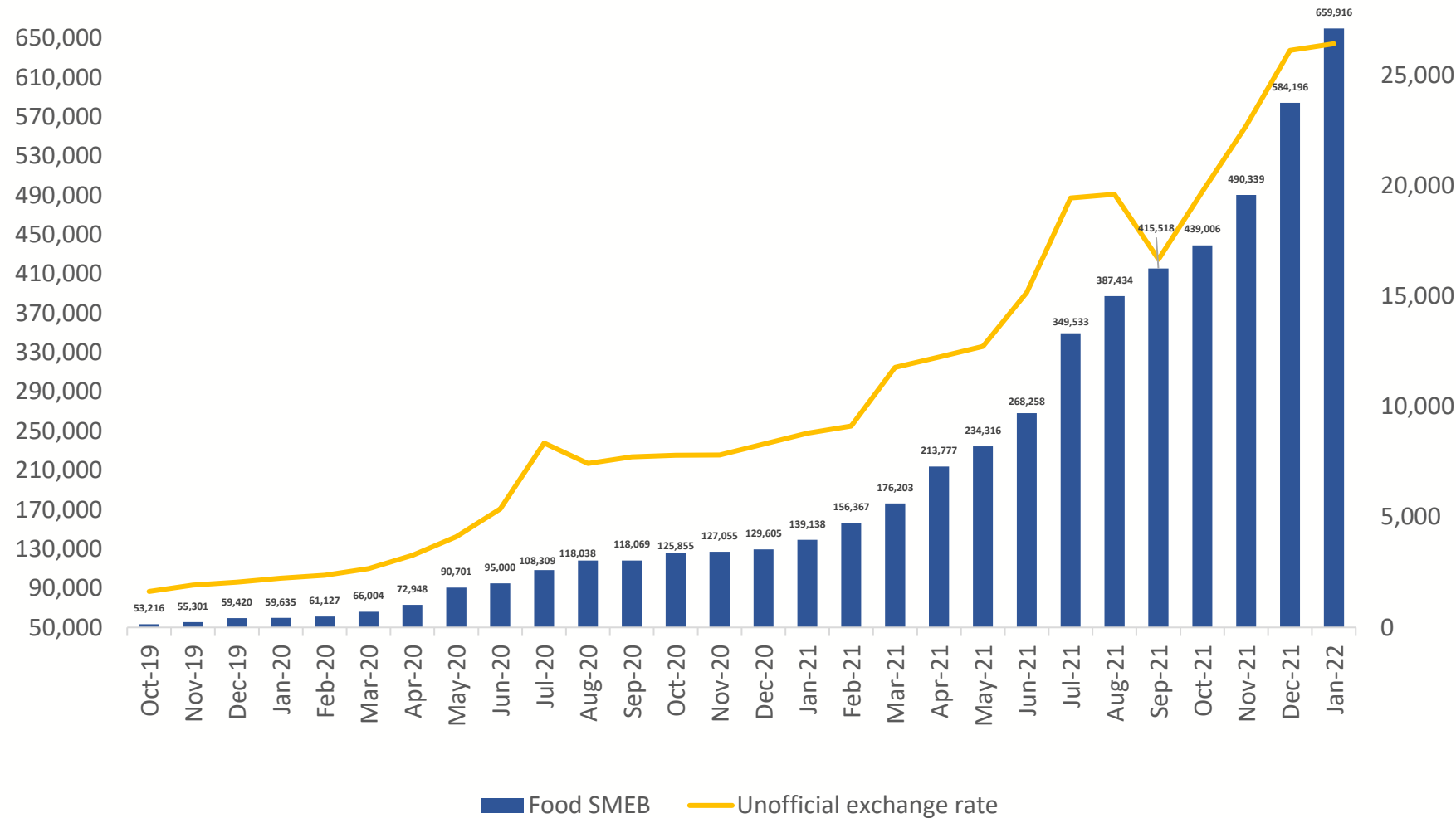
Central Bank intervention through circular 161 stabilises Lebanese Lira rate around the USD/LBP 21,000 mark.



- Informal market rate (red line) previously breached the LBP 33,000 level for the first-time mid January.
- Central Bank intervention through circular 161 brings rate down to LBP 21,000 currently.
- Withdrawal from non-fresh money dollar account in LBP continues at LBO 8,000 (circular 151).
- Central Bank publishing daily the amount of transaction taking place on the “Sayrafa” platform and the rate. Currently trading at around USD/LBP 21,000.
- Sayrafa platform traded above informal exchange rate during first week of February 2022 for the first time since it started operating.

Source: <http://lebaneselira.org> & <https://lirarate.com> – reported rates for black market and syndicate are the average of the buy and sell rates

Decrease in informal exchange rate not reflected in prices yet. Food SMEB increased by 13 between December 2021 and January 2022 – Since October 2019 (1140%)



- Food SMEB recorded a 13% increase between December and January, at LBP 659,916.
- The cost of the revised food SMEB in January 2022 is more than 12 times the cost of the basket back in October 2019 (1140% increase).
- Weekly preliminary data show cost of the basket decreased by 12 percent so far (LBP 688,641 during week of January 10 to LBP 607,657 during first week of February).
- Further price increase beyond exchange rate fluctuation expected in 2022 once new state budget approved, due to rising taxes/duties.

Source: WFP price data, 2020, & 2021 as of 7 February 2022, 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.

Price increase across all components of the food SMEB between December 2021 and January 2022 - Sunflower Oil (2,598%) registering the highest price increase since October 2019

Food SMEB Components (SMEB per Individual Weights)	Price		m-o-m variation	
		Jan-22	Dec-21	Oct-19
Apples (1.5Kg)	LBP	22,328	16%	1016%
Bread (7.02KG)	LBP	66,543	8%	532%
Brown Bulgur (1.95KG)	LBP	39,445	9%	1143%
Cabbage (2.7KG)	LBP	11,178	5%	268%
Carrots (0.6KG)	LBP	7,018	9%	776%
Chickpeas (0.9KG)	LBP	37,054	14%	1198%
Eggs (0.45KG)	LBP	21,088	19%	1632%
Lentils (0.75KG)	LBP	32,255	14%	1727%
Pasta (1.8KG)	LBP	61,247	18%	976%
Potatoes (2.1KG)	LBP	28,606	10%	1262%
Powder Milk (0.6KG)	LBP	98,124	10%	2003%
Egyptian Rice (2.4KG)	LBP	54,234	13%	1372%
Salt (0.12KG)	LBP	592	13%	689%
Sardine (0.45KG)	LBP	69,412	19%	1619%
Sugar (0.6KG)	LBP	12,689	11%	2218%
Sunflower Oil (0.51L)	LBP	27,027	12%	2598%
Tea (0.12KG)	LBP	29,859	13%	1439%
Tomato Paste(0.6KG)	LBP	27,216	19%	772%
White Beans (0.3KG)	LBP	14,003	11%	1344%

- Sardine, tomato paste and eggs registered the highest price increase between December 2021 and January 2022 (19 percent).
- Sunflower oil registered the highest price increase since October 2019 (2,598 percent), followed by sugar (2,218 percent), powder milk (2,003 percent) and lentils (1,727 percent).
- Large bread package increased by 634 percent since pre crisis. Latest prices of the bundles:
 - Large package (1,245 grams) set at LBP 11,000.
 - Medium package (835 grams) set at LBP 9,000
 - Small package (360 grams) set at LBP 5,000.

Central Bank provision of needed USD for gasoline imports remains at 85 percent of total invoice at “Sayrafa” platform rate – percentage expected to further decrease

Date	Gasoline 95 Oct	Diesel	Cooking Gas
January 2021	26,000	18,400	22,200
February 4, 2022	358,400	328,600	276,400
Price increase	332,400	310,200	254,200
% increase	1,278	1,686	1,145

- Central Bank kept the coverage of gasoline imports requirement in USD at 85 percent at “Sayrafa” rate. Further decrease in the percentage expected in the future.
- The remaining 15 percent are secured by importers/petrol stations from the informal market.
- Ministry of Energy continue publishing price bulletin several times per week, to keep up with exchange rate fluctuations.

Source: <https://www.iptgroup.com.lb/ipt/en/our-stations/fuel-prices>



A woman wearing a blue WFP cap and a blue long-sleeved shirt with a logo and ".org" is seen from behind, working in a market stall. She is surrounded by various fresh produce, including large crates of red tomatoes, bunches of yellow bananas, and green beans. The background shows other people and market stalls under a covered structure.

Thanks! Questions?

WFP Lebanon

RAM & Retail/Supply Chain Unit